

DRAFT LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Shareholder(s) of Punjab Alkalies and Chemicals Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement to the member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER (“OFFER”) BY

Name of Acquirer / PAC	Referred as	Name of Acquirer / PAC	Referred as
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	Mrs. Parerna Ahlawat	Acquirer 6
Mrs. Dayawati Dahiya	PAC 1	Mr. Mayank Ahlawat	PAC 2
Ms. Garima	PAC 3	Himalaya Alkalies & Chemicals Limited	PAC 4
Advance Chemicals	PAC 5	Tara Mercantile Private Limited	PAC 6

Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4, Acquirer 5 and Acquirer 6 collectively referred to as “Acquirers” AND PAC 1, PAC 2, PAC 3, PAC 4, PAC 5 and PAC 6 collectively referred to as “PACs”. Acquirer 1 has its registered office at 315, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034; Acquirer 2 has its registered office at 314, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034; Acquirer 3, Acquirer 5, PAC 1 and PAC 3 resides at 120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085; Acquirer 4, Acquirer 6 and PAC 2 resides at C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085; PAC 4 has its registered office at C - 1/701, Sai Baba Apartment, Sector 9, Rohini, New Delhi - 110 085; PAC 5 has its principal place of business at Khasra No. 268/1 and 268/2, Village Hamidpur, Delhi - 110 036; PAC 6 has its registered office at 314-315, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034.
Common contact details for the Acquirers and the PACs: Tel. No. +91 11 4704 9212; Email: ssdahiya@flowtechgroup.in

TO ACQUIRE

upto 7,056,607 fully paid up equity shares of face value Rs. 10/- each representing 26.00% of the total issued Share capital and 26.03% of voting capital

OF

Punjab Alkalies and Chemicals Limited (“Target Company”)

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

from the Eligible Shareholders (i.e. Other Public Shareholders and Existing Promoter) of the Target Company at a price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per fully paid up equity share of Rs. 10/- each (“Offer Price”) payable in cash

- This Offer is being made by the Acquirers and PACs pursuant to Regulation 3(1) and 4 read with Regulation 13(2)(a) and other applicable regulations of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time (“SEBI SAST Regulations”).
- The Acquirers and PACs do not propose to acquire partly paid up shares of the Target Company. For details, please refer to Clause 3.2.5 of the Letter of Offer.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI SAST Regulations.
- This Offer is NOT a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- To the best of the knowledge of the Acquirers and the PACs, there are no statutory approval(s) required by the Acquirers and PACs to complete this Offer. However, in case of any statutory approval(s) being required by the Acquirers and PACs at a later date, this Offer shall be subject to such approvals. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirers and the PACs, the Acquirers and the PACs may withdraw the Offer under Regulation 23 of the SEBI SAST Regulations.
- 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 i.e. September 15, 2020 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 was published. Any upward revision of the Offer Price would be payable to all the shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent of such Equity Shares having been verified and accepted under the Offer, by the Acquirers.
- A copy of the Public Announcement, Corrigendum to the Public Announcement, Detailed Public Statement, and Letter of Offer (including the Form of Acceptance cum Acknowledgement) would also be available on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.
- **There has been no competing offer as on the date of the Letter of Offer.**
- **If there is a competing offer at any time hereafter, the offers under all subsisting bids will open and close on the same date.**
- **Unless otherwise stated, the information set out in the Letter of Offer reflects the position as of the date hereof.**

Manager to the Offer	Registrar to the Offer
	
Sundae Capital Advisors Private Limited SEBI Regn. No.: INM000012494 3rd Floor, C - 11 Community Centre Janak Puri, New Delhi - 110 058 Tel.: +91 11 4914 9740 E-mail: pacl.openoffer@sundaecapital.com Investor Grievance e-mail id: grievances.mb@sundaecapital.com Website: www.sundaecapital.com Contact Person: NitiN Somani / Anchal Lohia	Beetal Financial & Computer Services Private Limited SEBI Regn. No.: INR000000262 Beetal House, 3rd Floor, 99, Madangir Behind Local Shopping Centre, New Delhi - 110 062 Tel.: + 91 11 2996 1281-83 Fax: +91 11 2996 1284 E-mail ID: beetalrta@gmail.com Website: www.beetalfinancial.com Contact Person: S P Gupta

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES PERTAINING TO THE OFFER

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
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:

1. Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.
2. 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.

RISK FACTORS

The risk factors set forth below pertain to this Offer and the Acquirers & PACs and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by Eligible Shareholders in this Offer, but are merely indicative. Eligible Shareholders are advised to consult their stockbrokers, investment consultants and / or tax advisors, for analyzing and understanding all the risks with respect to their participation in this Offer.

Relating to the transaction and the proposed Offer:

- 1) *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 outcome of the disinvestment cannot be ascertained and any successful bid by a third party may result in diversified shareholding control of the Target Company, which may impact its operations.*

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.

- 2) The Acquirers & PACs will not accept partly paid up equity shares since the liability of interest payable by such holder of partly paid up shares for the delay is not known.
- 3) To the best of the knowledge of the Acquirers, there are no statutory or other approvals required to complete the Offer. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).

However, in case any statutory or regulatory approvals which become applicable on a later date, are not received in a timely manner or if there is any litigation to stay the Offer, or SEBI instructs the Acquirers and PACs not to proceed with the Offer, then the Offer process (including payment consideration to the Shareholders, if any) may be delayed beyond the schedule of activities indicated in the Letter of Offer. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers and PACs for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers and PACs agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI SAST Regulations. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirers and PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer. The Acquirers and PACs will have the right not to proceed with this Offer in the event any statutory approval, as may be required, is refused.

- 4) Non-resident holders and OCB holders of Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not persons resident in India had required any approvals (including from the RBI or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the Form of Acceptance-cum-Acknowledgment and other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirers and PACs reserve their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
- 5) The Equity Shares tendered in the Offer may be held in trust by the Clearing Corporation of the Stock Exchange / Registrar to the Offer until the completion of the Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in the Offer. It is understood that the Public

Shareholders shall be solely responsible for their decision regarding participation in the Offer.

- 6) Eligible Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of Equity Shares under the Offer and dispatch of consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. The Eligible Shareholders who have tendered Equity Shares under the Offer will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirers & PACs and Manager to the Offer make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision taken by the Eligible Shareholders on whether or not to participate in this Offer.
- 7) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis as per SEBI (SAST) Regulations and hence there is no certainty that all Equity Shares tendered by the Eligible Shareholders in the Offer will be accepted.
- 8) The Acquirers and PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, Detailed Public Statement, Draft Letter of Offer, Letter of Offer or in the Post Offer Public Announcement or any corrigendum or any materials issued by or at the instance of the Acquirers and PACs or the Manager to the Offer in relation to the Offer, and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
- 9) The Offer is subject to completion risks as would be applicable to similar transactions.
- 10) The Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LOF, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers and PACs or the Manager to the Offer to any new or additional registration requirements.
- 11) The Eligible Shareholders are advised to consult their respective tax advisors for assessing the tax implications pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and PACs does not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the Letter of Offer.

Relating to the Acquirers & PACs

- 1) The Acquirers & PACs make no assurance with respect to the financial performance of the Target Company and their investment / divestment decisions relating to their proposed shareholding in the Target Company.
- 2) The Acquirers & PACs cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- 3) The Acquirers & PACs and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement / Corrigendum to the Public Announcement / Detailed Public Statement / Draft Letter of Offer / Letter of Offer and anyone placing reliance on any other sources of information, not released by the Acquirers, would be doing so at his / her / its own risk.
- 4) The Acquirers & PACs do not accept the responsibility with respect to information contained in the Public Announcement or Corrigendum to the Public Announcement or Detailed Public Statement or Draft Letter of Offer or Letter of Offer that pertains to the Target Company and has been compiled from publicly available sources.
- 5) The Acquirers and PACs and certain other entities controlled by the Acquirers and PACs have entered into certain transactions with the Target Company in the ordinary course of business. For details refer to Clause 4.14 of the Letter of Offer.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirers & PACs but are only indicative in nature. The risk factors set forth above pertain to the transaction, the Offer and the Acquirers & PACs and do not pertain to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by Eligible Shareholder in the Offer. Eligible Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for understanding any other risks with respect to their participation in the Offer.

GENERAL

The Draft Letter of Offer, Letter of Offer, Detailed Public Statement, Corrigendum to the Public Announcement and Public Announcement in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of the SEBI SAST Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of the Letter of Offer, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirers, since the date hereof or that the information contained herein is correct as at any time subsequent to this date nor is it to be implied that the Acquirers and PACs are under any obligations to update the information contained herein at any time after this date. The Letter of Offer shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the Letter of Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his, her or its Equity Shares in this Offer. Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

CURRENCY OF PRESENTATION

- 1) In the Letter of Offer, all references to “₹” / “Rs.” / “Rupees” / “INR” are to Indian Rupee(s). Throughout the Letter of Offer, all figures have been expressed in “million”, “thousand”, “lakh” or “crore” unless otherwise specifically stated.
- 2) In the Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

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1. ABBREVIATIONS / DEFINITIONS

Particulars	Details / 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
BSE	BSE Limited
Book Value Per Share	Net Asset Value per Equity Share (i.e. Net Worth/ Number of Equity Shares issued)
Buying Broker	Eureka Stock & Share Broking Services Limited
CDSL	Central Depository Services (India) Limited
Corrigendum to the Public Announcement	Corrigendum to the Public Announcement issued on August 07, 2020
DP	Depository Participant
Detailed Public Statement	Detailed Public Statement relating to the Offer published on August 11, 2020
Draft Letter of Offer	Draft Letter of Offer dated August 11, 2020 filed with SEBI
Eligible Shareholders	(i) Public Shareholders other than the Acquirers and PACs and (ii) the Existing Promoter of the Target Company
Equity Share Capital	Equity share capital of the Target Company is Rs. 271,047,200 consisting of 27,068,644 fully paid up equity shares of Rs. 10 (Rupees Ten) each and 72,152 equity shares of Rs. 5 each paid up.
Equity Share	Equity Shares of face value Rs. 10 each of the Target Company
Escrow Account	Shall have the meaning given to it in Clause 6.2.2 of the Letter of Offer
Escrow Agreement	Escrow Agreement dated August 05, 2020 between the Acquirers, Escrow Agent and Manager to the Offer
Escrow Amount	Shall have the meaning given to it in Clause 6.2.4 of the Letter of Offer
Escrow Bank	IndusInd Bank Limited
Existing Promoter / Existing Promoter of the Target Company	Existing promoter of the Target Company, viz. Punjab State Industrial Development Corporation Limited (“PSIDCL”)
FEMA	Foreign Exchange Management Act, 1999
FII / FPI	Foreign Institutional Investor or Foreign Portfolio Investor as defined in FEMA.
Form of Acceptance-cum-Acknowledgement	Shall mean the Form of Acceptance cum Acknowledgement, being a part of the Letter of Offer
Identified Date	September 03, 2020 i.e. date falling on the 10th Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
₹ / INR / Rs.	Indian Rupees, the legal currency of India
Letter of Offer	Letter of offer dated [●] dispatched to the Eligible Shareholders of the Company
Manager / Manager to the Offer	Sundae Capital Advisors Private Limited
NA / N.A.	Not Applicable
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer Period	Shall mean as defined under the SEBI SAST Regulations
Offer / Open Offer	Offer by the Acquires to the Public Shareholders for acquisition of upto 7,056,607 Equity Shares, representing 26.00% of the Emerging Share Capital and 26.03% of the voting capital of the Target Company
Offer Closing Date	September 30, 2020
Offer Opening Date	September 17, 2020

Offer Price	Price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per fully paid up equity share of Rs. 10 each
Offer Size	upto 7,056,607 fully paid up equity shares of face value Rs. 10/- each representing 26.00% of the total issued Share capital and 26.03% of voting capital of the Target Company
Other Public Shareholders	Public shareholders of the Company except the Acquirers & PACs
Purchase Order / PO	Purchase Order dated August 05, 2020 placed by Acquirers & PACs to purchase upto 500,000 Equity Shares of the Target Company from BSE.
Public Announcement / PA	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers and PACs on August 05, 2020
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 and Chemicals Limited
PAC 5	Advance Chemicals
PAC 6 / TMPL	Tara Mercantile Private Limited
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Beetal Financial & Computer Services Private Limited
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
Shareholders	The holders of Equity Shares of PACL
Stock Exchange	BSE Limited
Target Company / PACL	Punjab Alkalies & Chemicals Limited
Tendering Period	Period within which Public Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including September 17, 2020 and September 30, 2020
Working Day	A working day for SEBI in Mumbai

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF PUNJAB ALKALIES & CHEMICALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS & PACs OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS AND PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS AND PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, SUNDAE CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 11, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THIS OFFER

3.1 BACKGROUND OF THE OFFER

3.1.1 This Offer is a mandatory open offer being made by the Acquirers & PACs to the Shareholders of Target Company in compliance with Regulation 3(1) and 4 of the SEBI SAST Regulations read with Regulation 13(2)(a) of the SEBI SAST Regulations for substantial acquisition of Shares and Voting Rights and with an intention to acquire control of the Target Company.

3.1.2 Acquirers & PACs are presently classified as part of the public shareholder of the Target Company. The list of individuals / bodies corporate, forming part of the Acquirers and PACs, as per Regulation 2(1)(a) and 2(1)(q) of the SEBI SAST Regulations as on the date of the Letter of Offer is as stated below:

Name of Individual / Entity	No. of shares	%age*
Acquirers		
Flowtech Industrial Projects Private Limited	1,772,032	6.54
Flowtech Chemicals Private Limited	-	-
Mr. Sukhbir Singh Dahiya	1,035,264	3.82
Mr. Jagbir Singh Ahlawat	800,020	2.95
Mr. Jatin Dahiya	-	-
Mrs. Parerna Ahlawat	740,063	2.73
PACs		
Mrs. Dayawati Dahiya	712,034	2.63
Mr. Mayank Ahlawat	-	-
Ms. Garima	220,000	0.81
Himalaya Alkalies & Chemicals Limited	520,878	1.92
Advance Chemicals **	392,032	1.45
Tara Mercantile Private Limited	352,397	1.30
Total	6,544,720	24.15

* 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.

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 (Refer to Clause 5.7 and 5.8 of the Letter of Offer)	2,769,200	-	-

In the entire Letter of Offer, 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 joint name of Mayank Ahlawat (first holder) and Jatin Dahiya, partners of Advance Chemicals.

