PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
SAMPADA CHEMICALS LIMITED

Registered Office: 1076, Parijat House, Dr. E. Moses Road, Worli, Mumbai-400 018 • Tel.: +91-22-2496 4656-60 • Fax: +91-22-2496 3055

This Public Announcement ("PA") is being issued by Imperial Corporate Finance & Services Pvt. Ltd. ("Manager to the Offer" or "Imperial") on behalf of Shyam Alcohol and Chemicals Limited, a company registered under the Companies Act, 1956 having its Registered Office situated at A/10, Kavita Apartments, Natakwala Lane, Borivali (West), Mumbai – 400 092 (hereinafter referred to as the "Acquirer" or "SACL") pursuant to and in compliance with Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "SEBI (SAST) Regulations").

1. THE BACKGROUND TO THE OFFER:

1.1 This Open Offer (the "Open Offer" or "Offer") is being made by the Acquirer to the equity shareholders of Sampada Chemicals Limited ("Sampada" or "Target Company") in compliance with Regulation 10 and 12 of the SEBI (SAST) Regulations. On December 11, 2009, the Acquirer has entered into a Share Purchase Agreement ("SPA") with (1) S V Trading & Agencies Ltd., (2) Svaraj Trading and Agencies Ltd., (3) Himalaya Builders Pvt. Ltd., (4) Skyland Securities Pvt. Ltd. & (5) Ridhi Sidhi Equifin Pvt. Ltd., who are all part of Promoter Group of the Target Company (collectively referred to as "Sellers") to acquire in aggregate 12,51,000 fully paid up equity shares ("SPA shares") having a face value of Rs.10/- per equity share representing 25.12% of the total issued, subscribed and fully paid up equity & voting share capital of the Target Company at a price of Rs. 18/- (Rupees Eighteen Only) per equity share ("Negotiated Price") aggregating to consideration of Rs. 2,25,18,000/- (Rupees Two Crore Twenty Five Lac Eighteen Thousand Only) payable in cash ("Share Consideration") as detailed below:

Sr. No.	Name of the Shareholder	No. of Shares	% of Paid up Capital	Considera-tion (In Rs.)
1	S V Trading & Agencies Ltd	1,99,900	4.01	35,98,200
2	Svaraj Trading & Agencies Ltd	2,00,000	4.02	36,00,000
3	Himalaya Builders Pvt Ltd	6,98,100	14.02	1,25,65,800
4	Skyland Securities Pvt Ltd	53,000	1.06	9,54,000
5	Ridhi Sidhi Equifin Pvt Ltd	1,00,000	2.01	18,00,000
	TOTAL	**12,51,000**	**25.12**	**2,25,18,000**

1.2. Other salient features of SPA are as follows:

- The Acquirer will be termed as Promoters after the successful completion of the Open Offer and the existing promoters shall cease to be the Promoters of the Target Company.
- Upon successful completion of Open Offer, the Board of Directors will be reconstituted and members of the Acquirer will be appointed on the Board of Directors of the Target Company.
- The total consideration for the purchase of SPA shares from the Sellers mentioned hereinabove, and SPA Shares to be credited to the Acquirers shall be deposited with Stake Holder. The same shall be released to them simultaneously with the credit of purchased shares to the Demat Account of the Acquirer on successful completion of the Open Offer.
- The Promoters/ Promoters group are free to dispose off the shares other than SPA Shares, if any, held by them in any manner, including through open market any time, including during the period when the Open Offer is in progress.
- The SPA also provides that in the case of non compliance of any provision of the Regulations pertaining to the Open Offer being triggered by this SPA, this agreement shall not be acted upon by either by Sellers or Acquirer.

1.3. SACL is the sole Acquirer in this Open Offer and there are no other persons acting in concert (PACs) with the Acquirer for the purpose of this offer.

