

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*This Letter of Offer is sent to you as shareholder(s) of **Syschem (India) Limited**. If you require any clarification about the action to be taken, you may please consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in Syschem (India) Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.*

OPEN OFFER BY

- (1) **Mr. Virendra Popatlal Shah (Acquirer 1)**
Address: 603, Pleasant Palace, 16, Narayan Dabholkar Road, Next to Ramtek Bungalow, Nepean Sea Road, Mumbai, Malabar Hills-400006, Phone No: +91- 22-22878890
- (2) **Mr. Bhavesh Virendra Shah (Acquirer 2)**
Address: 603, Pleasant Palace, 16, Narayan Dabholkar Road, Next to Ramtek Bungalow, Nepean Sea Road, Mumbai, Malabar Hills-400006, Phone No: +91- 22-22878890
- (3) **Mr. Bimal Virendra Shah (Acquirer 3)**
Address: 603, Pleasant Palace, 16, Narayan Dabholkar Road, Next to Ramtek Bungalow, Nepean Sea Road, Mumbai, Malabar Hills-400006, Phone No: +91- 22-22878890
- (4) **Mr. Dinesh Jagdishchandra Khokhani (Acquirer 4)**
Address: 5/B, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali Mumbai-400 026, Phone No: +91- 22-40441234
- (5) **Mr. Mahesh Jagdishchandra Khokhani (Acquirer 5)**
Address: 7-B, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali Mumbai-400 026, Phone No: +91- 22-40441234
- (6) **Mr. Mehul Jagdishchandra Khokhani (Acquirer 6)**
Address: 4/A, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali Mumbai-400 026, Phone No: +91- 22-40441234

(Hereinafter Collectively referred to as "Acquirers")

to the existing public shareholders of

SYSCHEM (INDIA) LIMITED

Registered Office: Tehsil Kalka, Dist Panchkula, Bargodam, Haryana, 134109, India.

Phone No. 0172-5070471/5070472

website: www.syschem.in Email: info@syschem.in

TO ACQUIRE

Up to 82,91,504 (Eighty Two Lacs Ninety One Thousands Five Hundred and Four Only) fully paid equity shares of face value of Rs. 10/- each representing 26% of the Emerging Share Capital of Target Company at a price of Rs 15.50/- (Rupees Fifteen and Paise Fifty Only) per fully paid equity share payable in Cash.

Notes:

1. The Offer is being made by the Acquirers pursuant to the Regulations 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("SEBI SAST Regulations").
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. As on the date of this LOF, to the best of knowledge of Acquirers, there are no statutory approvals required to be obtained by the Acquirers to acquire equity shares that may be tendered pursuant to this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. The Acquirers may revise the Offer Price at any time upto 3 working days prior to the opening of the tendering period of the Offer i.e. **Thursday, July 07, 2022**. Any upward revision or withdrawal, if any, of the Offer would be informed by way of the Issue Opening Public Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirer for all equity shares tendered anytime during the Offer.
6. The date of upward revision in Offer Price in terms of Regulation 18(4) of SEBI (SAST) Regulations, 2011 is **Monday, 11th July, 2022**.
7. **There is no Competing Offer.**
8. A Copy of the Public Announcement, Detailed Public Statement and the LOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India (SEBI) website: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 D & A FINANCIAL SERVICES (P) LIMITED 13, Community Centre, East of Kailash, New Delhi - 110065. Tel nos.: 011-41326121/40167038 Email: investors@dnafinserv.com Contact Person: Mr. Priyaranjan SEBI Reg. No. INM000011484	 BEETAL FINANCIAL & COMPUTER SERVICES PVT. LIMITED Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukh Das Mandir, New Delhi-110062 E. Mail: beetalrta@gmail.com Tel. Nos.: 29961281-82, Fax No.: 29961284 Contact Person: Mr. Punit Mittal SEBI Regd. No. INR000000262
OFFER OPENS ON: TUESDAY, JULY 12, 2022	OFFER CLOSING ON: MONDAY, JULY 25, 2022

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

S. No.	ACTIVITY	Original Schedule Days & Dates	Revised Schedule Days & Dates
1.	Date of Public Announcement	Thursday, May 19, 2022	Thursday, May 19, 2022
2.	Date of Publication of Detailed Public Statement	Thursday, May 26, 2022	Thursday, May 26, 2022
3.	Filing of the Draft letter of Offer to SEBI	Thursday, June 02, 2022	Thursday, June 02, 2022
4.	Last Date for a Competitive Offer(s)	Thursday, June 16, 2022	Thursday, June 16, 2022
5.	Identified Date*	Monday, June 27, 2022	Tuesday, June 28, 2022
6.	Date by which Final Letter of Offer will be dispatched to the shareholders	Monday, July 04, 2022	Tuesday, July 05, 2022
7.	Last Date for revising the Offer Price/ number of shares.	Wednesday, July 06, 2022	Thursday, July 07, 2022
8.	Date by which the committee of the independent directors of the Target Company shall give its recommendations.	Thursday, July 07, 2022	Friday, July 08, 2022
9.	Date of Publication of Offer Opening Public Announcement	Friday, July 08, 2022	Monday, July 11, 2022
10.	Date of Commencement of Tendering Period (Offer Opening date)	Monday, July 11, 2022	Tuesday, July 12, 2022
11.	Date of Expiry of Tendering Period (Offer Closing date)	Friday, July 22, 2022	Monday, July 25, 2022
12.	Last Date of communicating rejection/ acceptance and payment of consideration for applications accepted/ return of unaccepted share certificates/ credit of unaccepted Equity Shares to Demat Account.	Friday, August 05, 2022	Monday, August 08, 2022

**The identified date is only for the purpose of determining the public shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Public Shareholders (registered or unregistered) are eligible to participate in this offer at any time prior to the closure of tendering period.*

RISK FACTORS

Risk Factors relating to the transaction

- To the best of knowledge of the Acquirers, no statutory approvals are required. However, it will be subject to all statutory approvals that may become applicable at a later date. The Acquirers reserve the right to withdraw the Offer in accordance with Regulation 23 (1) (a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
- In the event that (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the Offer; or (c) SEBI instructs the Acquirers not to proceed with the offer, then the Offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of offer. Consequently, the payment of consideration to the public shareholders of SIL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirers, may be delayed. The tendered equity shares and documents will be held by the Registrar to the Offer, until such time as the process of acceptance of such equity shares and the payment of consideration thereto is completed.
- In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- The equity shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer (in accordance with the Regulations and other applicable laws, rules and regulations), and the shareholders will not be able to trade, sell, transfer, exchange or otherwise dispose of such equity shares until the completion of the Offer or withdrawal of the Offer in accordance with Regulation 23(1) of the SEBI (SAST) Regulations. During such period there may be fluctuations in the market price of the equity shares. Accordingly, the Acquirers do not make any assurance with respect to the market price of the equity shares at any time, whether during or upon or after the completion of the Offer, and disclaim 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.
- Shareholders should note that the shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period.
- In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

- The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisements or other materials issued by, or at the instance of the Acquirers and the Manager to the Offer, and anyone placing reliance on any other source of information, would be doing so at his/her/their own risk.
- This Offer is subject to Completion risks as would be applicable to similar transactions.

Risk Factors relating to the proposed Offer

1. In the event that either (a) there is any litigation to stay the offer, or (b) SEBI instructs the Acquirers to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
2. As per Regulation 18(9) of SEBI SAST Regulations, shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
4. The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirers makes no assurance with respect to any decision by the shareholders on whether or not to participate in the Offer.
5. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) 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.