- 3.1.3 Gradually over a period of time, the Acquirers and PACs have acquired 6,516,260 equity shares representing 24.01% of the equity share capital and 24.04% of the voting capital of the Target Company upto the date of the Public Announcement.
- 3.1.4 On August 05, 2020, Acquirer 1, on behalf of the Acquirers and PACs, has placed 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, payable in cash. The said maximum 500,000 Equity Shares are proposed to be purchased on BSE on or before August 31, 2020.

Pursuant to the aforesaid PO, the Acquirer 1 has acquired the following equity shares on the BSE from the date of PO till the date of the Letter of Offer:

Name of Acquirer	Date of acquisition	No. of shares acquired	Weighted average price of shares acquired (per share)	Highest price paid for shares acquired (per share)
FIPPL / Acquirer 1	August 10, 2020	28,460	39.00	39.00
Total →		28,460	39.00	

Further, the Acquirers & PACs has undertaken not to purchase any Equity Shares of the Target Company during the period commencing from third working day prior to the date of commencement of the Tendering Period and until the closing of the Tendering Period.

- 3.1.5 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 Equity Share Capital / Voting Capital, 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. As on the date of the Letter of Offer, the Acquirers and PACs holds 6,544,720 equity shares representing 24.11% of the equity share capital and 24.15% of the voting capital of the Target Company.
- 3.1.6 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.1.7 The Acquirers and PACs have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulations made under the SEBI Act, 1992.
- 3.1.8 None of the Acquirers and PACs have been classified as willful defaulters by RBI and hence, are in

compliance of Regulation 6A of the SEBI SAST Regulations for the purpose of this Offer. Further, none of the Acquirers and PACs have been categorized as a fugitive economic offender and hence, are in compliance of Regulation 6B of the SEBI SAST Regulations for the purpose of this Offer.

- 3.1.9 The Manager to the Offer vide its email dated August 06, 2020 has written to the Target Company inter alia seeking certain information. However, the required information has not been furnished by the Target Company till the date of the Letter of Offer. The Acquirers and PACs are not aware whether the Target Company and / or its Existing Promoter have been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of, or any other regulations made under, the SEBI Act.
- 3.1.10 In accordance with Regulation 26(7) of the SEBI SAST Regulations, the committee of independent directors of the Target Company is required to provide its written reasoned recommendations on the Offer to the Shareholders and such recommendations are required to be published in the specified form at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published.
- 3.1.11 As on the date of the Public Announcement, the Existing Promoter, i.e. Punjab State Industrial Development Corporation Limited, hold 9,090,000 Equity Shares of face value of Rs. 10 each representing 33.49% of equity share capital and 33.54% of the voting capital of the Target Company.

As per the shareholding pattern filed by the Target Company with Stock Exchange for the quarter ended June 30, 2020, 9,090,000 equity shares held by the Existing Promoter represents 33.58% of the voting capital. The same is because of the reason that 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. However, in the entire Letter of Offer, we have calculated the voting rights in proportion to the amount paid up on issued capital in accordance with provision of Article 114(2) of the Articles of Association of the Target Company. For calculation of the same, refer to Clause 3.1.2 of the Letter of Offer.

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 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.

- 3.1.12 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.
- 3.1.13 Proposed change in the Promoters of the Target Company after closure of the Offer:

Pursuant to the Offer, if the shareholding of the Acquirers and 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 and 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.

- 3.1.14 The Acquirers and PACs intend to appoint the following persons as directors on the Board of Target Company after the Open Offer:

Sr. No.	Name	Address	Qualification & Experience
1	Sukhbir Singh Dahiya	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Refer to Clause 4.2.1

Sr. No.	Name	Address	Qualification & Experience
2	Jagbir Singh Ahlawat	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Refer to Clause 4.3.1
3	Parerna Ahlawat	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Refer to Clause 4.5.1
4	Jatin Dahiya	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Refer to Clause 4.4.1

Presently there are 8 (eight) Directors on the Board of the Target Company. In terms of Article No. 128 of the Articles of Association of the Target Company, there can be a maximum of 12 directors on the Board of the Target Company.

3.2 DETAILS OF THE PROPOSED OFFER

3.2.1 The Public Announcement announcing the Open Offer under Regulation 3(1) and 4 read with Regulation 13(2)(a) and other applicable regulations of SEBI SAST Regulations was made on August 05, 2020 and the Corrigendum to the Public Announcement was issued on August 07, 2020. In accordance with Regulations 13(4), 14(3) and 15(2) of the SEBI SAST Regulations, the Detailed Public Statement was published on August 11, 2020 in the following publications:

Publication	Language	Edition/s
Business Standard	Hindi	All Editions
Business Standard	English	All Editions
Rozana Spokesman	Punjabi	Chandigarh edition (being the place of Registered Office of the Target Company)
Mumbai Lakshadeep	Marathi	Mumbai Edition (being the regional language of the place where the Equity Shares are listed)

The Public Announcement, Corrigendum to the Public Announcement and Detailed Public Statement are also available on the website of SEBI i.e. www.sebi.gov.in.

Simultaneously with the publication of Detailed Public Statement in the newspapers, a copy of the Detailed Public Statement was filed through the Manager to the Offer with SEBI, BSE and the Target Company at its registered office.

3.2.2 This Offer is a mandatory offer being made under Regulations 3(1) and 4 read with Regulation 13(2)(a) of the SEBI SAST Regulations to the Shareholders of the Target Company.

3.2.3 This Offer is made by the Acquirers and PACs to Shareholders, to acquire upto 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 at a price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per fully paid up equity share of Rs. 10 each ("Offer Price") payable in cash, in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations and subject to the terms and conditions set out in the Public Announcement, the Corrigendum to the Public Announcement, the Detailed Public Statement, Draft Letter of Offer and Letter of Offer.

Further, the Acquirers and PACs may voluntarily propose to increase the minimum Offer Size by increasing the number of Equity Shares proposed to be acquired or the Offer Price at any time up to one (1) Working Day prior to commencement of the Tendering Period i.e. September 15, 2020 in terms of the Regulation 18(4) and 18(5) of the SEBI SAST Regulations. If the Acquirers and PACs propose to increase the Offer Size or Offer Price, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published.

The Target Company has 2,769,200 Fully Convertible Debentures outstanding as on the date of this Public Announcement which were due for conversion as on July 01, 2020. The equity shares against the same have not been allotted and the Target Company has applied for extension of the date for conversion from July 01, 2020 to January 01, 2021, and hence, have not been included in the computation of voting rights. In this regard, the Manager to the Offer has also written an e-mail dated August 06, 2020 to the Target Company seeking the present status of the extension of conversion date of Fully Convertible Debentures. However, the required information has not been received from the Target Company till the date of the Letter of Offer. For details, refer to Clause 5.7 and 5.8 of the Letter of Offer.

- 3.2.4 There are 72,152 number of partly paid-up shares in the Target Company with paid-up value Rs. 5 each.
- 3.2.5 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.
- 3.2.6 The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 3.2.7 There is no differential pricing for the Offer.
- 3.2.8 This is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 3.2.9 There has been no competing offer as on the date of the Letter of Offer. The last date for making such competing offer is September 01, 2020, as prescribed under Regulation 20 of the SEBI SAST Regulations.
- 3.2.10 This is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the SEBI SAST Regulations, the Acquirers and PACs will accept those fully paid up Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 7,056,607 fully paid up equity shares of face value Rs. 10/- each representing 26.00% of the total issued Share capital and 26.03% of voting capital of the Target Company.
- 3.2.11 The Acquirers and PACs have acquired 28,460 Equity Shares from the date of the Public Announcement, i.e. August 05, 2020, up to the date of the Letter of Offer. For details, refer to Clause 3.1.4 of the Letter of Offer.
- 3.2.12 Upon the completion of the Offer, assuming full acceptances in the Offer and pursuant to the PO, the Acquirers & PACs will hold 14,072,867 (One Crore Forty Lakh Seventy Two Thousand Eight Hundred and Sixty Seven Only) Equity Shares constituting 51.85% of the paid up Equity Share Capital and 51.92% of the voting capital of the Target Company.
- 3.2.13 The Equity Shares of the Target Company are listed on BSE Limited. Subject to Clause 3.1.12, after the completion of this Open Offer, if the Existing Promoter of the Target Company continue to remain as the Promoter, 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 and 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 and 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 and PACs, individually or collectively, in such manner and timelines as prescribed under applicable law.

The Acquirers and 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.

- 3.2.14 The Manager to the Offer does not hold any Equity Shares in the Target Company as at the date of Public Announcement and / or Detailed Public Statement and / or Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

3.3 OBJECTS OF THE OFFER

- 3.3.1 The Offer is being made pursuant to Regulation 3(1) and 4 read with Regulation 13(2)(a) of the SEBI SAST Regulations. The acquisition of Equity Shares through this Offer will give the Acquirers and PACs significant ownership as well as management control over the Target Company which will, in turn, assist the Acquirers and PACs to grow the business of the Target Company. The Acquirers and PACs plans to continue the business of the Target Company as it has done in the past and therefore will not have any adverse repercussions on the employment and / or the location of the Target Company's place of business.
- 3.3.2 Pursuant to the Offer, if the shareholding of the Acquirers and 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 becomes 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.
- 3.3.3 In terms of Regulation 25(2) of the SEBI SAST Regulations, except as has already been disclosed by the Target Company in the public domain, the Acquirers and PACs currently do not have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business. The Acquirers and PACs undertake that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company other than in the ordinary course of business, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot during the succeeding two years from the completion of this Offer.

4. BACKGROUND OF THE ACQUIRERS AND PACs

4.1 Information about Flowtech Industrial Projects Private Limited (“Acquirer 1” / “FIPPL”)

- 4.1.1 Flowtech Industrial Projects Private Limited was incorporated on October 19, 2010 under the Companies Act, 1956 with Registrar of Companies, NCT of Delhi & Haryana. The registered office of the Acquirer 1 is situated at 315, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034. The CIN of the Acquirer 1 is U27100DL2010PTC209529. The equity shares of Acquirer 1 are not listed on any stock exchange.
- 4.1.2 The issued and paid up share capital of Acquirer 1 is Rs. 40,901,490 consisting of 4,090,149 equity shares of Rs. 10 each.
- 4.1.3 Acquirer 1 is engaged in the business of developing and operating industrial and warehousing establishments. Presently Acquirer 1 is operating warehouses situated at Halalpur-Bahadurgarh Road, Village Jatola, Tehsil Kharkhoda, District Sonapat, Haryana.
- 4.1.4 The Shareholding Pattern of Acquirer 1 is as under:

Name of shareholders	No. of shares	%age
Sukhbir Singh Dahiya	1,576,250	38.54
Jagbir Singh Ahlawat	1,749,015	42.76
Ravinder Singh	287,084	7.02
Flowtech Chemicals Private Limited	250,000	6.11
Ankita Enterprises Private Limited	149,600	3.66
Pranshu Marketing Private Limited	78,200	1.91
Total →	4,090,149	100.00

4.1.5 The Board of Directors of Acquirer 1 comprises of:

Sr. No.	Name and Designation	DIN	Qualification & Experience	Date of appointment / re-appointment
1.	Sukhbir Singh Dahiya Director	00169921	Refer to Clause 4.3.1	October 19, 2010
2.	Dayawati Dahiya Director	00465705	Refer to Clause 4.7.1	April 16, 2018
3.	Parema Ahlawat Director	00497295	Refer to Clause 4.6.1	April 16, 2018

4.1.6 Audited key financial information of Acquirer 1 as at and for the period ended March 31, 2020, March 31, 2019 and March 31, 2018, as extracted from the audited financial statements, are as follows:

(Rs. in lakhs)

Particulars	Financial Year ended March 31		
	2020	2019	2018
Profit & Loss account			
Income from Operations	288.82	246.45	64.39
Other Income	2.92	3.18	3.35
Total Income	291.74	249.63	67.74
Total Expenditure	12.78	12.18	7.54
Profit before Depreciation Interest and Tax	278.96	237.45	60.20
Depreciation	2.02	1.91	32.55
Interest	29.16	65.15	0.11
Profit before tax (before exceptional item)	247.78	170.39	27.54
Add: Exceptional item (prior period income)	-	4.24	-
Profit before tax (after exceptional items)	247.78	174.63	27.54
Provision for tax	47.25	27.77	2.69
Profit after tax	200.53	146.85	24.85
Balance Sheet			
Sources of Funds			
Paid up Share Capital	409.01	409.01	386.23
Reserves and Surplus (excluding revaluation reserve)	767.38	566.85	107.78
Networth	1,176.40	975.87	494.01
Non Current Liabilities	382.07	337.64	432.82
Current Liabilities	322.32	183.05	301.48
Total	1,880.79	1,496.56	1,228.31
Uses of funds			
Non Current Assets	1,839.56	1,341.34	1,206.76
Current Assets	41.23	155.22	21.55
Total	1,880.79	1,496.56	1,228.31
Other Financial data			
Dividend (%)	-	-	-
Earnings Per Share	4.90	3.64	0.64
Net Asset Value	28.76	23.86	12.79
Return on Net Worth (%)	17.05	15.05	5.03

4.1.7 The contingent liabilities of Acquirer 1 as on March 31, 2020 are as under:

Particulars	Amount (Rs. in lakhs)
Corporate Guarantee for the Dropline Overdraft Facility availed by Flowtech Chemicals Private Limited from AU Small Finance Bank Limited. Further, FIPPL has created equitable mortgage of warehouse owned by it (situated at Halalpur-Bahadurgarh Road, Village Jatola, Tehsil Kharkhoda, District Sonapat, Haryana and also pledge of 409845 equity shares held in Punjab Alkalies and Chemicals Limited.	2,000.00