1.4. The Acquirer and/or its Directors, the Sellers and/or Promoters, Directors of the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

2. THE OFFER:

2.1. Pursuant to the signing of SPA the Acquirer is making an open offer in terms of Regulation 10 & 12, among other regulations of SEBI (SAST) Regulations, to acquire equity shares of Target Company from all the public shareholders of the Target Company excluding parties to the SPA. The open offer is for acquisition of up to 9,96,000 fully paid up equity shares of Rs.10/- each representing 20.00% of fully paid equity and voting share capital of Target Company ("Offer Size"), at a price of Rs. 46.25 (Rupees Forty Six and paise Twenty Five Only) per fully paid up equity share ("Offer Price") payable in cash, subject to the terms and conditions mentioned hereinafter in this PA and the Letter of Offer ("LOO") alongwith Form of Acceptance cum Acknowledgement ("FOA") to be sent to the Shareholders of the Target Company as on the December 23, 2009 ("Specified Date"). The equity shares tendered in the valid form in terms of this Offer will be transferred to the Acquirer upon completion of the Open Offer formalities. The Offer is in accordance with Regulations 10 & 12 of the Regulations, consequent to the acquisition of equity shares by the Acquirer referred to in Clause1.1 above.

2.2. The present issued, subscribed and paid up equity share capital of Target Company, as on the date of this PA is Rs. 498.00 Lacs consisting of 49,80,000 fully paid up equity shares of Rs. 10/- each.

2.3. There are no partly paid up equity shares of Target Company as on date of this PA.

2.4. This is not a Competitive Bid.

2.5. The Offer is not conditional on any minimum level of acceptance and the Acquirer will acquire all the equity shares of Target Company that are validly tendered in terms of the Offer up to 9,96,000 fully paid up equity shares representing in the aggregate 20.00% of the paid up equity and voting share capital, subject to the terms and conditions set out herein in this PA, LOO and FOA that would be sent to the shareholders of the Target Company on the Specified Date.

2.6. The Manager to the Offer does not hold any equity shares of the Target Company as on date of this PA. The Manager to the Offer declare and undertake that they shall not deal in the shares of the target company during the period commencing from the date of their appointment as Manager to the offer till the expiry of 15 days from the closure of the offer.

2.7. Upon completion of the offer, assuming full acceptance and taking into account the purchased shares, the Acquirer will hold 45.12% of the fully paid up equity share capital of the Target Company.

2.8. This Offer is subject to receipt of the statutory and other approvals mentioned in Clause 8 of this PA. In terms of Regulation 27 of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

2.9. As on the date of this PA, the Acquirer does not hold any equity shares and they have not acquired any equity shares of Sampada during the 12 months preceding the date of this PA.

2.10. This offer is not a result of Global Acquisition resulting in indirect acquisition of shares of the Target Company.

2.11. The Acquirer does not have any representation on the Board of the Target Company as on the date of this PA. However, the Acquirer proposes to reconstitute the Board of Directors of the Target Company as per Regulation 22(7) of SEBI (SAST) Regulations, 1997 and /or upon completion of the Open Offer formalities.

3. THE OFFER PRICE:

3.1. The equity shares of Sampada are listed on the Bombay Stock Exchange ("BSE")

3.2. Based on the data available with the BSE, information available, the equity shares of Sampada are frequently traded on BSE within the meaning of Explanation to Regulation 20 (5) of the SEBI (SAST) Regulations. (Source: www.bseindia.com)

3.3. The Offer Price of Rs. 46.25 (Rupees Forty Six and paise Twenty Five only) per equity share is justified in terms of Regulation 20 (4) of the SEBI (SAST) Regulations as it is higher of the following:

Sr. No.	Particulars	Amount
1	Negotiated price under SPA	18.00
2	Highest Price paid by Acquirer or PACs for any acquisition (including by way of allotment in a public or rights or preferential issue) during the 26 weeks prior to the date of the PA.	Not Applicable
3	The average of the weekly high and low of the closing prices of shares of Target Company on BSE, where it is most frequently traded, during the 26 weeks period preceding the date of the PA.	31.66
4	The average of the daily high and low of the shares of the Target Company on BSE, where it is most frequently traded, during the 2 weeks period preceding the date of the PA.	46.21
Source: www.bseindia.com		

3.4. The Acquirer has not paid any other monetary consideration, whether by way of any non-compete fee or otherwise or pursuant to any non compete agreement for acquiring shares of the Target Company.