Probable risks involved in associating with the Acquirers

1. The Acquirers make no assurance with respect to the financial performance of the Target Company after change of control of management and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.
2. The Acquirers makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirers do not provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirers are not in relation 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 a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

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1. DEFINITIONS/ ABBREVIATIONS

1	Acquirers	Mr. Virendra Popatlal Shah Mr. Bhavesh Virendra Shah Mr. Bimal Virendra Shah Mr. Dinesh Jagdishchandra Khokhani Mr. Mahesh Jagdishchandra Khokhani Mr. Mehul Jagdishchandra Khokhani
2.	Book Value per share	Net worth / Number of equity shares issued
3.	BSE	BSE Limited
4.	EPS	Profit after tax / Number of equity shares issued
5.	Form of Acceptance	Form of Acceptance cum Acknowledgement
6.	LOF or Letter of Offer	Offer Document
7.	Manager to the Offer or, Merchant Banker	D & A Financial Services (P) Limited
8.	N.A.	Not Applicable
9.	Negotiated Price	Rs 15.50/-
10	Offer or Open Offer	Open Offer for acquisition of upto 82,91,504 (Eighty Two Lacs Ninety One Thousands Five Hundred and Four Only) equity shares ("Offer Shares") of Rs 10/- each representing 26% of the Emerging Share Capital of Target Company at a price of Rs 15.50/- (Rupees Fifteen and Paise Fifty Only) per fully paid equity share, payable in Cash.
11.	Offer Price	Rs 15.50/- (Rupees Fifteen and Paise Fifty Only) per share for fully paid equity shares of Rs 10/- each, payable in Cash.
12.	PAC	Not Applicable
13.	Persons eligible to participate in the Offer	Registered public shareholders of Syschem (India) Limited and unregistered public shareholders who own the equity shares of Syschem (India) Limited any time prior to the Offer Closure other than the Acquirers.
14.	Public Announcement or "PA"	Public Announcement submitted to BSE where the Target Company was listed as well as to SEBI on May 19, 2022.
15.	Preferential Allotment	Allotment of 55,00,000 (Fifty Five Lacs Only) equity shares of face value of Rs 10/- each to the Acquirers by way of preferential allotment, in terms of Section 62 read with Section 42 of the Companies Act, 2013 and subject to compliance with applicable provisions of SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2018.
16.	Post Preferential Paid Up Capital	Consisting of 30,54,04,00 fully paid up Equity Shares of Rs 10/- each of the Target Company post allotment of shares.
17.	Registrar or Registrar to the Offer	M/s Beetal Financial and Computer Services Private Limited
18.	Return on Net Worth	(Profit After Tax/Net Worth) *100
19.	SEBI	Securities and Exchange Board of India
20.	SEBI (SAST) Regulations, 2011 or Regulations or SEBI SAST Regulations of Shares and Takeovers) Regulations,	Securities and Exchange Board of India (Substantial Acquisition 2011 and subsequent amendments thereto.

21.	SEBI Act	Securities and Exchange Board of India Act, 1992
22.	Share(s)	Fully paid up Equity Shares of face value of Rs 10/- each of the Target Company
23.	Shareholders or Public Shareholders	Public Shareholders of the Target Company except Acquirers.
24.	Target Company/ the Company/SIL	Company whose equity shares are proposed to be acquired i.e Syschem (India) Limited.
25.	Pre Preferential Paid up Capital.	Consisting of 2,50,40,400 fully paid up equity shares of Rs 10/- each of the target company as on the date of this Draft Letter of Offer.
26.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from July 12, 2022 to July 25, 2022.
27.	Working Day	Working Day of SEBI, 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 THE SHAREHOLDERS OF SYSCEM (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, D & A FINANCIAL SERVICES (P) LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 1st JUNE, 2022 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 The Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations and as a result of this Offer, the shareholding of the Acquirers in the Target Company would get increased by way of allotment of shares to the acquirers through preferential allotment as well as Acquirers have also entered in to shareholder's agreement with existing promoters to join as co-promoters of target company and which will trigger the Open Offer under the provision of Regulation 3(1) and Regulation 4 of the Regulations.
- 3.1.2 (a) The Board of Directors of Target Company in their meeting held on May 19, 2022 have proposed to allot up to maximum of 55,00,000 (Fifty Five Lacs Only) equity shares of face value of Rs 10/- each to the Acquirers by way of preferential allotment, in terms of Section 62 read with Section 42 of the Companies Act, 2013 and subject to Compliance with applicable provisions of SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2018 as amended and the same is subject to approval from shareholders of Target Company and other approvals if any at an issue price of Rs 15.50/- per shares including premium of Rs 5.50/- per share, which is calculated in terms of Regulations 164 read with Regulation 166A of SEBI (ICDR) Regulations, 2018 and also the said preferential allotment is made in compliance with provision of Memorandum and Articles of Association of the Company.

Presently, acquirers in aggregate holds 53,63,200 equity shares representing 21.42% of the Pre Preferential paid up share capital of Target Company. After the said preferential allotment, the acquirer's will hold in aggregate 1,08,63,200 equity shares representing 35.57% of the Post Preferential Paid up equity share capital of Target Company.

The Board of Directors of the Company in their meeting held on June 27, 2022 after receipt of approval of shareholders of the company in extra ordinary general meeting held on 17th June, 2022 and receipt of in-principle approval of BSE Limited vide its letter no. LOD/PREF/JR/FIP/2278/2022-23 dated 2nd June, 2022, have allotted 55,00,000 equity shares under the said preferential allotment and the details of the same are as under:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1	Virendra Popatlal Shah	1250000
2	Bhavesh Virendra Shah	750000
3	Bimal Virendra Shah	750000
4	Dinesh Jagdishchandra Khokhani	750000
5	Mahesh Jagdishchandra Khokhani	1250000
6	Mehul Jagdishchandra Khokhani	750000
	Total	5500000

- (b) The Promoters of the Target Company also vide a shareholder's agreement ("**Shareholders Agreement**") dated 19th May, 2022 executed with the Acquirers, have agreed to classify the Acquirers as a co-promoter along-with the existing promoters of the target company.

The Salient Features of the Shareholders' Agreement are as under:

Promoter Group Status

- The Parties shall ensure and take all necessary action to cause that the Investor Group ("Acquirers") shall be classified, named or deemed as part of the 'Promoter Group' of the Company in terms of SEBI SAST Regulations and subject to compliance with applicable provisions of SEBI (Listing Obligation and Disclosures Requirements Regulations), 2015.

Board structure of the Company

1.1 Composition of the Board

- 1.1.1 Subject to applicable law, until such time the Investor Group holds not less than 10 % (Ten per cent) of the Capital, the Investor Group have a right to nominate atleast 1/3 ("**Investor Group Director**") on the board of director of the Company, who shall not be liable to be retire for rotation.
- 1.1.2 The Company and the Promoters shall make all necessary efforts (including exercising voting rights in the board/ shareholders meeting of the Company) to ensure to give effect to this Clause 1.1.1.
- 1.1.3 Subject to applicable law, until such time the Promoters holds not less than 10% (Ten per cent) of the Capital, the Promoters shall jointly have right to appoint not more than 1 directors on the board of the Company, provided that such directors shall be liable to retire by rotation.
- 1.1.4 The Investors and Promoter shall make all necessary efforts (including exercising voting rights in the board/ shareholders meeting of the Company) to ensure to give effect to this Clause 1.1.3.

Right of first refusal

- 2.1 At any time during the subsistence of this Agreement, if any of the Promoter ("**Selling Shareholder**") proposes to transfer (which shall include creation of encumbrance in whatsoever manner) on the Securities held by the such Selling Shareholder to any Person ("**Proposed Transferee**") pursuant to a bona fide offer by the said Proposed Transferee, the Selling Shareholder shall immediately deliver a written notice ("**Offer Notice**") to the Investor Group ("**Non-Selling Shareholder**") describing accurately and in reasonable detail the terms and conditions of the offer, including the timing as to execution, the number of Securities subject to the offer (the "**Offer Shares**"), the price to be paid for such Securities pursuant to such offer, the name and address of the Proposed Transferee, any agreements or documents to be executed and delivered relating to such offer, any related terms and conditions and any additional information reasonably required by the Non-Selling Shareholder.
- 2.2 Upon the Offer Notice being delivered to the Non-Selling Shareholder, the Non-Selling Shareholder shall have the right exercisable at their sole discretion ("**Right of First Refusal**"), within the time the period set forth in the Offer Notice, provided that such period shall in no event be less than 7 days from the date the Offer Notice is received by the Non-Selling Shareholder ("**Offer Period**"), to give to the Selling Shareholder a notice in writing to purchase all or part of the Offer Shares in proportion to their inter-se shareholding in the Company as the Non-Selling Shareholder may decide in its sole discretion subject to compliance with applicable provisions of SEBI Takeover Regulations as amended at the time of transfer
- 2.3 If the Non - Selling Shareholder exercise the Right of First Refusal in respect of all or part of the Offer Shares, then the transfer of such Offer Shares or part thereof, as the case may be, shall take place within a period of 30 days from the date the Non-Selling Shareholders notify to the Selling Shareholder in writing of their intent to exercise the Right of First Refusal
- 2.4 If the Non-Selling Shareholder, in their sole discretion, do not exercise the Right of First Refusal in respect of all or part of the Offer Shares (such all or remaining Offer Shares shall be referred to as "**Free Shares**"), the Selling Shareholder(s) may choose to sell the Free Shares to the Proposed Transferee after the expiry of the Offer Period on terms not more favourable to such Proposed Transferee than those contained in the Offer Notice, within a period of 30 days following the expiry of the Offer Period. If the Free Shares are not sold within such 30 days period by the Selling Shareholder, the rights of the Non-Selling Shareholders pursuant to this Clause 0 shall again take effect and revive with respect to any sale of Securities of the Company held by the Selling Shareholder.