4.1.8 As of the date of the Letter of Offer, Acquirer 1 holds 1,772,032 fully paid up Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
April 18, 2018	20,681	38.93	39.20	Market Purchase
April 19, 2018	33,567	40.05	40.85	Market Purchase
April 20, 2018	16,656	40.49	41.00	Market Purchase
April 25, 2018	20,926	43.98	44.35	Market Purchase
April 26, 2018	6,029	43.25	44.00	Market Purchase
May 02, 2018	1,296	43.75	43.75	Market Purchase
May 09, 2018	21,168	47.19	47.50	Market Purchase
May 10, 2018	26,553	45.37	47.00	Market Purchase
May 14, 2018	26,415	47.07	47.50	Market Purchase
May 15, 2018	50,000	47.68	48.10	Market Purchase
May 16, 2018	20,000	45.35	45.35	Market Purchase
May 18, 2018	(13,925)	40.89	40.89	Market Sale
May 21, 2018	16,975	41.99	43.00	Market Purchase
May 22, 2018	10,403	43.21	44.40	Market Purchase
May 25, 2018	(8,000)	50.40	50.40	Market Sale
July 16, 2019	(2,500)	64.53	64.60	Market Sale
July 17, 2019	(300)	64.60	64.60	Market Sale
August 26, 2019	(500)	51.30	51.30	Market Sale
September 24, 2019	45,100	52.00	52.00	Market Purchase
October 01, 2019	48,000	50.10	50.10	Market Purchase
October 04, 2019	38,300	49.95	49.95	Market Purchase
October 09, 2019	33,001	49.55	49.55	Market Purchase
January 14, 2020	64,850	38.55	38.55	Market Purchase
January 30, 2020	80,000	38.95	38.95	Market Purchase
February 01, 2020	22,149	36.20	36.20	Market Purchase
February 27, 2020	3,000	31.75	31.75	Market Purchase
February 28, 2020	154,797	38.93	39.10	Market Purchase
March 02, 2020	70,000	34.70	34.70	Market Purchase
March 04, 2020	(5,688)	30.60	31.50	Market Sale
March 23, 2020	760,364	21.80	21.80	Market Purchase
March 27, 2020	91,329	25.50	25.50	Market Purchase
June 03, 2020	92,926	29.00	29.00	Market Purchase
August 10, 2020	28,460	39.00	39.00	Market Purchase
Total →	1,772,032			

- 4.1.9 Out of the 1,772,032 fully paid up Equity Shares held by Acquirer 1 in the Target Company, Acquirer 1 has pledged 707,805 Equity Shares in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.
- 4.1.10 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.1.11 Acquirer 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.1.12 Neither Acquirer 1, nor any of its Director, has been categorized as a wilful defaulter or fugitive economic offender.
- 4.1.13 Acquirer 1 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.
- 4.2 Information about Flowtech Chemicals Private Limited (“Acquirer 2” / “FCPL”)**
- 4.2.1 Flowtech Chemicals Private Limited was incorporated as Advance Rexine Private Limited on May 16, 1996 under the Companies Act 1956 with Registrar of Companies, NCT of Delhi & Haryana. The name of the Acquirer 2 was changed to Flow Well Plast-Chem Private Limited and fresh Certificate of

Incorporation was issued on September 07, 1998. Subsequently, name of the Acquirer 2 was changed to Flowtech Chemicals Private Limited vide Certificate of Incorporation dated June 14, 2012. The registered office of the Acquirer 2 is situated at 314 PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034. CIN of the Acquirer 2 is U25202DL1996PTC078956. The equity shares of Acquirer 2 are not listed on any stock exchange.

4.2.2 The issued and paid up share capital of Acquirer 2 is Rs. 7,626,080 consisting of 762,608 equity shares of Rs. 10 each.

4.2.3 Acquirer 2 is engaged in business of manufacturing Chlorinated Paraffin and Hydrochloric acid and its manufacturing facilities are located at Rajpura, Naya Nangal and Rohtak.

4.2.4 The Shareholding Pattern of Acquirer 2 is as under:

Name of shareholders	No. of shares	%age
Sukhbir Singh Dahiya	136,090	17.85
Jagbir Singh Ahlawat	109,620	14.37
Pareena Ahlawat	140,100	18.37
Dayawati Dahiya	126,800	16.63
Tara Mercantile Private Limited	249,998	32.78
Total →	762,608	100.00

4.2.5 The Board of Directors of Acquirer 2 comprises of:

Sr. No.	Name and Designation	DIN	Qualification & Experience	Date of appointment / re-appointment
1.	Sukhbir Singh Dahiya Director	00169921	Refer to Clause 4.3.1	June 16, 2005
2.	Jagbir Singh Ahlawat Director	01139187	Refer to Clause 4.4.1	May 01, 2018
3.	Mayank Ahlawat Director	08106872	Refer to Clause 4.8.1	April 10, 2020

4.2.6 Audited key financial information of Acquirer 2 as at and for the period ended March 31, 2020, March 31, 2019 and March 31, 2018, as extracted from the audited financial statements, are as follows:

(Rs. in lakhs)

Particulars	Financial Year ended March 31		
	2020	2019	2018
Profit & Loss account			
Income from Operations	11,116.56	10,016.40	5,999.05
Other Income	65.21	96.11	19.84
Total Income	11,181.77	10,112.51	6,018.89
Total Expenditure	10,728.72	9,815.93	5,767.64
Profit before Depreciation Interest and Tax	453.05	296.58	251.25
Depreciation	70.93	64.57	58.19
Interest	192.00	88.60	61.17
Profit before tax	190.13	143.41	131.88
Provision for tax	52.14	37.92	30.57
Profit after tax	137.99	105.49	101.31
Balance Sheet			
Sources of Funds			
Paid up Share Capital	76.26	51.26	51.26
Reserves and Surplus (excluding revaluation reserve)	881.66	494.27	388.96
Networth	957.92	545.53	440.22
Non Current Liabilities	1,348.69	819.06	656.83
Current Liabilities	3,683.55	3,102.02	2,773.26
Total	5,990.16	4,466.62	3,870.30
Uses of funds			
Non Current Assets	979.22	875.72	870.85
Current Assets	5,010.94	3,590.90	2,999.46
Total	5,990.16	4,466.62	3,870.30

Particulars	Financial Year ended March 31		
	2020	2019	2018
Other Financial data			
Dividend (%)	-	-	-
Earnings Per Share	18.09	20.58	19.76
Net Asset Value	125.61	106.42	85.88
Return on Net Worth (%)	14.41	19.34	23.01

- 4.2.7 There are nil contingent liabilities of Acquirer 2.
- 4.2.8 As of the date of the Letter of Offer, Acquirer 2 do not hold any Equity Share in the Target Company.
- 4.2.9 The Acquirer 2 was not required to make any disclosure in compliance with the provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.2.10 Acquirer 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.2.11 Neither Acquirer 2, nor any of its Director, has been categorized as a wilful defaulter or fugitive economic offender.
- 4.2.12 The Acquirer 2 has undertaken certain transactions with the Target Company in the ordinary course of business. For details refer to Clause 4.14 of the Letter of Offer.

4.3 Information about Sukhbir Singh Dahiya (“Acquirer 3”)

- 4.3.1 Sukhbir Singh Dahiya, s/o Sh. Randhir Singh, aged 58 years, is a resident of India currently residing at 120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085. He holds a Diploma in Civil Engineering from Haryana State Board of Technical Education and has over 30 years of total experience including 15 years in the chemical industry. He has been instrumental in the expansion of the business(es) being undertaken by the Acquirers and PACs, through both organic and inorganic routes.
- 4.3.2 The net worth of Acquirer 3 is Rs. 18.36 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAABZ7903) .
- 4.3.3 The entities promoted / controlled / managed by Acquirer 3 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Flowtech Industrial Projects Private Limited	Promoter & Director	38.53
2.	Flowtech Chemicals Private Limited	Promoter & Director	17.85
3.	Himalaya Alkalies & Chemicals Limited	Promoter & Director	12.70
4.	Tara Mercantile Private Limited	Promoter & Director	40.56
5.	Prayag Chemicals Private Limited	Promoter & Director	44.82
6.	V S Polymers Private Limited	Promoter	-

- 4.3.4 DIN of Acquirer 3 is 00169921. Currently, Acquirer 3 does not hold directorship in any listed company. The Acquirers and PACs propose to appoint Acquirer 3 on the Board of Directors of the Target Company.
- 4.3.5 As on date of the Letter of Offer, Acquirer 3 holds 1,035,264 Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
December 22, 2017	2,000	28.75	28.75	Market Purchase
December 27, 2017	1,460	28.25	28.25	Market Purchase
December 29, 2017	5,000	28.55	28.55	Market Purchase
January 01, 2018	1,797	30.15	30.15	Market Purchase
January 02, 2018	5,000	31.40	31.40	Market Purchase

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
January 03, 2018	8,331	32.09	32.75	Market Purchase
January 04, 2018	4,025	31.75	31.75	Market Purchase
January 05, 2018	2,021	31.25	31.25	Market Purchase
January 08, 2018	5,000	32.46	32.50	Market Purchase
January 09, 2018	1,730	32.55	32.55	Market Purchase
February 02, 2018	20,000	21.30	21.30	Market Purchase
February 08, 2018	1,880	21.75	21.75	Market Purchase
February 09, 2018	1,458	21.74	21.75	Market Purchase
February 14, 2018	43,644	24.06	24.10	Market Purchase
February 15, 2018	65,731	24.12	24.40	Market Purchase
February 22, 2018	(100)	22.55	22.55	Market Sale
February 28, 2018	43,321	25.21	25.35	Market Purchase
March 05, 2018	117,701	27.90	27.90	Market Purchase
March 06, 2018	41,272	29.25	29.25	Market Purchase
March 07, 2018	500,000	30.70	30.70	Market Purchase
March 16, 2018	43,603	34.70	34.70	Market Purchase
March 19, 2018	119,390	36.16	36.40	Market Purchase
March 26, 2018	1,000	36.00	36.00	Market Purchase
Total →	1,035,264			

4.3.6 The 1,035,264 fully paid up Equity Shares held by Acquirer 3 in the Target Company has been pledged in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.

4.3.7 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.

4.3.8 Acquirer 3 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.

4.3.9 Acquirer 3 has not been categorized as a wilful defaulter or fugitive economic offender.

4.3.10 Acquirer 3 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.4 Information about Jagbir Singh Ahlawat (“Acquirer 4”)

4.4.1 Jagbir Singh Ahlawat, s/o Sh. Mange Ram Ahlawat, aged 61 years, is a resident of India currently residing at C-1/701, Sai Baba Apartment, Sector - 9, Rohini, Delhi - 110 085. He holds a Diploma in Civil Engineering from Haryana State Board of Technical Education and AMIE (Civil) from The Institution of Engineers (India). He has an experience of over 30 years including 17 years in the chemical industry. Alongwith Acquirer 2, he has been instrumental in the expansion of the business(es) being undertaken by the Acquirers and PACs, through both organic and inorganic routes.

4.4.2 The net worth of Acquirer 4 is Rs. 16.63 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAABV4346).

4.4.3 The entities promoted / controlled / managed by Acquirer 4 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Flowtech Industrial Projects Private Limited	Promoter	42.76
2.	Flowtech Chemicals Private Limited	Promoter & Director	14.37
3.	Himalaya Alkalies & Chemicals Limited	Promoter & Director	34.64
4.	Tara Mercantile Private Limited	Promoter	-
5.	Prayag Chemicals Private Limited	Promoter & Director	27.61
6.	V S Polymers Private Limited	Promoter & Director	39.53

- 4.4.4 DIN of Acquirer 4 is 01139187. Currently, Acquirer 4 does not hold directorship in any listed company. The Acquirers and PACs propose to appoint Acquirer 4 on the Board of Directors of the Target Company.
- 4.4.5 As on date of the Letter of Offer, Acquirer 4 holds 800,020 Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
February 14, 2018	89,469	24.02	24.15	Market Purchase
February 27, 2018	51,596	24.15	24.15	Market Purchase
February 28, 2018	233,180	25.31	25.35	Market Purchase
March 08, 2018	61,708	29.66	29.75	Market Purchase
March 12, 2018	22,897	29.06	29.85	Market Purchase
March 13, 2018	41,603	30.37	30.60	Market Purchase
March 14, 2018	7,822	31.12	31.50	Market Purchase
March 16, 2018	550	34.20	34.20	Market Purchase
March 19, 2018	151,195	36.40	36.40	Market Purchase
March 21, 2018	85,000	35.65	35.65	Market Purchase
May 15, 2018	55,000	47.62	48.00	Market Purchase
Total →	800,020			

- 4.4.6 The 800,020 fully paid up Equity Shares held by Acquirer 4 in the Target Company has been pledged in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.
- 4.4.7 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.4.8 Acquirer 4 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.4.9 Acquirer 4 has not been categorized as a wilful defaulter or fugitive economic offender.
- 4.4.10 Acquirer 4 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.5 Information about Jatin Dahiya (“Acquirer 5”)

- 4.5.1 Jatin Dahiya, s/o Sh. Sukhbir Singh Dahiya, aged 27 years, is a resident of India currently residing at 120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085. He holds a Degree in Bachelor of Engineering from Delhi University and Masters in Management from Duke University (United States). He has an experience of 3 years in the chemical industry.
- 4.5.2 The net worth of Acquirer 5 is Rs. 2.68 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAACA2820).
- 4.5.3 The entities promoted / controlled / managed by Acquirer 5 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Himalaya Alkalies & Chemicals Limited	Shareholder & Director	7.45
2.	Tara Mercantile Private Limited	Shareholder & Director	0.22
3.	Advance Chemicals	Partner	50.00

- 4.5.4 DIN of Acquirer 5 is 08106876. Currently, Acquirer 5 does not hold directorship in any listed company. The Acquirers and PACs propose to appoint Acquirer 5 on the Board of Directors of the Target Company.
- 4.5.5 As on date of the Letter of Offer, Acquirer 5 do not hold any Equity Shares in the Target Company.

- 4.5.6 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.5.7 Acquirer 5 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.5.8 Acquirer 5 has not been categorized as a wilful defaulter or fugitive economic offender.
- 4.5.9 Acquirer 5 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.6 Information about Parerna Ahlawat (“Acquirer 6”)

- 4.6.1 Parerna Ahlawat, w/o Sh. Jagbir Singh Ahlawat, aged 53 years, is a resident of India currently residing at C-1/701, Sai Baba Apartment, Sector - 9, Rohini, Delhi - 110 085. She holds a degree of Bachelor of Arts from Maharshi Dayanand University.
- 4.6.2 The net worth of Acquirer 6 is Rs. 13.82 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAABW6482).
- 4.6.3 The entities promoted / controlled / managed by Acquirer 6 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Flowtech Industrial Projects Private Limited	Shareholder & Director	-
2.	Flowtech Chemicals Private Limited	Shareholder	18.37
3.	Himalaya Alkalies & Chemicals Limited	Shareholder	22.57
4.	Tara Mercantile Private Limited	Shareholder	36.68
5.	Prayag Chemicals Private Limited	Shareholder	21.97

- 4.6.4 DIN of Acquirer 6 is 00497295. Currently, Acquirer 6 does not hold directorship in any listed company. The Acquirers and PACs propose to appoint Acquirer 6 on the Board of Directors of the Target Company.
- 4.6.5 As on date of the Letter of Offer, Acquirer 6 holds 740,063 Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
February 15, 2018	109,952	24.09	24.25	Market Purchase
March 07, 2018	500,000	30.70	30.70	Market Purchase
October 29, 2019	46,100	43.09	44.00	Market Purchase
November 21, 2019	84,011	33.18	33.50	Market Purchase
Total →	740,063			

- 4.6.6 The 740,063 fully paid up Equity Shares held by Acquirer 6 in the Target Company has been pledged in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.
- 4.6.7 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.6.8 Acquirer 6 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.6.9 Acquirer 6 has not been categorized as a wilful defaulter or fugitive economic offender.
- 4.6.10 Acquirer 6 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.7 Information about Dayawati Dahiya (“PAC 1”)

4.7.1 Dayawati Dahiya, w/o Sh. Sukhbir Singh Dahiya, aged 52 years, is a resident of India currently residing at 120, Vasundhara Apartment, Sector - 9, Rohini, New Delhi - 110 085. She holds a degree of Bachelor of Arts from Meerut University.