3.5. In the event the Acquirer acquires any equity shares of the Target Company after the date of the PA and up to 7 working days prior to the close of the Offer at a price higher than the Offer Price, then such highest price paid for such acquisition shall be payable for all valid applications received under the Open Offer. The Acquirer is permitted to revise the Offer upwards up to 7 working days prior to the closure of the Offer. However, the Acquirer shall not be acquiring any equity shares of the Target Company during the period of 7 working days, prior to the date of closure of the Offer.

3.6. The equity shares will be acquired by the Acquirer, free from all lien, charges and encumbrances and together with all rights attached thereto, including all the rights to dividend, bonus and rights offer declared thereof.

4. INFORMATION ABOUT THE ACQUIRER:

4.1. Shyam Alcohol and Chemicals Limited (SACL) was originally promoted by Mr. Pankaj M. Kadakia along with family members in the name & style Ashok Alkalies and Chemicals Limited(AACL) with its registered office situated at 5-B, Ram Kishan Chambers, BRC Road, Alkapuri, Vadodra Gujarat 390 007. The company incorporated on 21st September 1990. The name of AACL was changed to its present name on 21st December 1992. The main objects of the Company was to carry on business of manufacture, producer, distributor, importers, exporters and dealer in all kinds of chemical and bio chemical substances. The registered office was subsequently shifted to G/11, Dev Commercial Centre, Gothri Road, Vadodra, Gujarat-390 007 on December 20, 2004.

4.2. In December 2004, Mr. Vipul Bhatt along with associates, acquired SACL at a consideration of Rs.5,50,000 for acquiring 55,000 equity shares of Rs. 10/- each, being the then paid up capital. Subsequently there has been additional capitalization by issue and allotment of additional equity shares and also reconstituted the Board of Directors. Consequently, they became promoters of the company and the registered office was shifted to A/10, Kavita Apartments, Natakwala Lane, Borivali (West), Mumbai – 400 092 on May 6, 2005 and a fresh certificate of registration dated June 20, 2005.

4.3. As on the date of the PA, Mr. Vipul Bhatt, Mr. Vidur Bhatt, Bijal Bhatt and Malati Bhatt are the promoters of the SACL. The Acquirer does not belong to any group.

4.4. The authorised share capital of SACL as on date of PA is Rs. 1200.00 Lacs divided into 1,20,00,000 equity shares of Rs. 10 each. The present issued, subscribed and paid up equity share capital of SACL, as on the date of this PA is Rs.843.96 Lacs consisting of 84,39,600 fully paid-up equity shares of Rs. 10/- each. There are no partly paid up equity shares as on date of this PA.

4.5. The Key financial highlights are as under:

(All figures in Rupees Lacs except for per share numbers)				
Particulars	**Unaudited** Sept. 09**	**Audited 2008-09**	**Audited 2007-08**	**Audited 2006-07**
Total Income	226.69	113.14	187.76	96.23
Profit After Tax	(22.30)	18.48	(16.26)	0.57
Equity Share Capital	843.96	644.89	516.74	346.02
Share Application Money	256.28	227.74	131.66	751.00
Adj. Net Worth	1,074.25	868.94	626.22	415.21
Return on Adj. Net Worth (%)	-2.08	2.13	-2.60	0.14
Earnings per share (EPS)	(0.26)	0.29	(0.31)	0.02
Book Value per Share	12.73	13.47	12.12	12.00
Source: Annual Report for 2008 – 09; 2007–08; 2006–07 **Certified by Chartered Accountant				

4.6. As on the date of the PA, the Board of Directors of SACL comprises of Mr. Vipul Bhatt, B. Com and CFA, Age 40 Years residing at 42, 3rd Floor, Jariwala Bldg, Arthur Road,Tardeo, Mumbai - 400 034 who looks after Investment related matters; Mr. Kaushik Madhani, B.Com, Age 34 Years, residing at 364, Cigaratewala Bldg, S.V.P. Road, Mumbai - 400 004 who looks after the administration and accounting related matters and Bijal Bhatt, B.Com, Age 36 Years, residing at 42, 3rd Floor, Jariwala Bldg, Arthur Road,Tardeo, Mumbai - 400 034. None of the Directors have track record of past performance.