Pre-emptive rights for new/further issues of Securities

- 3.1 In the event the Company is desirous of issuing any new securities, the Investor Group shall have a pre-emptive right to maintain their proportionate ownership interest, as well as the right to purchase its pro rata share of any further issuances of securities by the Company.

- 3.2 The Company shall deliver to the Investor Group a written notice ("Notice") specifying the following: (i) the number, issue price, type and terms of the securities to be issued, (ii) the time period within which the pre-emptive right is required to be exercised which shall not exceed 45 days from the date of receipt of the Notice from the Company.
- 3.3 Where the Investor Group elects, within the time period stipulated in Clause 8.2 to subscribe to the further Securities, which shall be in proportion to its shareholding in the Company on a Fully Diluted Basis, then: (a) the Investor Group shall deposit with the Company the subscription amount on the terms and conditions as set out in the Notice issued by the Company within 30 days of such acceptance; and (b) thereupon the Company shall issue and allot to the Investor Group, the further securities and deliver certificates representing such further securities within 30 days of receipt of the subscription amount.
- 3.4 In the event that the Investor Group is unable to or does not, for any reason whatsoever, subscribe the further issuance of securities by the Company or fails to settle the payment of the consideration required for such issuance, then such Investor Group shall accept a dilution of its percentage shareholding in the Company and the board of director of the Company shall issue such securities to any Person approved by the board of director of the Company on price and terms no more favourable than those offered to the Investor Group.

Further rights conferred to both current promoters and acquirers shall be deemed as "Control" as per Takeover Regulations.

- 3.1.4 The Offer is not as a result of global acquisition resulting in indirect acquisition of The Target Company.
- 3.1.5 None of the Acquirers and the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction u/s 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.
- 3.1.6 The Board of the Target Company shall, in accordance with Regulation 26(6) of the SEBI SAST Regulations, constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this open offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation at least two working days before the commencement of the tendering period i.e. on or before Friday, July 08, 2022, in the same newspapers where the DPS of the Offer was published.

3.2 Details of the Proposed Offer

- 3.2.1 A Detailed Public Statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers, on May 26, 2022:

Publication	Editions
Financial Express (English)	All Editions
Jansatta (Hindi)	All Editions
Lakshadweep	Mumbai Editions
Arth Prakash	Chandigarh Edition

Copy of Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in

- 3.2.2 The Acquirers is making an offer in terms of Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011 to acquire 82,91,504 (Eighty Two Lacs Ninety One Thousands Five Hundred and Four) equity shares of Rs 10/- each fully paid up representing 26% of the "Emerging Capital of Target Company" at a price of Rs 15.50/- (Rupees Fifteen and Paise Fifty Only) per fully paid up equity share ("Offer Price") payable in cash subject to the terms and conditions set out in the Public Announcement, Detailed Public Statement and this Draft Letter of Offer.
- 3.2.3 The Offer price is Rs 15.50/- per equity share. As on date of this Letter of Offer, all the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company.
- 3.2.4 As on date total 13,50,000 number of warrants pending for conversion and the same is allotted to one of the existing promoters Mr. Ranjan Jain and the last date of conversion of warrants is 12th October, 2023.
- 3.2.5 There is no differential pricing for the shares proposed to be acquired under the Open Offer.
- 3.2.6 This is not a Competing Offer.**
- 3.2.7 All the shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.
- 3.2.8 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. **it is not a Conditional Offer** and the Acquirers will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 82,91,504 (Eighty Two Lacs Ninety One Thousands Five Hundred and Four) equity shares fully paid up equity shares of target company, that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company.
- 3.2.9 The Acquirers have not acquired any shares of the target company from the date of Public Announcement up to the date of this Letter of Offer except allotment of 55,00,000 equity shares by way of preferential allotment made on 27 June, 2022
- 3.2.10 The Acquirers in aggregate hold 53,63,200 equity shares representing 21.42% of total present paid up share capital of the Target Company, as on the date of Public Announcement.

3.2.11 The Acquirers at present have no intention to sale, lease, dispose of or otherwise encumber any significant material assets of target company or any of its subsidiaries in the succeeding two years, except in the ordinary course of business of target company. However target company's future policy for disposal of its material assets, if any, or any of its subsidiaries will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders of target company, by way of postal ballot and the notice of such postal ballot shall contain as to why such disposal is necessary, in terms of provisions of Regulation 25(2) of the SEBI (SAST) Regulations, 2011.

3.2.12 The acquisition of 26% of the emerging voting share capital of target company under this offer together with the equity shares being acquired by way of preferential allotment and equity shares presently held by the acquirers and equity shares held by the existing promoters of target company will result in public shareholding in target company being reduced below the minimum level i.e 25% required for the purpose of continuous listing under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 ("SCRR"). Assuming full acceptance under this offer, the post offer holdings of the Acquirer may go beyond the maximum permissible non-public shareholding under SCRR and in case the holding of the Acquirers goes beyond the limit due to further acquisitions, the Acquirers hereby undertakes to reduce their shareholding to the level stipulated in the SCRR and within the time specified therein and through permitted routes available under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any other such routes as may be approved by SEBI from time to time.

3.3 Object of the Acquisition/ Offer

3.3.1 This offer is being made pursuant to Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations 2011, consequent to the proposed preferential allotment of equity shares and entering in to shareholder's agreement with existing promoters to take control over the target company as explained in para above is the reason and rationale for the acquisition/offer.

3.3.2 The Acquirers will continue the existing line of business of Target Company.

4. BACKGROUND OF THE ACQUIRERS

4.1 MR. VIRENDRA POPATLAL SHAH (ACQUIRER 1)

1. Mr. Virendra Popatlal Shah, S/o of Shri Popatlal Shah, aged about 76 years, a citizen of India currently residing at 603, Pleasant Palace, 16 Narayan Dabholkar Road, Next to Ramtek Bunglow, Nepean Sea Road, Mumbai, Malabar Hills-400006. He is Post Graduate in Business Administration. He is having around 51 years of experience in the manufacturing of chemicals as well as Intermediates for Pharmaceutical bulk drugs.
2. Mr. Shreyas V. Parikh (Membership No. 033402), Partner of G.K. Choksi & Co. Chartered Accountant (Firm Registration no. 125442W) having office at 708/709, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai-400 021 has certified vide his certificate dated April 07, 2022 that the Net-worth of Mr. Virendra Popatlal Shah as on March 31, 2022 is Rupees 50,38,07,206 (Rupees Fifty Crore Thirty Eight Lakhs Seven Thousand Two Hundred and Six Only).
3. He holds directorship in Indosol Drugs Limited and Shah Foods Limited. Shah Foods Limited is a listed company and shares of the company are listed on BSE Limited. He is also acting as designated partner in ISC Speciality Chemicals LLP and ISC Chemspec LLP. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("SEBI Act").
4. He holds 13,07,500 equity shares in the target company as on the date of Detailed Public Statement.
5. He is father of Acquirer 2 and Acquirer 3.
6. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Virendra Popatlal Shah and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
7. He is also not acting as whole time director in any company as on date.
8. He has not acquired any shares of Target Company earlier through open offer.
9. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.

4.2 MR. BHAVESH VIRENDRA SHAH (ACQUIRER 2)

1. Mr. Bhavesh Virendra Shah, S/o of Mr. Virendra Popatlal Shah, aged about 42 years, a citizen of India currently residing at 603, Pleasant Palace, 16 Narayan Dabholkar Road, Next to Ramtek Bunglow, Mumbai Malabar Hills-400006. He holds degree of Master of Science in Chemical Engineering from Carnegie Mellon University, Pennsylvania, United States. He is having around 16 years of experience in Chemical Industry.
2. Mr. Shreyas V. Parikh (Membership No. 033402), Partner of G.K. Choksi & Co. Chartered Accountant (Firm Registration no. 125442W). having office at 708/709, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai-400 021 has certified vide his certificate dated April 07, 2022 that the Net worth of Mr. Bhavesh Virendra Shah as on March 31, 2022 is Rupees 26,14,02,723 (Rupees Twenty Six Crore Fourteen Lakhs Two Thousand Seven Hundred and Twenty Three Only).
3. He holds directorship in Industrial Solvents And Chemicals Private Limited and he is also acting as designated partner in ISC Speciality Chemicals LLP and ISC Chemspec LLP. He is also Partner in M/s Pharmicare

International, M/s CBM India and M/s Indosol Chemie. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("**SEBI Act**").