4.7.2 The net worth of PAC 1 is Rs. 13.15 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAABX6291).

4.7.3 The entities promoted / controlled / managed by PAC 1 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Flowtech Industrial Projects Private Limited	Director	-
2.	Flowtech Chemicals Private Limited	Shareholder	16.63
3.	Himalaya Alkalies & Chemicals Limited	Shareholder	22.57
4.	Tara Mercantile Private Limited	Shareholder	22.04
5.	Prayag Chemicals Private Limited	Shareholder	1.00

4.7.4 DIN of PAC 1 is 00465705. Currently, PAC 1 does not hold directorship in any listed company.

4.7.5 As on date of the Letter of Offer, PAC 1 holds 712,034 Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
February 12, 2018	37,999	22.90	23.70	Market Purchase
February 28, 2018	398,854	25.35	25.35	Market Purchase
March 19, 2018	150,000	36.40	36.40	Market Purchase
October 31, 2019	54,014	43.80	43.80	Market Purchase
November 21, 2019	71,167	33.42	33.50	Market Purchase
Total →	712,034			

4.7.6 The 712,034 fully paid up Equity Shares held by PAC 1 in the Target Company has been pledged in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.

4.7.7 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.

4.7.8 PAC 1 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.

4.7.9 PAC 1 has not been categorized as a wilful defaulter or fugitive economic offender.

4.7.10 PAC 1 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.8 Information about Mayank Ahlawat (“PAC 2”)

4.8.1 Mayank Ahlawat, s/o Sh. Jagbir Singh Ahlawat, aged 28 years, is a resident of India currently residing at C-1/701, Sai Baba Apartment, Sector - 9, Rohini, Delhi - 110 085. He holds a 12th pass certificate. He has an experience of 3 years in the chemical industry.

4.8.2 The net worth of PAC 2 is Rs. 3.32 crore as on May 31, 2020 as certified vide certificate dated August 05, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAABY7746).

4.8.3 The entities promoted / controlled / managed by PAC 2 are as under:

Sr. No.	Name of the entity	Designation	%age of total equity shares held / contribution
1.	Flowtech Chemicals Private Limited	Director	-
2.	Himalaya Alkalies & Chemicals Limited	Shareholder	0.01
3.	Tara Mercantile Private Limited	Shareholder & Director	0.22
4.	Advance Chemicals	Partner	50.00

- 4.8.4 DIN of PAC 2 is 08106872. Currently, PAC 2 does not hold directorship in any listed company.
- 4.8.5 As on date of the Letter of Offer, PAC 2 do not hold any Equity Shares in the Target Company.
- 4.8.6 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.8.7 PAC 2 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.8.8 PAC 2 has not been categorized as a wilful defaulter or fugitive economic offender.
- 4.8.9 PAC 2 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.9 Information about Garima (“PAC 3”)

- 4.9.1 Garima, d/o Sh. Sukhbir Singh Dahiya, aged 30 years, is a resident of India currently residing at 120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085. She holds a degree of Masters of Information Systems Management from La Trobe University, Australia.
- 4.9.2 The net worth of PAC 3 is Rs. 2.96 crore as on August 06, 2020 as certified vide certificate dated August 07, 2020 by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475N) (UDIN: 20505235AAAACB8525).
- 4.9.3 No entity is promoted / controlled / managed by PAC 3.
- 4.9.4 PAC 3 do not have DIN. Currently, PAC 3 does not hold directorship in any listed company.
- 4.9.5 As on date of the Letter of Offer, PAC 3 holds 220,000 Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
May 03, 2018	100,049	44.08	44.60	Market Purchase
May 04, 2018	92,585	46.23	46.50	Market Purchase
May 07, 2018	20,475	47.78	48.25	Market Purchase
May 08, 2018	4,419	47.64	48.00	Market Purchase
May 09, 2018	2,472	47.35	47.35	Market Purchase
Total →	220,000			

- 4.9.6 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- 4.9.7 PAC 3 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.9.8 PAC 3 has not been categorized as a wilful defaulter or fugitive economic offender.
- 4.9.9 PAC 3 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.10 Information about Himalaya Alkalies and Chemicals Limited (“PAC 4” / “HACL”)

4.10.1 Himalaya Alkalies & Chemicals Limited was incorporated on November 15, 2006 as SNJ Chemex Private Limited under the Companies Act, 1956 with Registrar of Companies, NCT of Delhi & Haryana. The name of the PAC 4 was changed to Himalaya Alkalies and Chemicals Limited on December 13, 2013. The registered office of the PAC 4 is situated C-1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085. The CIN of the PAC 4 is U24117DL2006PLC155523. The equity shares of the PAC 4 are not listed on any stock exchange.

4.10.2 The issued and paid up share capital of PAC 4 is Rs. 8,860,000 consisting of 886,000 equity shares of Rs. 10/- each.

4.10.3 The main objects of PAC 4 is to carry on the business to manufacture, process, buy, sell, export, import chemical elements, dyes, paints, varnishes etc.

4.10.4 The Shareholding Pattern of PAC 4 is as under:

Name of shareholders	No. of shares	%age
Dayawati Dahiya	200,000	22.57
Parerna Ahlawat	200,000	22.57
Sukhbir Singh Dahiya	112,500	12.70
Jagbir Singh Ahlawat	306,900	34.64
Jatin Dahiya	66,000	7.45
Garima	500	0.06
Mayank Ahlawat	100	0.01
Total →	886,000	100.00

4.10.5 The Board of Directors of PAC 4 comprises of:

Sr. No.	Name and Designation	DIN	Qualification & Experience	Date of appointment / re-appointment
1.	Sukhbir Singh Dahiya Director	00169921	Refer to Clause 4.3.1	November 15, 2006
2.	Jagbir Singh Ahlawat Director	01139187	Refer to Clause 4.4.1	November 15, 2006
3.	Jatin Dahiya Director	08106876	Refer to Clause 4.5.1	August 16, 2018

4.10.6 Audited key financial information of PAC 4 as at and for the period ended March 31, 2020, March 31, 2019 and March 31, 2018, as extracted from the audited financial statements, are as follows:

Particulars	Financial Year ended March 31		
	2020	2019	2018
(Rs. in lakhs)			
Profit & Loss account			
Income from Operations	-	-	-
Other Income	7.05	-	-
Total Income	7.05	-	-
Total Expenditure	0.43	0.33	0.52
Profit before Depreciation Interest and Tax	6.62	(0.33)	(0.52)
Depreciation	-	-	-
Interest	-	-	-
Profit before Prior Period items and tax	6.62	(0.33)	(0.52)
Prior Period items	5.23	-	-
Profit before tax	1.38	(0.33)	(0.52)
Provision for tax	1.72	-	-
Profit after tax	(0.34)	(0.33)	(0.52)
Balance Sheet			
Sources of Funds			
Paid up Share Capital	88.60	88.60	88.60
Reserves and Surplus (excluding revaluation reserve)	166.85	167.19	167.51
Networth	255.45	255.79	256.11

Particulars	Financial Year ended March 31		
	2020	2019	2018
Non Current Liabilities	-	-	-
Current Liabilities	1.11	26.36	26.36
Total	256.56	282.15	282.47
Uses of funds			
Non Current Assets	93.10	151.00	128.52
Current Assets	163.46	131.15	153.95
Total	256.56	282.15	282.47
Other Financial data			
Dividend (%)	-	-	-
Earnings Per Share	(0.04)	(0.04)	(0.06)
Net Asset Value	28.83	28.87	28.91
Return on Net Worth (%)	NA	NA	NA

4.10.7 The contingent liabilities of PAC 4 as on March 31, 2020 are as under:

- (a) M/s Flowtech Chemicals Private Limited has been sanctioned Dropline Overdraft Facility for an amount of Rs. 2,000 lakhs from AU Small Finance Bank Limited against which the company has given a corporate guarantee.
- (b) M/s Flowtech Industrial Projects Private Limited has been sanctioned Dropline Overdraft Facility for an amount of Rs. 2,000 lakhs from AU Small Finance Bank Limited against which the company has given a corporate guarantee.

4.10.8 As of the date of the Letter of Offer, PAC 4 holds 520,878 fully paid up Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
January 16, 2018	129,257	34.91	35.00	Market Purchase
February 02, 2018	9,389	21.30	21.30	Market Purchase
February 26, 2018	32,324	23.15	23.15	Market Purchase
February 27., 2018	47,224	23.65	23.85	Market Purchase
March 05, 2018	20,503	27.90	27.90	Market Purchase
March 08, 2018	125,000	30.14	30.25	Market Purchase
March 13, 2018	27,292	30.85	31.20	Market Purchase
March 15, 2018	9,636	33.05	33.05	Market Purchase
March 26, 2018	20,355	36.29	36.40	Market Purchase
June 19, 2020	99,898	32.60	32.60	Market Purchase
Total →	520,878			

4.10.9 Out of the 520,878 fully paid up Equity Shares held by PAC 4 in the Target Company, PAC 4 has pledged 420,980 Equity Shares in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.

4.10.10 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.

4.10.11 PAC 4 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

4.10.12 Neither PAC 4, nor any of its Director, has been categorized as a wilful defaulter or fugitive economic offender.

4.10.13 PAC 4 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.11 Information about Advance Chemicals (“PAC 5”)

4.11.1 Advance Chemicals is an unregistered partnership firm and was formed on June 01, 1994. The principal

place of business of PAC 5 is situated at KH.268/1 & 268/2, Village Hamidpur, Delhi - 110 036.

4.11.2 PAC 5 is engaged in business of trading of Chlorinated Paraffin and Hydrochloric acid.

4.11.3 The details of the Partners of PAC 5 are as under:

Name of Partners	Qualification and Experience	Profit sharing ratio
Jatin Dahiya	Refer to Clause 4.5.1	50
Mayank Ahlawat	Refer to Clause 4.8.1	50

4.11.4 Audited key financial information of PAC 5 as at and for the period ended March 31, 2020, March 31, 2019 and March 31, 2018, as extracted from the audited financial statements, are as follows:

(Rs. in lakhs)

Particulars	Financial Year ended March 31		
	2020	2019	2018
Sales	3,582.70	5,423.99	3,155.24
Net Profit	1.41	31.74	30.02
Partner's Capital	431.55	315.34	162.57

4.11.5 As of the date of the Letter of Offer, PAC 5 holds 392,032 fully paid up Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
March 19, 2018	153,865	36.40	36.40	Market Purchase
October 04, 2019	95,000	49.95	49.95	Market Purchase
October 17, 2019	41,957	48.05	48.05	Market Purchase
October 18, 2019	55,000	48.50	48.50	Market Purchase
March 02, 2020	46,210	34.70	34.70	Market Purchase
Total →	392,032			

Being partnership firm, the said shares are held in the joint name of Mayank Ahlawat (first holder) and Jatin Dahiya, Partners of the PAC 5

4.11.6 Out of the 392,032 fully paid up Equity Shares held by PAC 5 in the Target Company, PAC 5 has pledged 345,822 Equity Shares in favor of AU Small Finance Bank Limited as security for the business loans availed by Flowtech Industrial Projects Private Limited and Flowtech Chemicals Private Limited.

4.11.7 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.

4.11.8 PAC 5 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

4.11.9 Neither PAC 5, nor any of its Partner, has been categorized as a wilful defaulter or fugitive economic offender.

4.11.10 PAC 5 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.12 Information about Tara Mercantile Private Limited ("PAC 6" / "TMPL")

4.12.1 Tara Mercantile Private Limited was incorporated on May 08, 1995 under the Companies Act, 1956 with Registrar of Companies, NCT of Delhi & Haryana. The registered office of the PAC 6 is situated at 314-315, P.P Towers Netaji Subhash Place, Pitampura, Delhi - 110 034. The CIN of the PAC 6 is U74899DL1995PTC068315. The equity shares of PAC 6 are not listed on any stock exchange.

4.12.2 The issued and paid up share capital of PAC 6 is Rs. 9,167,000 consisting of 916,700 equity shares of Rs. 10 each.

4.12.3 PAC 6 is engaged in business of manufacturing Chlorinated Paraffin and Hydrochloric acid and its manufacturing facilities are located at Durgapur, West Bengal.

4.12.4 The Shareholding Pattern of PAC 6 is as under:

Name of shareholders	No. of shares	%age
Sukhbir Singh Dahiya	371,800	40.56
Parerna Ahlawat	336,200	36.68
Dayawati Dahiya	202,000	22.04
Mayank Ahlawat	2,000	0.22
Jatin Dahiya	2,000	0.22
Ashok Marwah	2,700	0.28
Total →	916,700	100.00

4.12.5 The Board of Directors of PAC 6 comprises of:

Sr. No.	Name and Designation	DIN	Qualification & Experience	Date of appointment / re-appointment
1.	Sukhbir Singh Dahiya Director	00169921	Refer to Clause 4.3.1	August 18, 2006
2.	Mayank Ahlawat Director	08106872	Refer to Clause 4.8.1	April 16, 2018
3.	Jatin Dahiya Director	08106876	Refer to Clause 4.5.1	April 16, 2018

4.12.6 Audited key financial information of PAC 6 as at and for the period ended March 31, 2020, March 31, 2019 and March 31, 2018, as extracted from the audited financial statements, are as follows:

Particulars	Financial Year ended March 31		
	2020	2019	2018
(Rs. in lakhs)			
Profit & Loss account			
Income from Operations	4,504.53	3,994.27	2,841.39
Other Income	22.58	40.02	13.03
Total Income	4,527.11	4,034.29	2,854.42
Total Expenditure	4,344.42	3,909.43	2,707.35
Profit before Depreciation Interest and Tax	182.69	124.87	147.07
Depreciation	39.24	47.52	57.50
Interest	48.66	36.40	37.66
Profit before tax (before exceptional items)	94.78	40.95	51.91
(Less) / Add: Exceptional items	(19.43)	80.95	0.55
Profit before tax (after exceptional items)	75.35	121.90	52.46
Provision for tax	29.99	39.56	15.57
Profit after tax	45.36	82.34	36.89
Balance Sheet			
Sources of Funds			
Paid up Share Capital	91.67	91.67	91.67
Reserves and Surplus (excluding revaluation reserve)	718.72	673.35	591.01
Networth	810.39	765.02	682.68
Non Current Liabilities	84.29	37.06	46.77
Current Liabilities	1,544.83	1,209.19	886.35
Total	2,439.51	2,011.27	1,615.80
Uses of funds			
Non Current Assets	411.27	157.87	228.90
Current Assets	2,028.24	1,853.40	1,386.90
Total	2,439.51	2,011.27	1,615.80
Other Financial data			
Dividend (%)	-	-	-
Earnings Per Share	4.95	8.98	4.02
Net Asset Value	88.40	83.45	74.47

Particulars	Financial Year ended March 31		
	2020	2019	2018
Return on Net Worth (%)	5.60	10.76	5.40

4.12.7 The contingent liabilities of PAC 6 as on March 31, 2020 are as under:

Act / Law	Particulars
Value Added Penalty	An appeal against order of Deputy Commissioner (VAT) towards penalty of Rs. 423,300 is lying before Joint Commissioner (VAT). Since Company has not acknowledged the liability and management is confident that the appeal will be decided in favor of the company. Hence no provision has been made for the liability.