4.7. None of the above directors are on the board of directors of the Target Company. None of the above directors has acquired any equity shares of Target Company.

4.8. There is no person, other than the promoters of SACL, acting in concert for the purpose of this Offer, within the meaning of Regulation 2 (1) (e) (2) of the SEBI (SAST) Regulations.

4.9. SACL has complied with all the applicable provisions of Chapter II of SEBI (SAST) Regulations within the time specified by the SEBI (SAST) Regulations.

4.10. The shares of SACL are not listed on any stock exchange.

5. INFORMATION ABOUT THE TARGET COMPANY

5.1. Sampada Chemicals Limited having its registered office presently at 1076, Parijat House, Dr E Moses Road Worli, Mumbai – 400 018 was incorporated as a public limited company on Feburary 22, 1983 with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956 and obtained certificate of commencement of business on March 14, 1983. The registered office of the company at the time of incorporation was situated at 9/11 Vithobha Lane, Kalbadevi Road, Mumbai-400 002 and was shifted to its present address in the year 1984

5.2. Sampada was originally promoted by Mr. Purshottam Das Mundhra, Mr. Laxmi Lakhotia and Mr. Shyamlal Ghosh to carry on the business of producer, manufacturers, importers, exporters, buyers and sellers of and dealers of all kinds of chemicals, heavy or fine, organic, inorganic.

5.3. In December 1984, Somani group acquired Sampada. Somani group has promoted, amongst others, several listed companies like Kopran Drugs Limited and Oricon Enterprise Limited under the name Parijat Enterprises. Mr. Adarsh Somani is the Chairman of Sampada.

5.4. Presently Sampada is engaged in the business of trading and investment in shares and securities. The total income for the Financial Year 2008 – 09 comprises of Income from Trading and Investments in shares and securities.

5.5. The authorised share capital of Sampada is Rs. 500.00 Lacs divided into 50,00,000 equity shares of Rs. 10 each.

5.6. Sampada made its Initial Public Offer in the year 1984 and the equity shares are listed on BSE.

5.7. The present issued, subscribed and paid up equity share capital of Sampada, as on the date of this PA is Rs.498.00 lacs consisting of 49,80,000 fully paid-up equity shares of Rs. 10/- each.

5.8. There are no partly paid up equity shares as on date of this PA.

5.9. The shareholding of Sampada as on the date of PA is as follows:

Categories	Nos of Shares	% to Total Capital
Promoter / Promorter Group*	16,41,300	32.96
Public	33,38,700	67.04
Total	**49,80,000**	**100.00**

*In case promoter / promoter group dispose of the shares other than SPA Shares in any manner, including through open market at any time, including during the period when the Open Offer is in progress the above share holding pattern will undergo a change to that extent.

5.10. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc., which are convertible into equity at any later date. There are no shares under lock-in period.

5.11. The Key financial highlights are as under:

(All figures in Rupees Lacs except for per share numbers)				
Particulars	**Unaudited Sept. 2009 (Six months)**	**Audited 2008-09**	**Audited 2007-08**	**Audited 2006-07**
Total Income	577.22	1217.20	5371.95	42.31
Profit before Tax	(51.78)	19.80	10.06	(25.72)
Profit After Tax	(51.78)	19.20	10.06	(25.72)
Equity Share Capital	498.00	498.00	498.00	498.00
Net Worth	N.A.	961.50	942.28	932.22
Return on Net Worth (%)	N.A.	2.00	1.07	-2.76
Earnings per Share (EPS)	(1.04)	0.40	0.20	(0.52)
Book Value per Share	N.A.	19.31	18.92	18.72
Source: Annual Reports for 2008–09; 2007–08; 2006–07 and Unaudited Results for the half year ended September 09 from www.bseindia.com N.A. = Not Applicable				