4. He holds 6,87,500 equity shares in the target company as on the date of Detailed Public Statement.
5. He is son of Acquirer 1 and brother of Acquirer 3.
6. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Bhavesh Virendra Shah and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
7. He is also not acting as whole time director in any company as on date.
8. He has not acquired any shares of Target Company earlier through open offer.
9. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.

4.3 MR. BIMAL VIRENDRA SHAH (ACQUIRER 3)

1. Mr. Bimal Virendra Shah, S/o of Mr. Virendra Popatlal Shah, aged about 48 years, a citizen of India currently residing at 603, Pleasant Palace, 16 Narayan Dabholkar Road, Next to Ramtek Bunglow, Mumbai Malabar Hills-400006. He holds bachelor degree of engineering from university of Bombay in Chemical Engineering. He is having around 26 years of experience in bulk drug manufacturing facility and handling all the production.
2. Mr. Shreyas V. Parikh (Membership No. 033402), Partner of G.K. Choksi & Co. Chartered Accountant (Firm Registration no. 125442W). having office at 708/709, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai-400 021 has certified vide his certificate dated April 07, 2022 that the Net worth of Mr. Bimal Virendra Shah as on March 31, 2022 is Rupees 29,06,39,672 (Rupees Twenty Nine Crore Six Lakhs Thirty Nine Thousand Six Hundred and Seventy Two Only).
3. He holds directorship in Industrial Solvents And Chemicals Private Limited and he is also acting as designated partner in ISC Speciality Chemicals LLP and ISC Chemspec LLP. He is also Partner in M/s Pharmacare International, M/s CBM India and M/s Indosol Exports.
4. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("**SEBI Act**").
5. He holds 6,87,500 equity shares in the target company as on the date of Detailed Public Statement.
6. He is son of Acquirer 1 and brother of Acquirer 2.
7. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Bimal Virendra Shah and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
8. He is also not acting as whole time director in any company as on date.
9. He has not acquired any shares of Target Company earlier through open offer.
10. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.

4.4 MR. DINESH JAGDISHCHANDRA KHOKHANI (ACQUIRER 4)

1. Mr. Dinesh Jagdishchandra Khokhani, S/o of Mr. Jagdishchandra Khokhani, aged about 65 years, a citizen of India currently residing at 5/B, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali, Mumbai-400026. He holds bachelor degree in commerce. He is having more than 30 years of experience in pharma industry.
2. Mr. Ashish C. Kamdar, Chartered Accountant (Membership No. 034585), Proprietor of M/s Ashish Kamdar & Co. having office at Flat No. 5, 1st Floor, Zaver Road, Hari Bhuvan, Mulund (West), Mumbai-400 080 has certified vide his Certificate dated April 18, 2022 that the Net worth of Mr. Dinesh Jagdishchandra Khokhani as on February 28, 2022 is Rupees 13,99,15,788.06 (Rupees Thirteen Crore Ninety Nine Lakhs Fifteen Thousand Seven Hundred and Eighty Eight and Six Paise Only).
3. He holds directorship in Sujag Fine Chemicals Private Limited and Agriguard Manufacturing Private Limited. He is also Partner in M/s J B Khokhani & Co. and Khokhani Associates. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("**SEBI Act**").
4. He holds 10,00,000 equity shares in the target company as on the date of Detailed Public Statement.
5. He is brother of Acquirer 5 and brother of Acquirer 6.
6. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Dinesh Jagdishchandra Khokhani and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
7. He is also not acting as whole time director in any company as on date.
8. He has not acquired any shares of Target Company earlier through open offer.

9. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.

4.5 MR. MAHESH JAGDISHCHANDRA KHOKHANI (ACQUIRER 5)

1. Mr. Mahesh Jagdishchandra Khokhani, S/o of Mr. Jagdishchandra Khokhani, aged about 67 years, a citizen of India currently residing at 7-B, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali Mumbai-400026. He holds bachelor degree in Science from University of Bombay. He is having more than 30 years of experience in pharma industry.
2. Mr. Ashish C. Kamdar, Chartered Accountant (Membership No. 034585), Proprietor of M/s Ashish Kamdar & Co. having office at Flat No. 5, 1st Floor, Zaver Road, Hari Bhuvan, Mulund (West), Mumbai-400 080 has certified vide his certificate dated April 18, 2022 that the Net worth of Mr. Mahesh Jagdishchandra Khokhani as on February 28, 2022 is Rupees 14,81,08,247.47 (Rupees Fourteen Crore Eighty One Lakhs Eight Thousand Two Hundred and Forty Seven and Forty Seven Paise Only).
3. He does not hold directorship in any company. He is also Partner in M/s J B Khokhani & Co. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("**SEBI Act**").
4. He holds 8,75,000 equity shares in the target company as on the date of Detailed Public Statement.
5. He is brother of Acquirer 4 and brother of Acquirer 6.
6. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Mahesh Jagdishchandra Khokhani and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
7. He is also not acting as whole time director in any company as on date.
8. He has not acquired any shares of Target Company earlier through open offer.
9. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.

4.6 MR. MEHUL JAGDISHCHANDRA KHOKHANI (ACQUIRER 6)

1. Mr. Mehul Jagdishchandra Khokhani, S/o of Mr. Jagdishchandra Khokhani, aged about 62 years, a citizen of India currently residing at 4/A, Sambhav Tirth, 2A Bhulabhai Desai Road, Haji Ali Mumbai-400026. He holds bachelor degree in Science from University of Bombay. He is having more than 30 years of experience in pharma industry.
2. Mr. Ashish C. Kamdar, Chartered Accountant (Membership No. 034585), Proprietor of M/s Ashish Kamdar & Co. having office at Flat No. 5, 1st Floor, Zaver Road, Hari Bhuvan, Mulund (West), Mumbai-400 080 has certified vide his certificate dated April 18, 2022 that the Net worth of Mr. Mehul Jagdishchandra Khokhani as on February 28, 2022 is Rupees 13,29,75,086.75 (Rupees Thirteen Crore Twenty Nine Lakhs Seventy Five Thousand and Eighty Six and Seventy Five Paise Only).
3. He does not hold directorship in any company. He is also Partner in M/s J B Khokhani & Co. and M/s Khokhani Associates. He has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("**SEBI Act**").
4. He holds 8,05,700 equity shares in the target company as on the date of Detailed Public Statement.
5. He is brother of Acquirer 4 and brother of Acquirer 5.
6. He is holding equity shares of target company and hence the applicable provisions of Chapter V of SEBI (SAST) Regulations, 2011 is applicable to Mr. Mehul Jagdishchandra Khokhani and disclosures under Chapter V were not filed within due date as prescribed under SEBI (SAST) Regulations, 2011 and SEBI may initiate suitable actions for such non-compliances.
7. He is also not acting as whole time director in any company as on date.
8. He has not acquired any shares of Target Company earlier through open offer.
9. He is not declared as wilful defaulter and fugitive economic offender and this disclosures is in compliance with Regulation 6A and 6B of SEBI (SAST) Regulations, 2011.
- 4.7 The Acquirers does not belongs to any Group as such and also they are not related to existing promoters and promoter group of Target Company.
- 4.8 The Acquirers are not related to any of the directors, existing promoters and Key Managerial Personnel ("KMP") of the target company.
- 4.9 No person is acting in concert with the acquirers for the purpose of this offer.

5. BACKGROUND OF THE TARGET COMPANY

SYSCHEM (INDIA) LIMITED (SIL)

- 5.1 Syschem (India) Limited (CIN No. L24219HR1993PLC032195) (hereinafter referred to as "SIL"), was originally incorporated as a public limited company under the name of Anil Pesticides Limited with the Registrar of Companies, N.C.T of Delhi & Haryana vide its certificate of incorporation dated December 31, 1993 under the provisions of Companies Act, 1956 and further the name of the target company was changed to its present name as Syschem (India) Limited vide Fresh Certificate of Incorporation dated December 26, 2001 with the Registrar of Companies, N.C.T of Delhi & Haryana. The Registered Office of the Company is situated at Village

Bargodam, Tehsil Kalka, Distt. Panchkula-134112 (Haryana). The Company does not belong to any group as such. Tel Ph No. 0172-5070471/5070472, Email Id: info@syschem.in, websites: www.syschem.in

The Emerging Share Capital Structure of the Target Company is as under:

Particulars	Issued and Paid up Capital and Voting Rights	% of Emerging Voting Capital
Fully paid up Equity Share as on the date of PA	2,50,40,400	78.52
Partly paid up Equity Share as on the date of PA	Nil	Nil
Convertible Instrument Outstanding	13,50,000	4.23
Employee Stock Options Outstanding	Nil	Nil
Fully Paid up Shares to be issued through Preferential Allotment	55,00,000	17.25
Emerging Voting Capital	3,18,90,400	100.00

5.2 The Authorized Share Capital of SIL as on March 31, 2022 is Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 2,80,00,000/- (Two Crores Eighty Lakhs only) equity shares of Rs. 10/- (Rupees Ten only) each aggregating to Rs. 28,00,00,000/- and 2,00,00,000/- Preference Shares of Rs 1/- each aggregating to Rs 2,00,00,000/-. The Paid-up equity share capital of SIL as on date stood at Rs 25,04,04,000/- divided in to 2,50,40,400 fully paid up equity share of Rs 10/- (Rupees Ten only) each.