4.12.8 As of the date of the Letter of Offer, PAC 6 holds 352,397 fully paid up Equity Shares in the Target Company. The details of acquisition is as follows:

Date of transaction	No. of shares acquired / (disposed)	Volume Weighted Average Price per share (in Rs.)	Highest price paid (in Rs.)	Nature of transaction
October 14, 2019	34,000	49.15	50.95	Market Purchase
October 16, 2019	40,660	50.00	50.00	Market Purchase
January 20, 2020	32,000	39.00	39.00	Market Purchase
January 27, 2020	112,000	38.25	38.25	Market Purchase
January 28, 2020	51,999	38.25	38.25	Market Purchase
January 31, 2020	122,338	36.25	36.25	Market Purchase
February 01, 2020	50,000	36.20	36.20	Market Purchase
March 20, 2020	(93,000)	27.25	27.25	Market Sale
March 27, 2020	50,000	25.50	25.50	Market Purchase
March 30, 2020	(47,600)	27.00	27.00	Market Sale
Total →	352,397			

4.12.9 Please refer to Clause 4.13 for Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.

4.12.10 PAC 6 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

4.12.11 Neither PAC 6, nor any of its Director, has been categorized as a wilful defaulter or fugitive economic offender.

4.12.12 PAC 6 has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.

4.13 Compliance with the applicable provisions of Chapter V of SEBI SAST Regulations by the Acquirers and PACs

Sr. No.	Regulation	%age holding	Due Date of filing	Actual Date of Filing	Status of Compliance
1.	29(1)	5.42	March 07, 2018	September 25, 2019	Disclosure made with delay. Settlement application filed with SEBI*
2.	29(2)	9.32	March 09, 2018	March 08, 2018	Complied
3.	29(2)	13.01	March 21, 2018	March 21, 2018	Complied
4.	29(2)	15.03	May 21, 2018	September 25, 2019	Disclosure made with delay. Settlement application filed with SEBI*
5.	29(2)	17.57	November 21, 2019	November 22, 2019	Complied
6.	29(2)	20.54	February 28, 2020 & March 02, 2020	March 02, 2020	Complied
7.	29(2)	22.98	March 24, 2020	March 25, 2020	Complied

(*) The Acquirers and PACs has filed a settlement application with SEBI on November 01, 2019 to condone the delayed in filing of the said disclosures due to inadvertence. The said application is pending for hearing.

- 4.14 Except as disclosed below, the Acquirers and PACs, and entities controlled by them, have not undertaken any transaction with the Target Company during the financial year ended March 31, 2020 are as under:

			(Rs. in lakhs)	
Name of entity			Nature of Transaction	Year ended March 31, 2020
Flowtech Limited	Chemicals	Private	Purchase (Liquid Chlorine)	79.14
			CL2 (Chlorine gas) Disposable Charges Received	417.66
Prayag Limited *	Chemical	Private	Purchase (Liquid Chlorine)	83.98
			CL2 (Chlorine gas) Disposable Charges Received	46.51
			Rent received for CL2 Tonners	13.42
V S Polymers Private Limited *			Purchase (Liquid Chlorine)	115.91
			CL2 (Chlorine gas) Disposable Charges Received	95.86

* The said entities form part of the group companies of the Acquirers and PACs, however they will not participate in this Offer either as an acquirer or person acting in concert.

The above transactions have been undertaken in the ordinary course of business.

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 at an annual rent of Rs. 50,000. The said lease is renewable for a further period of 30 years or such other period on the terms mutually agreed by the parties.

- 4.15 The Acquirers and PACs shall disclose during the Offer Period any further acquisitions made by the Acquirers and PACs of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchanges and to the Target Company at its registered office within 24 (twenty four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI SAST Regulations.

- 4.16 As on the date of the Letter of Offer, none of the Acquirers and / or PACs are director on the Board of the Target Company.

5. DETAILS OF THE TARGET COMPANY

(The disclosures mentioned under this section have been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1 The Target Company was originally incorporated on December 01, 1975 under the provisions of the Companies Act, 1956 by the name 'Punjab Alkalies Limited' and was granted a certificate of incorporation. A fresh certificate of incorporation was issued consequent upon change of name of the Company from 'Punjab Alkalies Limited' to 'Punjab Alkalies & Chemicals Limited' on April 19, 1983 by Registrar of Companies at Chandigarh. The CIN of the Target Company is L24119CH1975PLC003607. Punjab State Industrial Development Corporation Limited ("PSIDCL") is the Promoter of the Target Company.
- 5.2 The registered office of the Target Company is situated at S. C. O. 125-127, Sector 17-B, Chandigarh - 160 017.
- 5.3 Target Company has facilities for manufacturing of Caustic soda lye, Liquid Chlorine, Hydrochloric Acid, Sodium Hypochlorite and Hydrogen Gas. Main products of the Target Company are caustic soda lye, liquid chlorine, hydrochloric acid, hydrogen gas and sodium hypochlorite. The manufacturing facility of the Target Company is located at Naya Nangal in District Ropar, Punjab.
- 5.4 The authorized share capital of the Target Company is Rs. 400,000,000 (Rupees Forty Crore) comprising of 40,000,000 (Four Crore) Equity Shares of Rs. 10 each. The paid-up Equity Share Capital of the Target Company is Rs. 271,047,200 divided into 27,068,644 fully paid up equity shares of Rs. 10 each and 72,152 partly paid up equity shares with Rs. 5 each.
- 5.5 The Equity Shares of the Target Company are listed on BSE having a scrip code as 506852 with symbol PACL. The shares were listed on January 04, 1984. The Equity Shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI SAST

Regulations. The ISIN of the Target Company is INE607A01014.

5.6 The Equity Share Capital structure of the Target Company is as follows:

Particulars	No. of equity shares	%age of paid up capital	No. of voting rights *	%age of paid up capital
Fully paid up equity shares of Rs. 10 each	2,70,68,644	99.73	2,70,68,644	99.87
Partly paid up equity shares of Rs. 5 each	72,152	0.27	36,076	0.13
27,69,200 Secured Fully Convertible Debentures of Rs. 100 each	-	-	-	-
Total equity shares	2,71,40,796	100.00		
Total voting capital #			2,71,04,720	100.00

* 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.

The Target Company has 2,769,200 Fully Convertible Debentures outstanding as on the date of this Public Announcement. The equity shares against the same have not been allotted, and hence, have not been included in the computation of voting rights as required under Regulation 7(1) of the SEBI SAST Regulations. For details, please refer to Clause 5.7 and 5.8 below.

5.7 The Target Company has 2,769,200 Fully Convertible Debentures outstanding as on the date of the Letter of Offer. The Details of the 10% Secured Fully Convertible Debentures issued by the Target Company are as under (Details disclosed based on the latest Annual Report of the Target Company available, i.e. for the financial year ended March 31, 2019):

In addition to the equity shares issued and disclosed in Clause 5.6 above, the Target Company has issued 27,69,200 Secured Fully Convertible Debentures (FCDs) of Rs. 100 each, which are held by:

Name of FCD Holder	No. of FCDs	Amount (Rs. in lakhs)
IDBI Bank Limited	19,75,000	1,730.83
IFCI Limited	3,44,000	301.47
LIC of India	2,07,000	181.41
Punjab National Bank	1,23,200	107.97
Punjab & Sind Bank	1,20,000	105.16
Total →	27,69,200	2,426.84

The Corporate Debt Restructuring (CDR) Empowered Group had restructured the debt liabilities of the Company in January, 2003 and had thereafter revised, reworked and modified the same from time to time. The CDR Empowered Group has approved the Proposal of the Company for One Time Settlement (O.T.S.) of the outstanding Term Loans and Non-Convertible Debentures and Sanctioned Working Capital Facilities as on 1st April, 2012 on 100% principal basis with a cut-off date of 15th November, 2012. In terms of the same, the Company had to make payment of (a) Upfront Payment of 35% of the O.T.S. Amount as first tranche, 10% of the balance 65% of O.T.S. Amount as second tranche by 30th September, 2014 and the remaining 90% of the balance 65% of O.T.S. Amount as third tranche by 1st April, 2015 and (b) Interest from 1st July, 2012 to 30th September, 2012 on the entire outstanding amount and interest from 1st October, 2012 to the date of payment of first tranche on 35% of O.T.S. Amount alongwith the payment of first tranche and interest from 1st October, 2012 to the date of payment of first tranche on balance 65% of O.T.S. Amount by 31st October, 2013. No interest is chargeable on the balance 65% of O.T.S. Amount from the date of payment of first tranche. Accordingly, the Company has made the payments of the first tranche and second tranche of the O.T.S. Amount alongwith interest payable on due dates as per terms of the O.T.S. sanction.

The final tranche of O.T.S. amount had fallen due on 1st April, 2015. The Company could not make the payment of the same on due date. At the request of the Company, the CDR Empowered Group has, inter alia, approved the terms of the said terminal payment i.e. (i) The Outstanding amount (as on 1st April,

2015) of terminal payment of OTS amount shall be converted into Equity and Fully Convertible Debentures (FCDs), (ii) Equity Conversion shall be by issuance of fresh equity of 66,05,246 shares as per applicable SEBI norms, (iii) The balance outstanding terminal OTS payment is to be converted into Fully Convertible Debentures (FCDs) and (iv) The Company shall issue Non Convertible Debentures (NCDs) to Lenders to the extent of Mark to Market Loss in respect of fresh Equity issued by the Company; and these FCDs & NCDs shall carry fixed interest rate at IDBI Bank Limited's Base Rate as on cut-off date of 30th June, 2015 i.e. 10% p.a. The CDR Empowered Group further approved waiver of interest on outstanding O.T.S. amount during period April, 2015 to June, 2015. The Company has received individual sanctions from all financial institutions and banks. The Company has issued Equity Shares and Debentures (NCDs & FCDs) to all the lenders as per CDR sanction.

The Fully Convertible Debentures issued upon part conversion of their outstanding terminal payment and Non-Convertible Debentures issued to the extent of Mark to Market Loss in respect of fresh Equity issued as approved by CDR EG to CDR Lenders (Now Debenture holders) viz. IDBI Bank Limited, IFCI Limited, Life Insurance Corporation of India, Punjab National Bank and Punjab & Sind Bank, are/will be secured by way of existing charge on Movable or/and Immovable Properties of the Company.

The Fully Convertible Debentures (FCDs) shall be converted into Equity Shares of the Company on 1st July, 2020 at a price which shall be determined in accordance with SEBI ICDR Regulations, 2009 (as amended) and PACL shall have the first right of refusal for redemption before conversion of these FCDs into Equity Shares.

- 5.8 The Target Company has made the following disclosure with BSE 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.

The Manager to the Offer has also written an e-mail dated August 06, 2020 to the Target Company seeking the present status of the extension of conversion date of Fully Convertible Debentures. However, the required information has not been received from the Target Company till the date of the Letter of Offer.

- 5.9 There is no differential pricing for the Offer.
- 5.10 Details of the Board of Directors of the Target Company

Sr. No.	Name of Director	DIN	Designation	Date of appointment
1.	Shri Alok Shekhar	02529589	Chairman and Nominee Director	July 14, 2020
2.	Shri Manjit Singh Brar	00942519	Managing Director	February 15, 2019
3.	Shri Naveen Chopra	08465391	Wholetime Director	May 28, 2019
4.	Shri Ashok Kumar Kundra	00154024	Director	December 13, 2004
5.	Shri Darshan Chand Mehandru	00308524	Director	June 26, 2002
6.	Shri Jagtar Singh Mann	00399381	Director	August 12, 2010
7.	Shri Gurinderjit Singh Sandhu	01790828	Director	August 09, 2019
8.	Shri Sibin Chakkyadath	07285200	Nominee Director	June 24, 2020

- 5.11 The key financial information of the Target Company based on audited financial statements for the financial years ended March 31, 2020, 2019 and 2018 are as follows:

(Rs. in lakhs)

Particulars	Financial year ended March 31		
	2020	2019	2018
Profit & Loss account			
Income from Operations	29,038.87	37,573.36	34,201.58
Other Income	2,050.76	479.22	707.42
Total Income	31,089.63	38,052.58	34,909.00
Total Expenditure (excluding Depreciation, Interest and Tax)	27,438.26	29,736.93	31,326.76
Profit before Depreciation, Interest and Tax	3,651.37	8,315.65	3,582.24
Depreciation	1,317.45	1,628.82	911.75
Interest	516.63	811.34	2,029.37
Profit before tax	1,817.29	5,875.49	641.12
Less: Exceptional item written off	-	-	1,123.32
Profit after exceptional items	1,817.29	5,875.49	(482.20)
Provision for tax	936.82	289.46	-
Profit after tax	880.47	5,586.03	(482.20)
Balance Sheet			
Sources of Funds			
Paid up Share Capital	2,710.48	2,710.48	2,710.48
Other equity (excluding revaluation reserve)	4,337.73	3,832.67	936.27
Networth	7,048.21	6,543.15	3,646.75
Non Current Liabilities	1,482.42	3,856.09	3,839.99
Current Liabilities	14,239.93	12,237.44	13,592.44
Total	22,770.56	22,636.68	21,079.18
Uses of funds			
Non Current Assets	19,504.10	12,521.54	13,226.71
Current Assets	3,266.46	10,115.14	7,852.47
Total	22,770.56	22,636.68	21,079.18
Other Financial data			
Dividend (%)	-	-	-
Earnings Per Share	3.24	20.58	(1.78)
Net Asset Value	25.98	24.12	13.45
Return on Net Worth	12.49%	85.37%	NA