5.12. As on the date of the PA, the Board of Directors of Sampada comprises of Shri Radheshyam Sodhani, Non Executive Independent Director, B.A., Age 73 Years; Shri Gopaldas Mantri, Non Executive Director Promoter, B.Com., Age 68 Years; Shri Vinod Mimani, Non Executive Independent Director, B.E. (Mech.), Age 59 Years; Shri Suhrid Somani, Non Executive Director Promoter, B.Com., Age 42 Years; Shri Adarsh Somani, Chairman / Non Executive Director, Promoter, B.Com., Age 35 Years; Shri Varun Somani, Non Executive Director, Promoter, B.B.A., Age 27 Years

6. REASON FOR THE OFFER AND FUTURE PLAN ABOUT THE TARGET COMPANY

6.1. The Offer to the Shareholders is being made following the transaction referred in Clause 1.1 above, which upon conclusion will result in substantial acquisition of equity shares & voting rights accompanied with change in control and management of the Target Company, enabling the Acquirer to exercise control over Target Company. In accordance with Regulations 10 and 12 read with Regulation 14 (1) of the SEBI (SAST) Regulations, the Acquirer is making this Offer to the public shareholders.

6.2. The Acquirer would like to pursue and grow the business of the Target Company. However, for operational purposes and commercial reasons the Acquirer may reorganise the business of the Target Company.

6.3. To the extent required and to optimise the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalising and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of Target Company. The Board of Directors of the Target Company will take appropriate decisions in these matters.

6.4. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of the Target Company. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.

7. DISCLOSURE IN TERMS OF REGULATION 21 (2) OF THE SEBI (SAST) REGULATIONS

7.1. Pursuant to this offer, the public shareholding in the Target Company will not fall below 25%, the level specified for continuous listing in the Listing Agreement with the Stock Exchanges as per Clause 40A of the Listing Agreement. Hence, the provisions of Regulation 21(2) of the SEBI (SAST) Regulations are not attracted.

8. STATUTORY/OTHER APPROVALS REQUIRED FOR THE OFFER

8.1. This Offer, along with any obligation in terms of SEBI (SAST) Regulations to make payment for, or purchase the Shares tendered and accepted from NRIs, is subject to the receipt of approval from Reserve Bank of India ("**RBI**"), under the Foreign Exchange Management Act, 2000 ("**FEMA**").

8.2. There is no other Statutory or Regulatory approvals, which is required for the completion of the Transaction and the Offer. If any other statutory approval becomes applicable either for the Transaction or for the Offer, the Acquirer will have a right to not proceed with the Offer.

8.3. The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer.

8.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.

8.5. The Acquirer does not require any approval from the banks or financial institutions for the offer.

9. FINANCIAL ARRANGEMENTS FOR THE OFFER

9.1. The total fund requirement for the acquisition of 9,96,000 equity shares (assuming full acceptance of the offer), being 20.00% of the paid up equity and voting share capital of the Target Company at Rs. 46.25 (Rupees Forty Six and paise Twenty Five only) per share is Rs. 4,60,65,000/- (Rupees Four Crore Sixty Lacs Sixty Five Thousand Only) ("**Maximum Consideration**"). The Acquirer has adequate financial resources and has made firm financial arrangement for the implementation of the offer in full out of its own resources/ networth and has confirmed the same vide their letter dated December 11, 2009.

9.2. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has established an Escrow Account under the name and title of Shyam Alcohol and Chemicals Limited Escrow Account ("Escrow Account") with HDFC Bank Limited ("Escrow Bank") and made a Cash deposit of Rs. 1,16,00,000/- (Rupees One Crore Sixteen Lacs Only) in the account being more than 25% of the total consideration payable in accordance with the SEBI (SAST) Regulations. Imperial, in terms of an Agreement dated December 15, 2009 amongst the Acquirer, and Manager to the Offer and the Escrow Bank ("Escrow Agreement"). Manager to the Offer has been solely authorized to operate and realize the value lying in the Escrow Account in terms of the SEBI (SAST) Regulations.

9.3. M/S R.R. Falod & Co, Chartered Accountants, (Membership No. 31914), have certified vide their letter dated December 15, 2009, that on the basis of necessary information and explanation given by the Acquirer and on verification of assets, liabilities, requirement of funds, the Acquirer has adequate resources to meet the financial requirements of the Open Offer pursuant to SEBI (SAST) Regulations.