5.3 There are no partly paid up equity shares in the Target Company. However there are 13,50,000 number of convertible warrants pending for conversion as on date and all the shares of the Target Company are listed and traded at the BSE Limited (BSE).

5.4 The Composition of the Board of Directors of Target Company is as under.

Sr. No	Name	DIN No	Date of Original Appointment	Residential Address	Designation
1.	Ranjan Jain	00635274	13/01/2015	# 1691, Sector-33-D, Chandigarh-160101	Managing Director
2.	Suninder Veer Singh	07693557	30/12/2016	House No. 237, Anand Nagar,-A, Tripuri, Patiala-147001	Executive Director
3.	Neena Batra	07846399	16/06/2017	Flat No. 5324/1, Modern Housing Complex, Mani Majra, Chandigarh-160101	Non-Executive - Non Independent Director
4.	Jasvirkaur Daljeet Singh Sidhu	08321273	31/12/2018	House No. 82-A, Sandhu Narsing Home, Ward No. 1, Melerkotla, Sangrur	Non-Executive - Independent Director
5.	Rahul Goyat	08602881	05/11/2019	343/6A, Pipli Wala Town, Manimajra, Chandigarh-160101	Non-Executive - Independent Director- Chairperson

5.5 There have been no merger/de-merger / spin off during the last 3 years involving the Target Company.

5.6 The Shares of "SIL" are listed and traded on BSE Limited (BSE) and the shares of the target company are frequently traded at the BSE Limited. All the shares of the target company are listed and admitted to trade at BSE Limited.

5.7 Presently the target company is engaged in the business of manufacturing of bulk Pharmaceutical products. The main products manufactured by the target company are Amoxicillin Tri Hydrate, Cloxacillin Sodium, Dicloxacillin Sodium, Flucloxacillin Sodium etc. Apart from this target company is involved in manufacturing of Generic Medicines such as C-Xime 200 LB, C-Xime-O etc. Target Company is also doing job work for manufacturing of some of the products like Amoxicillin Tri Hydrate, Cloxacillin Sodium, Dicloxacillin Sodium etc. on behalf of M/s Pharma Care International, in which acquirer 2 and acquirer 3 is a partner.

5.8 The shares of the target company are not currently suspended at BSE Limited. Target Company have also deposited penalty of an amount of Rs 1302720/- during financial year 2021-2022 and Rs 503860/- during financial year 2022-2023 to BSE Limited towards non-compliance with provisions of SEBI LODR Regulations, 2015.

5.9 Financial Highlights of the Target Company

The brief audited financial details of the Target Company for the preceding three financial years are as under.

(Rupees in Lakh)

Profit & Loss Statement	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2022
	(Audited)	(Audited)	(Audited)
Income from Operations	8801.60	7441.48	6563.29
Other Income	9.02	25.56	12.63
Total Income	8810.62	7467.04	6575.92
Total Expenditure	8815.66	7963.04	6508.04
Profit before Depreciation, Interest and Tax	(5.04)	(496.98)	67.88
Depreciation	214.99	235.49	258.06
Interest	-	-	27.14
Profit before Tax	(220.03)	(731.49)	(217.32)
Provision for Tax	(34.72)	(174.90)	(46.60)
Profit after Tax	(185.31)	(556.59)	(170.72)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	-	-

Balance Sheet Statement	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2022
	(Audited)	(Audited)	(Audited)
EQUITY AND LIABILITIES			
Shareholder's Fund			
Paid up Equity Share Capital	1879.04	2154.04	2329.04
Reserves & Surplus (Excluding Revaluation Reserve)	(877.87)	(1441.66)	(1634.88)
Non-Current Liabilities			
Long Term Borrowings	1380.17	1256.28	174.60
Deferred Tax Liabilities (Net)	-	-	-
Other Long Term Liabilities	-	-	-
Long Term Provisions	-	-	-
Other Non-Current Liabilities	-	1659.21	2558.00
Current Liabilities			
Short Term Borrowings	265.61	265.24	-
Trade Payables	3281.89	3683.59	2352.50
Other Current Liabilities	303.07	126.42	177.50
Short Term Provisions	13.42	13.82	24.02
Current Tax Liabilities	-	-	-
Net Worth	1001.17	712.38	694.16
Total	6245.33	7716.94	5980.78
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2733.26	2957.15	3148.40
Intangible Assets	22.03	14.03	6.03
Capital work in progress	66.31	97.86	-
Non Current Investments	-	-	-
Long Term Loans and Advances	-	-	-
Other Non-Current Assets	313.03	434.35	471.84
Current Assets			
Inventories	2052.59	3325.90	1913.62
Trade receivables	986.06	573.58	332.31
Cash and Cash equivalents	17.15	142.41	37.48
Short Term Loans and Advances	-	-	-
Other Current Assets	54.90	171.66	71.10
Total	6245.33	7716.94	5980.78

Other Financial Data	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2022
	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-
Earnings Per Share (In Rs.)	(0.99)	(2.70)	(0.76)
Book Value Per Share (in Rs.)	5.33	3.45	3.08
Return on Net worth (%)^	(18.51)	(78.13)	(24.59)

* Source: As Certified by Statutory Auditor of the Target Company, M/s STAV & Co., Chartered Accountant (Firm Registration Number: 024510C), as Certified by CA Varinder Singh, (Membership Number: 542573), having its office at House No. 3130-P, Sector 22-D, Chandigarh-160022 vide his certificate dated May 30, 2022, Phone Number:9888055545.

^Return on Net Worth: Profit after Tax/Net Worth*100

5.10 Pre and Post - Offer Share Holding Pattern of the Target Company shall be as follows:

Sr. No	Shareholder Category	Shareholding & voting rights prior to the Preferential Allotment and Offer		Shares/voting rights agreed to be acquired which triggered off the Regulations		Shares/Voting rights to be acquired in the open offer (assuming full acceptance)		Shareholding/ Voting Rights on Emerging Capital	
		(A)		(B)		(C)		(A+B+C)	
		No.	%	No.	%	No.	%	No.	% (\$)
1	a. Promoter Group	5454913	21.78	Nil	N.A	Nil	N.A	6804913	21.34
	Total 1	5454913	21.78	Nil	N.A	Nil	N.A	6804913	21.34
2.	(a) Acquirer								
	Virendra Popatlal Shah	1307500	5.22	1250000	4.09	4145752	13.00	6703252	21.02
	Bhavesh Virendra Shah	687500	2.75	750000	2.45	Nil	N.A	1437500	4.51
	Bimal Virendra Shah	687500	2.75	750000	2.45	Nil	N.A	1437500	4.51
	Dinesh Jagdishchandra Khokhani	1000000	3.99	750000	2.45	Nil	N.A	1750000	5.48
	Mahesh Jagdishchandra Khokhani	875000	3.49	1250000	4.09	4145752	13.00	6270752	19.66
	Mehul Jagdishchandra Khokhani	805700	3.22	750000	2.45	Nil	N.A	1555700	4.88
	Total 2	5363200	21.42	5500000	17.98	8291504	26.00	19154704	60.06\$
3	Parties to the Agreement other than 1 & 2 (3)	Nil	N.A	Nil	N.A	Nil	N.A	Nil	N.A
	Total (1+2+3)	10818113	43.20	5500000	17.98	8291504	26.00	25959617	81.40\$
4.	Public (other than 1 to 3)								
	a. FIs/MFs/FIIs Banks/ SFIs etc	Nil	N.A						
	b. Bodies Corporate	1198408	4.79	Nil	N.A	(8291504)	(26.00)	5930783	18.60
	c. Indian Public	11862411	47.38						
	d. HUF	924928	3.69						
	e. Any other	236540	0.94						
	Total 4	14222287	56.80	Nil	NA				
	Grand Total (1 to 4)	25040400	100.00	Nil	NA	Nil	Nil	31890400	100.00\$

Notes:

^ Percentage shareholding and total capital on the basis of pre-preferential paid up capital of the Company.

\$ Percentage shareholding and total capital on the basis of emerging capital of the Company.