Notes:

1. Source: Financial summary of the Target Company for the financial year ended March 31, 2020 has been extracted from the disclosure made pursuant to Regulation 33 of the SEBI LODR Regulations for the year ended on that date and from the Annual Report of the Target Company for the financial years ended March 31, 2019 and March 31, 2018.
2. Book value per share has been calculated as (Net worth + Amount called up but not paid) / Number of shares outstanding
3. Return on Net worth has been calculated as Profit after tax / Net worth

5.12 Pre Offer Shareholding Pattern of the Target Company, based on the disclosure submitted by the Company with the Stock Exchange under Regulation 31 of the SEBI LODR Regulations for the Quarter ended on June 30, 2020, and the resulting post offer shareholding pattern is as under:

Shareholders category	Shareholders and voting rights prior to acquisition and the Offer		Share / voting rights agreed to be acquired which triggered the Regulations		Shares / voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholders & voting rights after acquisition and offer ¹	
	No. ²	%age	No.	%age	No.	%age	No. ²	%age
(I) Acquirers and PACs								
(a) Flowtech Industrial Projects Private Limited	1,743,572	6.43	500,000	1.84	7,056,607	26.03	14,072,867	51.92
(b) Flowtech Chemicals Private Limited	-	-	-	-				
(c) Sukhbir Singh Dahiya	1,035,264	3.82	-	-				
(d) Jagbir Singh Ahlawat	800,020	2.95	-	-				
(e) Jatin Dahiya	-	-	-	-				
(f) Parerna Ahlawat	740,063	2.73	-	-				
(g) Dayawati Dahiya	712,034	2.63	-	-				

Shareholders category	Shareholders and voting rights prior to acquisition and the Offer		Share / voting rights agreed to be acquired which triggered the Regulations		Shares / voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholders & voting rights after acquisition and offer ¹	
	No. ²	%age	No.	%age	No.	%age	No. ²	%age
(h) Mayank Ahlawat	-	-	-	-				
(i) Garima	220,000	0.81	-	-				
(j) Himalaya Alkalies & Chemicals Limited	520,878	1.92	-	-				
(k) Advance Chemicals	392,032	1.45	-	-				
(l) Tara Mercantile Private Limited	352,397	1.30	-	-				
Total (1) →	6,516,260	24.04	500,000	1.84	7,056,607	26.03	14,072,867	51.92
(2) Existing Promoter of the Target Company								
(a) Parties to agreement, if any	-	-						
(b) Promoters other than (a) above ³	9,090,000	33.49						
Total (2) →	9,090,000	33.49						
(3) Parties to agreement other than 1 & 2 (a)	-	-						
(4) Public (other than parties to agreement and Acquirers and PACs)			(500,000)	(1.84)	(7,056,607)	(26.03)	13,031,853	48.08
(a) Institutions (FIs / MFs / FIIs / FPIs / Banks, etc)	24,225	0.09						
(b) Others including individuals, body corporates, trusts, etc	11,474,235	42.33						
Total (4) →	11,498,460	42.42						
Subtotal (5) = (2)+(3)+(4)	20,588,460	75.96	(500,000)	(1.84)	(7,056,607)	(26.03)	13,031,853	48.08
Grand total (1) + (5) →	27,104,720	100.00	-	-	-	-	27,104,720	100.00

¹ The entire 26.00% shares of the Issued Share Capital and 26.03% of Voting Capital of the Target Company envisaged to be acquired by the Acquirers and PACs would be from Eligible Shareholders and therefore the post offer holding of the Existing Promoter of the Target Company and Other Public Shareholders is not ascertainable at this stage and would depend on the quantum of shares offered by shareholders under each such category.

² The aforesaid shareholding pattern has been disclosed based on the voting capital and not number of shares outstanding.

³ 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 Acquirers and PACs cannot comment on acceptance and tender of shares under the Offer by the Existing Promoter of the Target Company. Further, the Acquirers and PACs also cannot comment on the status of Punjab State Industrial Development Corporation Limited continuing as Promoters of the Company post completion of the Offer. The said decision shall be solely taken by Punjab State Industrial Development Corporation Limited.*

Note: While calculating the voting rights in the aforesaid table, the partly paid up 72,152 equity shares of Rs. 5 each have been considered as carrying 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.

Total number of shareholders, except the Acquirers and PACs, as on June 30, 2020 is 20,726.

5.13 Details of the Compliance Officer of the Target Company:

Name : Ms. Sugandha Kukreja
Address : SCO 125-127, Sector 17B, Chandigarh – 160017
Tel. : +91 172 407 2543 / 407 2546
E-mail : secretarial@punjabalkalies.com

- 5.14 The information relating to the Target Company has been taken from BSE Limited (www.bseindia.com), Ministry of Corporate Affairs (www.mca.gov.in) and Annual Report of the Target Company.
- 5.15 **Other information / event perceived material by the Acquirers and PACs, occurring after the date of the last audited balance sheet of the Target Company:**

- 5.15.1 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.

- 5.15.2 The Target Company has not converted outstanding FCDs into equity shares and has also applied with FCD Holders to extend the conversion terms, including postponement of the date of conversion from July 01, 2020 to January 01, 2021. For details refer to Clause 5.7 and 5.8 of the Letter of Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

- 6.1.1 The Equity Shares of the Target Company are presently listed and traded on BSE having a scrip code as 506852. The Equity Shares of the Target Company are frequently traded on BSE during the 12 calendar months preceding the month in which Public Announcement was made asset out under Regulation 2(1)(j) of the SEBI SAST Regulations.

- 6.1.2 The annualized trading turnover of the Equity Shares of the Target Company during 12 calendar months preceding the month of Public Announcement (from August 2019 to July 2020) on BSE on which the Equity Shares of the Target Company are traded as detailed below:

Name of Stock Exchange	Total Number of shares traded Total No. of Equity Shares listed during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE	5,422,582	27,140,796	19.98

(source: www.bseindia.com)

- 6.1.3 The Offer Price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) is justified in terms of Regulation 8(2) of the SEBI SAST Regulations on the basis of the following:

Sr. No.	Particulars	Amount (in Rs.)
(a)	The highest negotiated price per share of the Target Company for any acquisition under the agreement attracting the obligation to make the Public Announcement of the Offer i.e. the price per Equity Share under the agreement	: Not applicable
(b)	The volume weighted average price paid or payable for acquisitions, whether by the Acquirers and PACs or by any person acting in concert during the 52 weeks immediately preceding the date of the PA	: 33.75
(c)	The highest price paid or payable for any acquisition whether by the Acquirers and PACs or by any person acting in concert, during the 26 weeks immediately preceding the date of the PA	: 39.10
(d)	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the shares are the Public Announcement as traded on BSE	: 33.72
(e)	Highest price per Equity Share of the Target Company quoted by the Acquirer 1 in the PO to the Broker, pursuant to which Offer is triggered	: 39.10

Sr. No.	Particulars	Amount (in Rs.)
(f)	The price determined by the Acquirers and PACs and the Manager taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies	Not applicable, as Equity Shares are frequently traded

6.1.4 Calculation of the volume weighted average price paid for acquisition, by the Acquirers and PACs during the fifty two (52) weeks immediately preceding the date of the Public Announcement and determining the highest price paid for an acquisition by the Acquirers and PACs during the twenty six weeks immediately preceding the date of the Public Announcement as per Regulation 8(2)(b) and 8(2)(c) of the SEBI SAST Regulations is as follows:

(Amount in Rs.)

Date	Stock Exchange	Name of Acquirers and PACs	Number of Equity Shares purchased	Consideration	Weighted average price
24/09/2019	BSE	Flowtech Industrial Projects Private Limited	45,100	2,345,200	52.00
01/10/2019	BSE	Flowtech Industrial Projects Private Limited	48,000	2,404,800	50.10
04/10/2019	BSE	Flowtech Industrial Projects Private Limited	38,300	1,913,085	49.95
04/10/2019	BSE	Advance Chemicals	95,000	4,745,250	49.95
09/10/2019	BSE	Flowtech Industrial Projects Private Limited	33,001	1,635,200	49.55
14/10/2019	BSE	Tara Mercantile Private Limited	34,000	1,671,245	49.15
16/10/2019	BSE	Tara Mercantile Private Limited	40,660	2,033,000	50.00
17/10/2019	BSE	Advance Chemicals	41,957	2,016,034	48.05
18/10/2019	BSE	Advance Chemicals	55,000	2,667,497	48.50
29/10/2019	BSE	Parerna Ahlawat	46,100	1,986,515	43.09
31/10/2019	BSE	Dayawati Dahiya	54,014	2,365,813	43.80
21/11/2019	BSE	Parerna Ahlawat	84,011	2,787,876	33.18
21/11/2019	BSE	Dayawati Dahiya	71,167	2,378,077	33.42
14/01/2020	BSE	Flowtech Industrial Projects Private Limited	64,850	2,499,968	38.55
20/01/2020	BSE	Tara Mercantile Private Limited	32,000	1,248,000	39.00
27/01/2020	BSE	Tara Mercantile Private Limited	112,000	4,284,000	38.25
28/01/2020	BSE	Tara Mercantile Private Limited	51,999	1,988,962	38.25
30/01/2020	BSE	Flowtech Industrial Projects Private Limited	80,000	3,115,945	38.95
31/01/2020	BSE	Tara Mercantile Private Limited	122,338	4,434,753	36.25
01/02/2020	BSE	Tara Mercantile Private Limited	50,000	1,810,000	36.20
01/02/2020	BSE	Flowtech Industrial Projects Private Limited	22,149	801,794	36.20
27/02/2020	BSE	Flowtech Industrial Projects Private Limited	3,000	95,250	31.75
28/02/2020	BSE	Flowtech Industrial Projects Private Limited	154,797	6,026,474	38.93
02/03/2020	BSE	Flowtech Industrial Projects Private Limited	70,000	2,429,000	34.70
02/03/2020	BSE	Advance Chemicals	46,210	1,603,487	34.70
23/03/2020	BSE	Flowtech Industrial Projects Private Limited	760,364	16,575,935	21.80
27/03/2020	BSE	Flowtech Industrial Projects Private Limited	91,329	2,328,890	25.50
27/03/2020	BSE	Tara Mercantile Private Limited	50,000	1,275,000	25.50
03/06/2020	BSE	Flowtech Industrial Projects Private Limited	92,926	2,694,854	29.00
19/06/2020	BSE	Himalaya Alkalies and Chemicals Limited	99,898	3,256,675	32.60
Total →			2,590,170	87,418,576	33.75

6.1.5 Details of the highest price paid by the Acquirers and PACs during the twenty six (26) weeks immediately preceding the date of the Public Announcement as per Regulation 8(2)(b) and 8(2)(c) of the SEBI SAST Regulations is as follows:

(Amount in Rs.)

Date	Stock Exchange	Name of Acquirers and PACs	Number of Equity Shares purchased	Weighted average price	Highest price paid
27/02/2020	BSE	Flowtech Industrial Projects Private Limited	3,000	31.75	31.75
28/02/2020	BSE	Flowtech Industrial Projects Private Limited	154,797	38.93	39.10
02/03/2020	BSE	Flowtech Industrial Projects Private Limited	70,000	34.70	34.70
02/03/2020	BSE	Advance Chemicals	46,210	34.70	34.70
23/03/2020	BSE	Flowtech Industrial Projects Private Limited	760,364	21.80	31.50
27/03/2020	BSE	Flowtech Industrial Projects Private Limited	91,329	25.50	27.25
27/03/2020	BSE	Tara Mercantile Private Limited	50,000	25.50	21.80
03/06/2020	BSE	Flowtech Industrial Projects Private Limited	92,926	29.00	25.50
19/06/2020	BSE	Himalaya Alkalies and Chemicals Limited	99,898	32.60	27.00
Highest Price paid			1,854,610		39.10

- 6.1.6 Calculation of volume weighted average market price of the Equity Shares for a period of sixty (60) trading days immediately preceding the date of the Public Announcement dated August 05, 2020 as traded on BSE (being the stock exchange on which Equity Shares of the Target Company are listed and frequently traded) as per Regulation 8(2)(d) of the SEBI SAST Regulations is as under:

Date	Total Traded Quantity	Turnover (in Rs.)	Volume Weighted Average Price (in Rs.)
August 04, 2020	2,758	94,683	34.33
August 03, 2020	32,970	1,158,748	35.15
July 31, 2020	2,525	81,273	32.19
July 30, 2020	6,939	226,507	32.64
July 29, 2020	13,438	444,006	33.04
July 28, 2020	6,121	204,559	33.42
July 27, 2020	12,772	433,264	33.92
July 24, 2020	177,557	6,474,197	36.46
July 23, 2020	12,704	404,577	31.85
July 22, 2020	14,226	451,481	31.74
July 21, 2020	13,985	440,351	31.49
July 20, 2020	5,468	165,773	30.32
July 17, 2020	4,297	129,356	30.10
July 16, 2020	12,527	371,538	29.66
July 15, 2020	8,901	275,711	30.98
July 14, 2020	13,446	421,488	31.35
July 13, 2020	28,119	902,977	32.11
July 10, 2020	16,556	543,966	32.86
July 09, 2020	26,295	887,258	33.74
July 08, 2020	198,002	7,030,102	35.51
July 07, 2020	4,416	139,008	31.48
July 06, 2020	3,812	119,604	31.38
July 03, 2020	2,005	63,281	31.56
July 02, 2020	4,754	153,243	32.23
July 01, 2020	4,045	126,631	31.31
June 30, 2020	3,488	111,187	31.88
June 29, 2020	2,686	87,092	32.42
June 26, 2020	5,637	180,337	31.99
June 25, 2020	6,172	193,531	31.36
June 24, 2020	10,235	330,208	32.26
June 23, 2020	9,258	302,570	32.68
June 22, 2020	14,131	460,058	32.56
June 19, 2020	103,102	3,361,899	32.61
June 18, 2020	8,659	282,958	32.68
June 17, 2020	16,260	535,059	32.91
June 16, 2020	3,230	106,792	33.06
June 15, 2020	2,128	70,503	33.13
June 12, 2020	4,009	133,204	33.23
June 11, 2020	2,471	82,197	33.26
June 10, 2020	3,972	131,959	33.22
June 09, 2020	18,396	615,120	33.44
June 08, 2020	17,881	622,592	34.82
June 05, 2020	6,727	231,499	34.41
June 04, 2020	1,115	37,523	33.65
June 03, 2020	110,394	3,261,244	29.54
June 02, 2020	3,291	114,952	34.93
June 01, 2020	1,330	46,906	35.27
May 29, 2020	2,020	67,511	33.42
May 28, 2020	701	23,685	33.79
May 27, 2020	1,180	37,611	31.87
May 26, 2020	1,018	33,016	32.43
May 22, 2020	1,044	34,411	32.96
May 21, 2020	1,396	44,910	32.17
May 20, 2020	2,165	71,142	32.86