5.11 There is an instance of non-compliance with the SEBI (SAST) Regulations, 2011 by members of existing promoter/ promoter group of the target company for which SEBI may initiate suitable actions against the said entities.

5.12 The existing promoter of target company have claimed exemption under regulation 10(1)(a)(iii) of SEBI SAST regulations 2011, with respect to interse transfer of shares between the promoter during the financial year 2015-16.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 This Open Offer is pursuant to Direct Acquisition of shares to be acquired by way of Preferential Allotment.

- (a) The Equity Shares are listed on BSE Ltd (BSE). The equity shares on BSE are frequently traded, in terms of the SEBI (SAST) Regulations. Its Scrip Code is 531173 at BSE.
- (b) The annualized trading turnover of shares of Syschem (India) Limited during the preceding 12 calendar months prior to the month in which PA was made, i.e. during the months from for the period from May 2021, to April 2022 i.e. 12 calendar month preceding May, 2022, the month in which the Public Announcement was issued as given below:

Name of the Stock Exchange	Total number of equity shares traded during the 12 calendar months prior to the month of PA i.e April 2021 to May 2022	Total Number of Listed Shares during preceding 12 months prior to the month of PA.	Annualized Trading Turnover (as % of total weighted number of equity shares listed)
BSE	99,37,629	2,32,90,400	42.67

Source: www.bseindia.com.

(c) Justification of Offer Price

The Offer Price of Rs 15.50/- (Rupees Fifteen and Paise Fifty Only) per Offer Share is justified in terms of Regulations 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

	Details	Rupees
a.	Price per share of the target company for acquisition of shares by the acquirers under the preferential allotment attracting the obligation to make a Public Announcement.	Rs. 15.50
b.	The Volume Weighted average price paid or payable for acquisition, by the Acquirer or PAC during the fifty two weeks immediately preceding the date of PA	N.A
c.	The Highest Price paid or payable for any acquisition by the Acquirer or PAC during the twenty six weeks immediately preceding the date of the PA	N.A
d.	The volume weighted average market price of Equity Shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on BSE Limited.	Rs. 12.92
e.	The price determined by 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.	N.A

Note: The Offer Price would be revised in the event of any corporate action like bonus, splits etc: where the record date for effecting such corporate action falls within 3 Working Days prior to the commencement of the tendering period in the offer.

The details of calculation of volume weighted average price for 60 trading days immediately preceding the date of public announcement is as under:

Sr. No.	Date	Number of Shares Traded	Turnover
1	18-May-22	544	7576
2	17-May-22	5766	81664
3	16-May-22	22814	319498
4	13-May-22	8868	117257
5	12-May-22	37532	493044
6	11-May-22	9308	122247
7	10-May-22	25871	352841
8	9-May-22	8658	119107
9	6-May-22	8495	112936
10	5-May-22	6663	90192
11	4-May-22	15386	214424
12	2-May-22	9815	134660
13	29-Apr-22	11708	162510
14	28-Apr-22	4500	62149
15	27-Apr-22	6036	83348
16	26-Apr-22	23171	314941
17	25-Apr-22	9954	136882
18	22-Apr-22	9577	132455
19	21-Apr-22	16289	225434
20	20-Apr-22	27368	375458
21	19-Apr-22	23385	325899
22	18-Apr-22	27805	378441
23	13-Apr-22	24358	323467

24	12-Apr-22	12832	172697
25	11-Apr-22	29705	400906
26	8-Apr-22	11622	151502
27	7-Apr-22	28978	361839
28	6-Apr-22	20065	250520
29	5-Apr-22	9894	121359
30	4-Apr-22	33537	409345
31	1-Apr-22	2108	24403
32	31-Mar-22	18636	214083
33	30-Mar-22	69548	779163
34	29-Mar-22	7243	84195
35	28-Mar-22	72981	837707
36	25-Mar-22	5245	62964
37	24-Mar-22	8130	100309
38	23-Mar-22	30669	376489
39	22-Mar-22	9225	115035
40	21-Mar-22	19583	242558
41	17-Mar-22	13485	173004
42	16-Mar-22	10990	141138
43	15-Mar-22	2630	32972
44	14-Mar-22	2105	26657
45	11-Mar-22	9038	114015
46	10-Mar-22	7504	95854
47	9-Mar-22	17921	235424
48	8-Mar-22	8067	101515
49	7-Mar-22	5872	73506
50	4-Mar-22	80281	1056257
51	3-Mar-22	21529	277009
52	2-Mar-22	2620	34527
53	28-Feb-22	8883	116580
54	25-Feb-22	38778	508237
55	24-Feb-22	107541	1398145
56	23-Feb-22	20298	271456
57	22-Feb-22	32661	442676
58	21-Feb-22	22243	305385
59	18-Feb-22	2142	28095
60	17-Feb-22	42749	565000
	TOTAL	1191209	15388956
	Volume Weighted Average Price		12.92

Therefore in view of above, the Offer Price of Rs 15.50/- per share is justified.

- (c) The offer price would be revised in the event of any corporate action like bonus, splits etc: where the record date for effecting such corporate action falls within 3 Working Days prior to the commencement of the tendering period in the offer.
- (d) In case the Acquirers acquires or agrees to acquire any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition and would be notified to the shareholders by way of an announcement in all the newspapers in which the DPS was made. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- (e) An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be done at any time prior to the commencement of the last 3 working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer along with PAC shall (i) make further deposits into the Escrow Account and (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its registered office of such revision.

- 6.1.2 The Manager to the Offer, D & A Financial Services (P) Ltd does not hold any equity shares in the Target Company on their own account as at the date of LOF and also confirm that the Manager to the offer shall not deal on his own account in the shares of the target company during the offer period in Compliance with Regulation 27(6) of SEBI (SAST) Regulations, 2011.

6.2 Financial arrangements:

- 6.2.1 Assuming full acceptance, the total requirement of funds for the Offer would be Rs 12,85,18,312/- (Rupees Twelve Crores Eighty Five Lacs Eighteen Thousand Three Hundred and Twelve Only).
- 6.2.2 In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the acquirers has entered into an escrow agreement (the "**Escrow Agreement**") with Axis Bank, having its Registered Office at 3rd Floor TRISHUL opp. Samartheswar Temple ,Law Garden ,Ellis Bridge, Ahmedabad 380006, India (the "**Escrow Agent**") and the Manager to the Offer, pursuant to which the Acquirers have deposited an amount aggregating to Rs 3,21,50,000/- (Rupees Three Crore Twenty One Lakh and Fifty Thousand Only) in cash, being more than 25% of the Offer Size ("**Cash Escrow**"), in the escrow account opened with the Escrow Agent ("**Escrow Account**"). The Cash Escrow constitutes the escrow account in terms and subjected to the conditions set out in the Escrow Agreement.
- 6.2.3 The Acquirers have adequate resources to meet the financial requirements of the Offer. The Acquirer have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 2011. The acquisition will be financed through Internal / personal resources and no borrowings from banks / FIs etc., is being made.
- 6.2.4 The Acquirers have duly empowered M/s D & A Financial Services (P) Limited, Manager to the Offer, to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5 In terms of Regulation 17(10)(e), in case of non-fulfilment of obligations by the Acquirers, the Manager to the Offer shall ensure realization of escrow amount by way of foreclosure of deposit.
- 6.2.6 Mr. Shreyas V. Parikh, (Membership No. 033402), Partner of G.K. Choksi & Co. Chartered Accountants (Firm Registration no. 125442W). having office at 708/709, Raheja Chanmbers, Free Press Journal Marg, Nariman Point, Mumbai-400 021 and Mr. Ashish C. Kamdar, Chartered Accountant (Membership No. 034585), Proprietor of M/s Ashish Kamdar & Co. having office at Flat No. 5, 1st Floor, Zaver Road, Hari Bhuvan, Mulund (West), Mumbai-400 080 has certified the Net-Worth of the Acquirers.
- 6.2.7 The Manager to the Offer, M/s D & A Financial Services (P) Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 The Letter of Offer specifying the detailed terms and conditions of this offer along with the Form of Acceptance-cum-Acknowledgement ("**Form of Acceptance**") will be mailed to all the public shareholders whose name appeared on the register of members of the Target Company as at the close of business hours on **Tuesday, June 28 , 2022 ("Identified Date")**.
- 7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The LOF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in and shareholders can also apply by downloading such forms from the website
- 7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 10.3 of this LOF. In terms of Regulation 23(1) of the SEBI SAST Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance cum Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s)
- 7.1.8 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 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.
- 7.1.9 Locked in shares: Presently there are 87,20,540 number of shares of target company are under locked-in.

7.2 Persons eligible to participate in the Offer

Person who have acquired equity shares but whose name do not appeared in the register of members of the target company as on Identified Date, or unregistered owners or those who have acquired equity shares after the Identified date, or those who have not receive the Letter of Offer, may also participate in this offer by submitting an application on plain paper giving details regarding their Offer as set out in the PA, DPS and this Letter of Offer, which may be obtained from the SEBI's Website (www.sebi.gov.in) or from Registrar to the Offer. The acquirers and existing promoters of the target company are not eligible to participate in the offer.

7.3 Statutory and Other Approvals

- 7.3.1 As on the date of Public Announcement, no approval will be required from any Bank/Financial Institutions for the purpose of this Offer, to the best of the knowledge of the Acquirers.
- 7.3.2 As on the date of Public Announcement, to the best of the Acquirers's knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.
- 7.3.3 The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of Offer.
- 7.3.4 The acquirer shall be responsible to pursue all statutory approvals required by the acquirer in order to complete the open offer without any default, neglect or delay, provided that where the acquirers are unable to make payment to the shareholders who have accepted the open offer within such period owing to non-receipt of statutory approvals required by the acquirers, the Board may, where it is satisfied that such non-receipt was not attributable to any willful default, failure or neglect on the part of the acquirer to diligently pursue such approvals, grant extension of time for making payment, subject to acquirers agreeing to pay interest to the shareholders for the delay at such rate as may be specified:
- Provided further that where the statutory approvals extends to some but not all shareholders, the acquirer shall have the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete the open offer.
- 7.3.5 In terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, in the event that the approvals that become applicable after the date of DPS are refused, the acquirer shall have the right to withdraw the offer. In the event of such a withdrawal of the offer, the acquirer (through the manager) within 2 (Two) working days of a such withdrawal make a public announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, 2011.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Open Offer will be implemented by the Acquirer's through stock exchange mechanism as provided under the SEBI (SAST) Regulations and the SEBI Circular number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI Circular number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time.
- 8.2 BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.3 The facility for Acquisition of shares through stock exchange mechanism pursuant to an Open Offer shall be available on the BSE in the form of separate window ("**Acquisition Window**").
- 8.4 The Acquirers has appointed Mansukh Stock Brokers Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made.
- The contact details of the Buying Broker are as mentioned below:
- Name: Mansukh Stock Brokers Limited (Member - Bombay Stock Exchange)
Address: Mansukh House, 6, Pandav Nagar, Delhi-110092
Tel No. 011-30211800, 011-47617800
Email Id: admin@mansukh.net
Contact Person: Mr. Virender Mansukhani
SEBI Registration Number: INB010985834
- 8.5 All the Public Shareholders who desire to tender their equity Shares under the open Offer will have to intimate their respective stock brokers ("**Selling Brokers**") within the normal trading hours of the secondary market, during the Tendering Period.
- 8.6 A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling Broker can enter orders for dematerialized as well as physical equity Shares.
- 8.7 The cumulative quantity tendered shall be displayed on the BSE's website throughout the trading session at specific intervals by the stock exchange during the Tendering Period.
- 8.8 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client.
- 8.9 In case any Seller Broker is not registered with the designated stock exchange and therefore the Public Shareholder is unable to tender equity Shares under the Offer, such Public Shareholder may approach the Buying Broker to facilitate tendering of equity Shares under the Offer.
- 8.10 Procedure for tendering equity Shares held in dematerialized form:**
- a) 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 broker indicating to their broker the details of equity shares they intend to tender in Open Offer.
- b) Under the existing mechanism, the shares tendered by the shareholders are required to be directly transferred to the account maintained by the Clearing Corporation.
- c) As per SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released.

- d) The revised process, applicable to all the tender offers for which Public Announcement is made on or after October 15, 2021.
- e) There is no change in existing Early Pay-in process by investors and custodians.
- f) Shareholders should therefore ensure to give the instructions in the Depository systems well in advance to ensure all their DEMAT bids placed by the Trading Members are accepted before issue closure time.
- g) Custodian(s) should deposit shares/ Units through the Early Pay-in mechanism provided by Depositories system before confirmation of the bid orders placed by the Trading Members the bids/ orders.
- h) On the date of settlement all blocked equity shares will be transferred to the Clearing Corporation and the lien on the excess equity shares will be cancelled.
- i) 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.
- j) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
- k) The shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer

(a) The Public Shareholders holding equity Shares in demat mode are not required to fill any Form of Acceptance. The Public Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer period.

8.11. Procedure to be followed by registered Public Shareholders holding equity Shares in the physical form

- a) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
 - i. The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - ii. Original Share Certificates;
 - iii. Valid shares transfer form(s) duly filled and signed by the transferors (i.e., by all registered 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 the Acquirers;
 - iv. Self-attested copy of the Shareholder's PAN card;
 - v. Any other Relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
 - vi. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the 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.
- b) The Investor should approach the Seller Member (Trading Member of the Exchange) with his physical share certificate(s), transfer deed etc. as specified in the Letter of Offer/ Offer Documents/ Prospectus.
- c) The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- d) The Seller Member/ Investor has to deliver the shares & documents along with TRS to the Registrar & Transfer Agent (RTA). Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.
- e) The holders of physical equity shares shall ensure that the bidding form, together with the share certificate and transfer deed, is received by the share transfer agent appointed for the purpose before the last date of bidding period. f) One copy of the TRS will be retained by RTA and RTA to provide acknowledgement of the same to the Seller Member/ Investor.
- g) The Seller Member's shall be able to view in his terminal such physical share bids as Provisional bids.
- h) The verification of physical certificates shall be completed on the day on which they are received by the RTA
- i) The reasons for RTA rejection will be available as download to the Seller Member.
- j) As and when the RTA confirms the records, such bids will be treated as confirmed and displayed on Exchange Website.
- k) In the Seller Member's terminal such physical share bids will be moved from Provisional bids to confirmed bids.
- l) On acceptance of physical shares by the RTA, the funds received from Buyer Member(s) by the Clearing Corporation (ICCL) will be released to the Seller Member(s) as per secondary market pay out mechanism.
- m) Any excess physical shares pursuant to acceptance/ allotment or rejection will be returned back to the Investors directly by RTA.

- 8.12. Modification / cancellation of orders will not be allowed during the period the Offer is open.
The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period.

Procedure for tendering the shares in case of non-receipt of the Letter of Offer:

- 8.13 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 those who have not received the Letter of Offer, may also participate in this Offer. A Public Shareholder may participate in the Offer by approaching their broker and tender equity Shares in the open Offer as per the procedure mentioned in the Letter of Offer or in the Form of Acceptance. The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible Public Shareholders of the Target Company as on the Identified Date. In case of non-receipt of this Letter of Offer, such eligible Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Bankers' website (www.dnainfinserv.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity Shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, Public Shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all Public Shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificates and Form SH-4 in case of shares being held in physical form. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.
- 8.14 The acceptance of the Offer made by the Acquirer's is entirely at the discretion of the Public Shareholders of the Target Company. The Acquirer's does not accept any responsibility for the decision of any Public Shareholder to either participate or to not participate in this Offer. The Acquirer's will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.
- 8.15 The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 8.16 Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any public shareholder shall not invalidate the Offer in any way.

The acceptance of Offer made by the Acquirer's is entirely at the discretion of the shareholders of the target company. The Acquirer's does not accept any responsibility for the decision of any shareholder to either participate or to not participate in the Offer. The Acquirer's will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

8.17 Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to clearing corporation within specified timelines. In the event that the number of equity shares validly tendered by the shareholders under this offer is more than the number of offer shares, the acquirer shall accept those equity shares validly tendered by the 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 shareholder shall not be less than the minimum marketable lot.

8.18 Settlement Process

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 clearing corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of clearing corporation.

The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalized, the clearing corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the selling broker/ custodian, post which, the selling broker would then issue contract note for the shares accepted and return the balance shares to the shareholders.

8.19 Settlement of funds/Payment Consideration

The settlement of fund obligation for equity shares shall be effected through existing settlement accounts of selling broker. The payment will be made to the Buying Broker for settlement. For equity shares accepted under the open offer, the selling broker/ custodian participant will receive funds payout in their settlement bank account. The Selling Brokers/ custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the selling broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional

cost, charges and expenses (including brokerage) incurred solely by the selling shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the Shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of SEBI (SAST) Regulations, 2011.

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 13, community Centre, East of Kailash, New Delhi - 110065, the Corporate Office of D & A Financial Services (P) Ltd, the Manager to the Offer.