Date	Total Traded Quantity	Turnover (in Rs.)	Volume Weighted Average Price (in Rs.)
May 19, 2020	7,049	245,654	34.85
May 18, 2020	3,513	123,131	35.05
May 15, 2020	17,867	646,782	36.20
May 14, 2020	22,748	827,932	36.40
May 13, 2020	1,670	55,130	33.01
May 12, 2020	766	23,796	31.07
Total	1,046,347	35,277,683	33.72

- 6.1.7 In the event of further acquisition of Equity Shares of the Target Company by the Acquirers and PACs during the Offer Period, by purchase of Equity Shares of the Target Company at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI SAST Regulations. However, Acquirers and PACs shall not be acquiring any Equity Shares of the Target Company after third Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 6.1.8 In view of the parameters considered and presented in the table above and in the opinion of the Acquirers and PACs and Manager to the Offer, the Offer Price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per fully paid up Equity Share and the same has been certified by CA Dharendra Kumar (Membership no. 504516), Partner, Krishna Kumar and Associates, Chartered Accountants (Firm Registration No. 005586C), has vide their certificate dated August 05, 2020 (UDIN: 20504516AAAADD9620). Accordingly, the Offer Price is justified in terms of Regulation 8(2) of the SEBI SAST Regulations.
- 6.1.9 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.10 As on the date of the Letter of Offer, there is no revision in the Offer Price or the Offer Size. The Offer Price and / or Offer Size is subject to upward revision, if any, pursuant to the SEBI SAST Regulations or at the discretion of the Acquirers and PACs at any time prior to the commencement of the last One (1) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) and 18(5) of the SEBI SAST Regulations. In the event of such revision, the Acquirers and PACs shall make corresponding increases to the escrow amount and shall: (i) make a public announcement in the same newspapers in which the Detailed Public Statement is published; and (ii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office, of such revision.
- 6.1.11 If the Acquirers and / or PACs acquire Equity Shares during the period of twenty six weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers and / or PACs shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI SAST Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.2 DETAILS OF FINANCIAL ARRANGEMENT

- 6.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 7,056,607 Equity Shares from the Eligible Shareholders of the Target Company at an Offer Price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten Only) 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), (the “**Maximum Consideration**”).
- 6.2.2 The Acquirers, the Manager to the Offer and IndusInd Bank Limited, a scheduled commercial bank incorporated under the laws of India, acting through its branch at Shop No. 2/3, Atlanta Building, Ground Floor, Nariman Point, Mumbai - 400 021, have entered into an Escrow Agreement on August 05, 2020, for the purpose of the Offer (the “**Escrow Agreement**”). Pursuant to the Escrow Agreement, the Acquirers have deposited Rs. 43,000,000 (Rupees Four Crore Thirty Lakh Only) in cash in the Escrow Account which is equivalent to 15.58% of the value of Maximum Consideration payable under the Offer (assuming full acceptances). The Manager to the Offer is duly authorised by the Acquirers to realise the value of the Escrow Account and operate the Escrow Account in terms of the SEBI SAST Regulations.

- 6.2.3 Further, the Acquirers has also provided Fixed Deposits with IndusInd Bank Limited aggregating to Rs. 233,000,000 (Rupees Twenty Three Crore Thirty Lakh Only) (“**Fixed Deposit**”) with an irrevocable lien marked in favour of the Manager to the Offer. In terms of the Escrow Agreement, the Manager to the Offer can at any time invoke the lien and encash the proceeds of the Fixed Deposit in terms of the SEBI SAST Regulations.
- 6.2.4 In accordance with Regulation 17 of the SEBI SAST Regulations, the amount of Fixed Deposit lien marked in favor of the Manager to the Offer alongwith the cash deposited in the Escrow Account, aggregating to Rs. 276,000,000 (Rupees Twenty Seven Crore Sixty Lakh Only), is equivalent to 100.03% of the value of Maximum Consideration payable under the Offer (assuming full acceptances) (the “**Escrow Amount**”).
- 6.2.5 The Acquirers and PACs has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI SAST Regulations. CA Dhirendra Kumar (Membership no. 504516), Partner, Krishna Kumar and Associates, Chartered Accountants (Firm Registration No. 005586C), has vide their certificate dated August 07, 2020 (UDIN: 20504516AAAADC8652) certified that the Acquirers and PACs has sufficient resources to meet the fund requirements for the acquisition of the Equity Shares of the Target Company under the Open Offer. The acquisition will be financed through internal accruals.
- 6.2.6 Based on the above and in the light of the Escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers and PACs to fulfil their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.
- 6.2.7 In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

- 7.1.1 This Offer is being made by the Acquirers and PACs to all shareholders of the Company, including the Existing Promoter of the Target Company to acquire upto 7,056,607 fully paid up equity shares of face value Rs. 10/- each representing 26.00% of the total issued Share capital and 26.03% of voting capital
- 7.1.2 In terms of the schedule of activities, the Tendering Period of the Offer shall commence on September 17, 2020 and close on September 30, 2020.
- 7.1.3 This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- 7.1.4 The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.5 Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer. Alternatively, the Letter of Offer would also be available on the website of SEBI i.e. www.sebi.gov.in.
- 7.1.6 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such Equity Shares during pendency of the said litigation are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of closing of the Offer.
- 7.1.7 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents / forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

- 7.1.8 The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgment Constitute an integral part of the terms and conditions of this Offer.
- 7.1.9 In terms of Regulation 18(9) of the SEBI SAST Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.
- 7.1.10 Each shareholder to whom this Offer is being made is free to offer the Equity Shares held by him in whole or in part while accepting this Offer.

7.2 LOCKED-IN SHARES

- 7.2.1 As on the date of Letter of Offer, the Target Company does not have any Equity Shares under lock-in. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (one).

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

- 7.3.1 The Letter of Offer shall be sent to all shareholders of the Company, including the Existing Promoter of the Target Company, holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date i.e. September 03, 2020. All such Shareholders of the Company to whom offer has been sent, both who are holding shares in demat form as well as physical form, can tender shares under the Offer.
- 7.3.2 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.3.3 The Public Announcement, Corrigendum to the Public Announcement, Detailed Public Statement, Draft Letter of Offer and Letter of Offer shall also be available on the website of SEBI, i.e. www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, may download the Letter of Offer from the website of SEBI for applying in the Offer.
- 7.3.4 By accepting this Offer, the Eligible Shareholders confirm that they are not persons acting in concert with the Acquirers and PACs for the purpose of this Offer.
- 7.3.5 The acceptance of this Offer by the Eligible Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever and should be received by the Registrar to the Offer at the address mentioned under Clause 8.11.4 of the Letter of Offer on or before the closure of the Tendering Period i.e. September 30, 2020.
- 7.3.6 Neither the Acquirers, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share certificate(s), share transfer forms and any other Offer acceptance documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.3.7 The Acquirers and PACs reserves the right to revise the Offer Price upwards at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI SAST Regulations. In the event of such revision, the Acquirers and PACs shall: (i) make corresponding further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement is published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. The Acquirers and PACs would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
- 7.3.8 The decision on acceptance of Equity Shares tendered in this Offer will be made by the Acquirers and PACs in consultation with the Manager to the Offer.
- 7.3.9 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute part of the terms of the Offer.

7.4 STATUTORY AND OTHER APPROVALS

- 7.4.1 As of the date of the Letter of Offer, to the best of the knowledge of the Acquirers, there are no statutory or other approvals required to complete the Offer. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).
- 7.4.2 In case of delay in receipt of any Statutory Approval(s), pursuant to Regulation 18(11) of the SEBI SAST Regulations, SEBI may, if satisfied, that delay in receipt of requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers and PACs to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirers and PACs agreeing to pay interest for the delayed period, provided where the statutory approval(s) extend to some but not all Shareholders, the Acquirers and PACs have the option to make payment to such Shareholders in respect of whom no statutory approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirers and PACs in obtaining any statutory approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of the SEBI SAST Regulations.
- 7.4.3 The acquisition of the Equity Shares tendered by NRI and OCB are subject to approval / exemption, if applicable, from RBI. NRI and OCB holders of the Equity Shares in the Target Company, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including from RBI) and submit such approvals, along with the other requisite documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including RBI) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding such Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and PACs reserve the right to reject such Equity Shares tendered in this Offer.
- 7.4.4 In terms of Regulation 23(1) of the SEBI SAST Regulations, in the event that the approvals which become applicable prior to completion of the Offer are not received, the Acquirers and PACs shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirers and PACs through the Manager shall, within 2 Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
- 7.4.5 Subject to the receipt of the statutory and other approvals, if any, the Acquirers and the PACs shall complete all procedures relating to the Open Offer, including payment of consideration within 10 Working Days from the closure of the tendering period to those shareholders whose share certificates or other documents are found valid and in order and are approved for acquisition by the Acquirers and the PACs.
- 7.4.6 By agreeing to participate in this Open Offer (i) the holders of the Equity Shares who are persons resident in India and the (ii) the holders of the Equity Shares who are persons resident outside India (including NRIs, OCBs and FPIs) give the Acquirers and PACs the authority to make, sign, execute, deliver, acknowledge and perform all actions to file applications and regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Acquirers and PACs for such regulatory filings, if required by the Acquirer.
- 7.4.7 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers and the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Offer will be implemented by the Acquirers and PACs through the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window (“Acquisition Window”) as provided under the SEBI SAST Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, and notices / guidelines issued by Stock Exchanges and the Clearing

Corporation in relation to the mechanism / process for the acquisition of shares through the stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time (“Acquisition Window Circulars”).

- 8.2 BSE shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer (“**Designated Stock Exchange**”).
- 8.3 The Letter of Offer with the Form of Acceptance cum Acknowledgement will be sent to the Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective depositories, as of the close of business on the Identified Date.
- 8.4 The Public Announcement, Corrigendum to the Public Announcement, Detailed Public Statement, the Letter of Offer and the Form of Acceptance cum Acknowledgement will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI’s website for applying in the Offer.
- 8.5 The Acquirers and PACs have appointed Eureka Stock & Share Broking Services Limited (“**Buying Broker**”) for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:



Eureka Stock & Share Broking Services Limited

DN-51, Merlin Infinite

11th Floor

Salt Lake, Sector V

Kolkata - 700 091

Tel: +91 33 6628 0000

Fax: +91 33 2210 5184

Website: www.eurekasec.com

- 8.6 All the Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their respective depository participants and their respective stock brokers (“**Selling Broker**”) well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Stock Exchange. The Buying Broker may also act as Selling Broker for Public Shareholders.
- 8.7 During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 8.8 Modification / cancellation of orders will not be allowed during the Tendering Period.
- 8.9 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (and has complied with the relevant ‘Know Your Client’ procedures and guidelines). In the event Seller Broker(s) are not registered with BSE if the Shareholder does not have any stock broker then that Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Public Shareholder may approach Buyer Broker viz. Eureka Stock & Share Broking Services Limited, to register himself and bid by using quick UCC facility. The Eligible Shareholders approaching a stock broker registered with the Stock Exchange(s) (with whom he does not have an account) may have to submit following details:

In case of Eligible Seller being an individual

If Eligible Seller is registered with KYC Registration Agency (“KRA”): Forms required:

- Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master / Latest Demat statement)

If Eligible Seller is not registered with KRA: Forms required:

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
 - PAN card copy
 - Address proof
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Eligible Seller is HUF:

If Eligible Seller is registered with KYC Registration Agency (“KRA”): Forms required:

- Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master / Latest Demat statement)

If Eligible Seller is not registered with KRA: Forms required:

- CKYC form of KARTA including FATCA, IPV, OSV if applicable
- KRA form
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - PAN card copy of HUF & KARTA
 - Address proof of HUF & KARTA
 - HUF declaration
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Eligible Seller other than Individual and HUF:

If Eligible Seller is KRA registered: Form required

- Know Your Client (KYC) form Documents required (all documents certified true copy)
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors / authorised signatories / partners / trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

If Eligible Seller is not KRA registered: Forms required:

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
 - PAN card copy of company / firm / trust
 - Address proof of company / firm / trust
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors / authorised signatories / partners / trustees
- PAN card copies & address proof of Directors / authorised signatories / partners / trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.10 Procedure for tendering Equity Shares held in Dematerialised Form

- 8.10.1 The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 8.10.2 The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- 8.10.3 The details of the Special Account of Clearing Corporation/ Settlement Number shall be informed in the issue opening circular / notice that will be issued by the Stock Exchange or the Clearing Corporation before the bid opening date.
- 8.10.4 Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 8.10.5 On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.
- 8.10.6 Modification / cancellation of orders will not be allowed during the tendering period of the Offer.
- 8.10.7 For Custodian Participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Date of closing of the Offer. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.10.8 The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- 8.10.9 The Clearing Corporation will hold the Equity Shares tendered under the Offer in trust until the Acquirers and PACs completes their obligations under the Offer in accordance with the SEBI SAST Regulations.
- 8.10.10 In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted, for Public Shareholders holding Equity Shares in demat form.
- 8.10.11 All non-resident Shareholders (i.e. Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance cum Acknowledgement. The non-resident Public Shareholders holding Equity Shares in demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance cum Acknowledgement along with the required documents to the Registrar to the Offer at its address given on the cover page of the Letter of Offer. The envelope should be super scribed as "Punjab Alkalies & Chemicals Limited - Open Offer". The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance cum Acknowledgment.
- 8.10.12 Public Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent.
- 8.10.13 The Public Shareholders will have to ensure that they keep their demat account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rata acceptance in the Open Offer.
- 8.10.14 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the

Tendering Period.

8.10.15 The Public Shareholders should not send bids to the Acquirers and PACs or Manager to the Offer or Registrar to the Offer. Please note that submission of Bid Form and TRS is not mandatorily required in case of equity shares held in dematerialized form.

8.11 Procedure for tendering Equity Shares held in Physical Form

As per the proviso to Regulation 40(1) of the SEBI LODR Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with SEBI notification No. SEBI/LADNRO/GN/2018/49 dated November 30, 2018, and the press releases dated December 3, 2018 and March 27, 2019 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. However, in accordance with the Frequently Asked Questions dated February 20, 2020 issued by SEBI titled “FAQs - Tendering of physical shares in buyback offer / open offer / exit offer / delisting” and subsequent SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Shareholders holding Equity Shares in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI SAST Regulations.

Accordingly, the procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

- 8.11.1 Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Seller Member(s) along with the complete set of documents for verification procedures to be carried out including the (i) original Equity Share certificate(s), (ii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of any of the Acquirers and / or PACs, (iii) self-attested copy of the Public Shareholder’s PAN Card, (iv) the Tender Form (duly signed by all Public Shareholders in case the Equity Shares are in joint names) the same order in which they hold Equity Shares, and (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Public Shareholder has deceased, etc., as applicable. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- 8.11.2 Based on the documents as mentioned in Clause 8.11.1, the concerned Seller Member shall place the bid on behalf of Public Shareholders holding Equity Shares in physical form using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
- 8.11.3 Public Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
- Duly attested power of attorney, if any person other than Public Shareholder has signed Tender Form;
 - Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Public Shareholder has expired; and
 - In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- 8.11.4 The Seller Member / Public Shareholder is required to deliver the original Equity Share certificate(s) and documents (as mentioned above) along with TRS either by registered post / speed post or courier or hand delivery to Registrar to the Offer within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as “Punjab Alkalies and Chemicals Limited - Open Offer”. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Seller Member / Public Shareholder. The collection center for the purpose of sending the documents to the Registrar to the Offer is as under:

Sr. No.	City	Contact Person	Address	Telephone / fax / e-mail	Mode
1.	New Delhi	Mr. S P Gupta	Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi - 110 062	Tel.: +91 11 2996 1281-83 Fax: +91 11 2996 1284 E-mail ID: beetalrta@gmail.com	Hand delivery / courier / registered post

- 8.11.5 Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for acquisition under the Offer shall be subject to verification. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchange shall display such bids as 'unconfirmed physical bids'. Once the Registrar to the Offer confirms the bids it will be treated as 'Confirmed Bids'.
- 8.11.6 All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) there a name mismatch in the Folio of the Public Shareholder; or (ii) there exists any restraint order of a court / any other competent authority for transfer / disposal / sale or where loss of share certificates has been notified to the Target Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; or (iii) The documents mentioned in the Tender Form for Public Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of October 05, 2020 (by 5:00 p.m.); or (iv) If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Target Company; or (v) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; or (vi) If the Public Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or (vii) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.
- 8.11.7 In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Offer before the Bid Closing Date.
- 8.12 **In case of non-receipt of the Letter of Offer and the Tender Form:**
- 8.12.1 Public Shareholder(s) have been sent the Letter of Offer and the Tender Form through Speed Post / Registered Post. Further, the Public Shareholders whose e-mail ids are registered with the Company have also been sent the Letter of Offer and the Tender Form through electronic means. In case of non-receipt of Letter of Offer, Public Shareholder(s) can access the Letter of Offer on the website of SEBI, the Registrar to the Offer, the Stock Exchanges and the Manager to the Offer at www.sebi.gov.in, www.beetalfinancial.com, www.bseindia.com, and www.sundaecapital.com, respectively. Further, a Public Shareholder who wishes obtain a copy of the Letter of Offer, they may send a request to the Registrar or Manager at their respective email id mentioned in this Public Announcement stating the name, address, number of Equity Shares, client ID number, DP name / ID, beneficiary account number, Folio No. and upon receipt of such request, a copy of the Letter of Offer shall be provided to such Public Shareholder. A Public Shareholder may also participate in the Offer by downloading the Tender Form from the website of the Registrar to the Offer. A Public Shareholder holding share in physical form may also participate in the Offer by providing his / her / its application in writing on a plain paper signed by all Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered in the Offer and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Public Shareholder's PAN card(s) and executed share transfer form in favour of the Acquirer. Public Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Offer not later than 2 (two) days from the Bid Closing Date i.e. October 05, 2020, (by 5:00 p.m.). If the signature(s) of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Target Company or are not in the same order (although attested), such Tender Forms are liable to be rejected under this Offer.
- 8.12.2 Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 8.12.3 Public Shareholders may participate in the Offer by approaching their Selling Broker and tender the

Equity Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.

8.13 **Acceptance of Equity Shares**

- 8.13.1 Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 8.13.2 In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares for which the Offer is made, the Acquirers and PACs shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

8.14 **Settlement Process**

- 8.14.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.
- 8.14.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.14.3 For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders bank account linked to its demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 8.14.4 The Acquirers and / PACs shall pay the consideration payable towards purchase of the Offer Shares to the Buyer Broker who in turn will transfer the funds to the Clearing Corporation, on or before the pay-in date for settlement as per the secondary market mechanism. For the Offer Shares acquired in dematerialized form, the Public Shareholders will receive the consideration in their bank account attached to the depository account from the Clearing Corporation. If bank account details of any Public Shareholder is not available or if the fund transfer instruction is rejected by the RBI or relevant bank, due to any reasons, then the amount payable to the relevant Public Shareholder will be transferred to the concerned Seller Brokers for onward transfer to such Public Shareholder. For the Offer Shares acquired in physical form, the funds payout would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Public Shareholder's account.
- 8.14.5 In case of certain client types viz. non-resident Indians, non-resident clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out will be given to their respective Seller Broker's settlement accounts for releasing the same to their respective Public Shareholder's account onward. For this purpose, the client type details will be collected from the depositories whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
- 8.14.6 The Offer Shares acquired in dematerialized form would either be transferred directly to the account of the Acquirers and PACs provided it is indicated by the Buyer Broker or it will be transferred by the Buyer Broker to the account of the Acquirers and PACs on receipt of the Offer Shares pursuant to the clearing and settlement mechanism of the Designated Stock Exchange. The shares acquired in physical form will be transferred in the name of the Acquirer(s).
- 8.14.7 In case of rejected dematerialised Offer Shares, if any, tendered by the Public Shareholders, the same would be transferred by the Clearing Corporation directly to the respective Public Shareholder's DP account, as part of the exchange payout process. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Broker's depository pool account for onward transfer to the Public Shareholder. The Seller Broker / custodian participants would return these unaccepted Offer Shares to their respective clients (i.e. the relevant Public

Shareholder(s)) on whose behalf the Bids have been placed. In case of rejected physical Offer Shares, if any, tendered by the Public Shareholders, the same would be sent back at the registered address of the respective Public Shareholder as available in the records of the Company / Registrar to the Offer through Speed Post / Registered Post.

- 8.14.8 The Public Shareholders will have to ensure that they keep the demat account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.
- 8.14.9 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
- 8.14.10 In case of non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 8.14.11 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 8.14.12 Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 8.14.13 The Acquirers and PACs intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 (Ten) Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI SAST Regulations. However, in case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on part of the Acquirer/ PACs to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI (including payment of interest in accordance with Regulation 18(11) of the SEBI SAST Regulations grant an extension of time to the Acquirer/ PACs pending receipt of such statutory approval(s) to make payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer.

9. NOTE ON TAXATION

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED ABOVE. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRERS AND THE PACS DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS SUMMARY. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND SUMMARY OF INCOME TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGES IN INDIA, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

9.1 General

9.1.1 The Indian tax year runs from 1 April to 31 March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act 1961 ('Income Tax Act').

9.1.2 A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the 'situs' of the shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since Punjab Alkalies and Chemicals Limited is incorporated in India, the shares of Punjab Alkalies and Chemicals Limited would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement subject to satisfaction of the relevant conditions and documentary compliance requirements prescribed under the Income Tax Act.

9.2 Taxability of Capital Gain in the hands of the Public Shareholder

9.2.1 As per the provisions of the Income Tax Act, capital gains arising from the sale / transfer of equity shares in an Indian company are generally taxable in India.

9.2.2 Gain in excess of Rs. 100,000 realized on the sale / transfer, anytime from April 01, 2018 onwards, of listed equity shares, held for more than 12 months, on a recognized stock exchange, will be liable to Long Term Capital Gains tax in India @ 10% under Section 112A of the Income Tax Act, if Securities Transaction Tax ("STT") is paid on the sale transaction.

The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 shall be the higher of (i) actual cost; and (ii) lower of (a) fair market value as on 31 January, 2018 (highest price of such share quoted on any recognized exchange as on 31 January, 2018); (b) full value consideration received on transfer.

However, if STT is not paid at the time of acquisition of the shares being transferred, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the Income Tax Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).

9.2.3 Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG taxable under the newly introduced section 112A of the Income Tax Act.

9.2.4 Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less, which is sold, will be subject to Short Term Capital Gains tax @ 15% under section 111A of the Income Tax Act.

- 9.2.5 Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the Income Tax Act or the Double Taxation Avoidance Agreement entered between India and country of which the non-resident seller is resident, subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- 9.2.6 As an overall point, since the acquisition of the Equity Shares under the Offer is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

9.3 Business Income

- 9.3.1 Under current Indian tax laws and regulations, if the shares are held as stock-in-trade by any of the Public Shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession”.

9.4 Tax Deduction at Source

- 9.4.1 In case of resident Public Shareholders - in absence of any specific provision under the Income-tax Act, 1961, the Acquirers and PACs shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. Such resident Public Shareholder will be liable to pay tax on their income as per the provisions of the Income Tax Act as applicable to them.
- 9.4.2 In case of non-resident Public Shareholders, other than Foreign Portfolio Investor, the responsibility of discharge of the tax due on the gains (if any) is on the Selling Broker / custodians / authorized dealers/ non-resident shareholder since the tendering of shares under the Offer is through the Recognised Stock Exchanges in India.
- 9.4.3 In the case of Foreign Portfolio Investor, Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of capital gains arising in hands of Foreign Portfolio Investor. Thus, no withholding of tax is required in case of consideration payable to Foreign Portfolio Investor.
- 9.4.4 In case of interest payments, if any, by the Acquirers and PACs for delay in payment of Offer consideration or a part thereof, the Acquirers and PACs will deduct taxes at source at the applicable rates under the Income Tax Act.

9.5 Others

- 9.5.1 Notwithstanding the details given above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.
- 9.5.2 The tax deducted by the Acquirers and PACs while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Offer, before the income tax authorities.
- 9.5.3 The Acquirers, PACs and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Manager to the Offer between 10:00 a.m. and 3:00 p.m. on all working days (Monday to Friday) during the period from the commencement of the Tendering Period, i.e. September 17, 2020 until the date of closure of the Tendering Period, i.e. September 30, 2020:

1. Certified copies of the Certificate of Incorporation and Memorandum & Articles of Association of the Acquirers, in case of companies.
2. Certified copies of the Certificate of Incorporation and Memorandum & Articles of Association of the PACs, in case of companies.
3. Certified copies of the Audited Financial Statements of the Acquirers and PACs, in case of companies / partnership firm, for the financial years ended March 31, 2020, 2019 and 2018.
4. Copy of certificates issued by Ms. Swati Singhal (Membership no. 505235), Partner of M/s. Rajneesh Associates, Chartered Accountants (Firm Registration No. 011475), certifying the Networth of the Acquirers and PACs, in case of individuals.
5. Copy of resolution passed by the Acquirers and PACs, in case of companies.
6. Copy of certificate dated August 07, 2020 issued by CA Dharendra Kumar (Membership no. 504516), Partner of M/s. Krishna Kumar & Associates, Chartered Accountants (Firm Registration No. 005586C), certifying the adequacy of financial resources of the Acquirers and PACs to fulfill the Offer obligations.
7. Copy of certificate dated August 05, 2020 issued by CA Dharendra Kumar (Membership no. 504516), Partner of M/s. Krishna Kumar & Associates, Chartered Accountants (Firm Registration No. 005586C), certifying the computation of the Offer Price.
8. Copies of the Annual Report of the Target Company for the financial years ended March 31, 2019 and 2018 and disclosure of audited financial statements for the financial year ended March 31, 2020 made to the Stock Exchange.
9. Copy of the Escrow Agreement dated August 05, 2020 executed between the Acquirers, Escrow Agent and Manager to the Offer.
10. Letter / Bank Statement from IndusInd Bank Limited dated [●] confirming the receipt of money in the Escrow Account and creation of lien on fixed deposits in favor of the Manager to the Offer.
11. Due Diligence Certificate dated August 11, 2020 submitted to SEBI by the Manager to the Offer.
12. Copy of the Public Announcement dated August 05, 2020 and Corrigendum to the Public Announcement dated August 07, 2020.
13. Copy of the Detailed Public Statement published in newspapers on August 11, 2020.
14. Copy of the Offer Opening Public Announcement (including any corrigendum to it) to be published by the Manager on behalf of the Acquirer
15. Published copy of the recommendation to be made by the committee of the independent directors of Target Company in relation to the Offer
16. SEBI Observation Letter No. [●] dated [●].

The material documents will also be made available electronically for inspection during the Tendering Period. Public Shareholders interested in electronically inspecting the material documents can send an email from their registered email ids and Folio No. / DP ID & Client ID, with the subject line “Documents for Inspection - Punjab Alkalies and Chemicals Limited Open Offer”, to the Manager to the Open Offer on pacl.openoffer@sundaecapital.com, and upon receipt and processing of the request, access shall be provided to the respective Public Shareholder, for electronic inspection.

11. DECLARATION BY THE ACQUIRERS & THE PACS

- 11.1 The Acquirers and the PACs and their respective directors and / or partners accept full responsibility for the information contained in the Draft Letter of Offer including the Form of Acceptance cum Acknowledgement (except for the information with respect to the Target Company which has been compiled from information published or provided by the Target Company as the case may be, or publicly available sources and which information has not been independently verified by the Acquirer, the PACs or the Manager).
- 11.2 The Acquirers and the PACs shall be jointly and severally responsible for the fulfilment of obligations under the SEBI SAST Regulations in respect of this Offer.
- 11.3 The information pertaining to the Target Company contained in the Public Announcement or the Corrigendum to the Public Announcement or the Detailed Public Statement or the Draft Letter of Offer or any other advertisement/ publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company, as the case may be, or publicly available sources which has not been independently verified by the Acquirer, the PACs or the Manager. The Acquirers and the PACs do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.
- 11.4 The information contained in this Draft Letter of Offer is as of the date of this Draft Letter of Offer, unless expressly stated otherwise.
- 11.5 The person(s) signing this Draft Letter of Offer are duly and legally authorized by the Acquirers and the PACs, as applicable, to sign the Draft Letter of Offer.

EXECUTED by the Acquirers and the PACs acting through their duly authorised representatives.

On behalf of the Acquirers and the PACs

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	Signed by Jagbir Singh Ahlawat for himself and also on behalf of Parerna Ahlawat and Mayank Ahlawat	Signed by Jatin Dahiya for himself and also on behalf of Advance Chemicals
Sd/- Sukhbir Singh Dahiya	Sd/- Jagbir Singh Ahlawat	Sd/- Jatin Dahiya

Place: New Delhi
Date: August 11, 2020