The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays, Sundays and Public/Bank Holidays) from the date of opening of the Offer till the date of closure of the Offer. Shareholders who wish to inspect "**Material Documents**" online can send an email request for the same to the Merchant Banker at email id investors@dnafinserv.com and Merchant Banker shall arrange to send electronically material documents as requested to the respective shareholder(s).

- 9.1 Copy of Certificate of Incorporation of the Target Company issued pursuant to Companies Act, 1956 and Memorandum & Article of Association of the Target Company.
- 9.2 Copy of Certificate issued by Mr. Shreyas V. Parikh, Chartered Accountant (Membership No. 033402), Partner of G.K. Choksi & Co (Firm Registration no. 125442W). having office at 708/709, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai-400 021 and Mr. Ashish C. Kamdar, Chartered Accountant (Membership No. 034585), Proprietor of M/s Ashish Kamdar & Co. having office at Flat No. 5, 1st Floor, Zaver Road, Hari Bhuvan, Mulund (West), Mumbai-400 080, Certifying the Net worth of the Acquirers.
- 9.3 Balance Sheet of the Target Company for the financial years 2018-19, 2019-20 and 2020-21.
- 9.4 Copy of letter from Axis Bank Limited Confirming the amount kept in Escrow Account.
- 9.5 A Copy of Public Announcement, published copy of Detailed Public Statement, Issue Opening Advertisement and Post Offer Advertisement. .
- 9.6 A Copy of the recommendation made by the Committee of Independent Directors of the Target Company.
- 9.7 Copy of Shareholder's Agreement and Shares Subscription Agreement.
- 9.8 SEBI Observation Letter dated 24th June, 2022 bearing reference number SEBI/HO/CFD/DCR2/P/OW/2022/26020/1.

10. DECLARATION BY THE ACQUIRERS

- (1) In terms of Regulation 25(3) of the SEBI SAST Regulations, We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue. Further we confirm that the information contained in the Public Announcement, Detailed Public Statement and this Letter of Offer is true and correct in all material respects and is not misleading in any material respect and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Acquirers severally and jointly responsible for the information contained in this Letter of Offer and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirers would be responsible for ensuring compliance with the concerned Regulations. All information contained in this Letter of Offer is as on date of the Public Announcement, unless stated otherwise.

We hereby declare and confirm that all the relevant provisions of Companies Act, 1956/Companies Act, 2013 and all the provisions of SEBI (SAST) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956/Companies Act, 2013 and provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 2011.

Signed by the Acquirers

Sd/-
(Virendra Popatlal Shah)

Acquirer

Sd/-
(Dinesh Jagdishchandra Khokhani)

Acquirer

Sd/-
(Mehul Jagdishchandra Khokhani)

Acquirer

Sd/-
(Bhavesh Virendra Shah)

Acquirer

Sd/-
(Mahesh Jagdishchandra Khokhani)

Acquirer

Sd/-
(Bimal Virendra Shah)

Acquirer

Legal Advisors to Acquirers

BATHIYA
LEGAL

Bathiya Legal
909, Hubtown Solaris, N. S. Phadke Road,
Near East - West Flyover, Andheri (East),

Place : New Delhi
Date : 30th June, 2022

**FORM OF ACCEPTANCE-CUM- ACKNOWLEDGEMENT (FOR EQUITY SHAREHOLDERS HOLDING
SHARES IN PHYSICAL FORM)**

OFFER OPENS ON:12.07.2022

OFFER CLOSES ON:25.07.2022

Date:

For Registrar		
Inward No.	Date	Stamp

To,

Board of Directors
Syschem India Limited,
Panchkulla, Haryana-134112

Status: Please tick appropriate box

☐ Individual	☐ Foreign Institutional Buyer	☐ Mutual Fund
☐ Insurance Companies	☐ Other NIBs	☐ Other QIBs
☐ Company	☐ Financial Institution	

Dear Sirs,

Sub: Open Offer to Acquire 8291504 fully paid up equity Shares of Rs 10/- each representing 26% of the total emerging share/voting capital of Syschem India Limited (SYSCHEM) at a price of Rs 15.50/- per fully paid equity share having face value of Rs 10/- each by the Acquirers

- I / We confirm that the equity shares of SYSCHEM which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
- I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
- My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
- I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer(s) makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
- I/We note and understand that the shares would held in trust by the Registrar until the time the Acquirer(s) makes payment of purchase consideration as mentioned in the Letter of Offer.
- I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

The Permanent Account Number (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.			

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

ACKNOWLEDGEMENT SLIP: SYSCHEM INDIA LIMITED-OPEN OFFER

Received from Mr./Ms./M/s. _____
(to be filled by the Eligible Person) (subject to verification)

Ledger Folio No.: _____ No. of Share Certificate submitted: _____

No. of Equity Shares offered under open offer (In Figures) _____
(In Words) _____

Please quote Ledger Folio No. for all future correspondence.

STAMP OF BROKER

11. Details of Share Certificate(s) enclosed: _____ Total No. of Share Certificates Submitted

Sr. No.	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1					
2					
3					
4					
Total					

In case the number of folios and share certificates enclosed exceed 4 nos., Please attach a separate sheet giving details in the same format as above.

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ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS OPEN OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE OPEN OFFER AT THE FOLLOWING ADDRESS.

Name: **BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED**

Beetal House, 3rd Floor, 99 Madangir

Near Dada Harsukh Das Mandir Sakinaka New Delhi-110062

Tel. Nos.: 29961281-82, Fax No.: 29961284

Email: beetalrta@gmail.com

Contact Person: Mr. Punit Mittal

Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

☐

Power of Attorney

☐

Previous RBI approvals for acquiring the Equity Shares of SIL hereby tendered in the Open Offer

☐

Corporate authorizations

☐

Death Certificate

☐

Succession Certificate

☐

Self- attested copy of Permanent Account Number (PAN Card)

☐

Mode of Payment
(Please Tick)

☐

Physical

☐

Electronic

☐

Others (please specify):

INSTRUCTIONS

1. This Offer will open on 12th July, 2022 and close on 25th July, 2022.
2. This Form of Acceptance has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Form of Acceptance.
3. Eligible Persons who wish to tender their equity Shares in response to this open Offer should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before 25th July, 2022 by 3.00 PM.
 - a) The relevant Tender Form duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the shares.
 - b) Original share certificates
 - c) Self- attested copy of the Permanent Account Number (PAN) Card
 - d) Transfer deed (Form SH 4) duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the shares
4. Eligible Persons should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - a) Duly attested power of attorney registered with the Registrar if any person other than the Eligible Persons has signed the relevant Tender / Offer Form
 - b) Duly attested death certificate / succession certificate in case any Eligible Persons has expired
 - c) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies
5. Eligible Persons to whom the Open Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
6. All documents / remittances sent by or to Eligible Persons will be at their own risk and the Eligible Persons are advised to adequately safeguard their interests in this regard.
7. All documents as mentioned above, shall be enclosed with the valid Form of Acceptance otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
 - a. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - b. If the transmission of shares is not completed, and the shares are not in the name of the Eligible Public Shareholder
 - c. If the Eligible Public Shareholders bid the shares but the RTA does not receive the share certificate
 - d. In case the signature in the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.
8. Eligible Public Shareholders have to fill up the in the column for settlement details the market type as "Open Offer", and ISIN, Quantity of shares and CM BP ID of broker and execution date in the Delivery Instruction Slips (DIS) so that shares can be tendered for open offer.

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ACKNOWLEDGEMENT SLIP

**REG.: OPEN OFFER TO THE SHAREHOLDERS OF SYSCEM INDIA LIMITED ("TARGET COMPANY")
BY MR. VIRENDRA POPATLAL SHAH, MR. BHAVESH VIRENDRA SHAH, MR. BIMAL VIRENDRA SHAH,
MR DINESH JAGDISHCHANDRA KHOKHANI, MR. MAHESH JAGDISHCHANDRA KHOKHANI AND MR.
MEHUL JAGDISHCHANDRA KHOKHANI.**

Received from Mr./Ms./M/s. _____ (to be filled by the Eligible Person) (subject to verification)

DP Id: _____ Client Id: _____

No. of Equity Shares offered under open offer

(In Figures) _____ (In Words) _____

STAMP OF BROKER

**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS OPEN OFFER SHOULD BE ADDRESSED
TO THE REGISTRAR TO THE OPEN OFFER AT THE FOLLOWING ADDRESS.**

Name: **BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED**

Beetal House, 3rd Floor, 99 Madangir

Near Dada Harsukh Das Mandir Sakinaka New Delhi-110062

Tel. Nos.: 29961281-82, Fax No.: 29961284

Email: beetalrta@gmail.com

Contact Person: Mr. Punit Mittal

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