9.4. Imperial, on basis of the above, has satisfied itself about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

9.5. In case of a revision in the Offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with Regulation 28 of the SEBI (SAST) Regulations.

10. OTHER TERMS OF THE OFFER

10.1. The Offer will be made to the shareholders of the Target Company and LOO together with the FOA, the Form of Withdrawal ('FOW") and Transfer Deed ("TD") (for shareholders holding shares in physical form) will be mailed to those shareholders of the Target Company (except the parties to SPA) whose names appear on the register of members of the Target Company and the beneficial owners of the shares whose names appear on the beneficial records of the respective share depositories, at the close of business hours on December 23, 2009 (the "Specified Date").

10.2. Accidental omission to dispatch LOO to any member entitled to this Open Offer or non-receipt of the LOO by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to terms and conditions set out herein and in the LOO that would be sent to the shareholders of the Target Company as on the Specified Date.

10.3. All the shareholders, (except Promoters of Sampada & the parties to the SPA) who own the equity shares of the Target Company before the closure of the Offer, are eligible to participate in the Offer.

10.4. The Acquirer has appointed Sharex Dynamic (India) Pvt. Ltd. ("**Sharex**") as Registrar to the Offer. Sharex has set up the following centres to collect the acceptances being tendered in this Offer. The documents can be tendered at the below mentioned centres between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturdays. The centres will be closed on Sundays and bank holidays.

Name & Address of Collection Centres	Contact Person & Contact Number	Mode of Delivery
Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Rd., Safed Pool, Andheri(E), Mumbai 400072	Mr.B.S.Baliga Tel No.: 022-2851 5606 Fax No.: 022-2851 2885 e-mail: sd_india@rediffmail.com	Hand Delivery/ Registered Post
Sharex Dynamic (India) Pvt. Ltd. 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai- 400 001	Mr. Ajith Kumar Tel No.: 022-2270 2485 Fax No.: 022-2264 1349 e-mail: sharexindia@vsnl.com	Hand Delivery/ Registered Post

The equity shareholders who cannot hand deliver their documents at the collection centres referred to above may send the **same by registered post, at their own risk**, to the Registrar to the Offer at their office at Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises,1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Rd., Safed Pool, Andheri (E), Mumbai 400072 and not to any other collection centre so as to reach their office before the close of the Offer i.e. 4 pm on Monday, March 01, 2010.

Neither the Share Certificate(s) nor the Transfer Deed(s) nor the Form of Acceptance / Withdrawal should be sent to the Sellers or the Acquirer or Target Company or Manager to the Offer.

10.5. All owners of equity shares, demat/physical, registered/ unregistered (except the parties to the SPA) are eligible to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the LOO and FOA, to the Registrar to the Offer, at the collection centres mentioned in Clause 10.4 either by hand delivery or post (as per respective mode of delivery specified above) before the Closure of the Offer i.e. March 01, 2010. No indemnity shall be required from the unregistered shareholders.

10.6. Sharex has opened a special depository account with following details

Name of A/c:	SCL Open Offer
Depositary Name:	ARCADIA SHARE & STOCK BROKERS PVT LTD
DP Id Number:	1203440000616870
Beneficiary Name :	SHAREX DYNAMIC (INDIA) PVT. LTD.- SCL OPEN OFFER-ESCROW A/C

10.7. The shareholders tendering shares in demat form should ensure the credit of shares in favour of the special depository account mentioned above, before the close of business on March 01, 2010. FOA in respect of dematerialised equity shares not credited to the above special depository account before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least 2 working days prior to the date of closure of the Offer. Shareholders having their beneficiary account in National Depository Securities Ltd ("NDSL") have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the above mentioned special depository account.

10.8. The shareholders tendering equity shares of the Target Company in the dematerialised form, will be required to send the FOA along with counterfoil / photocopy of the delivery instructions (in "Off-market" mode) in favour of special depository account mentioned above, duly acknowledged by the Depository Participant ("DP"), to the Registrar either by hand delivery or by registered post on or before the closure of the Offer. For shareholders of the Target Company holding physical certificates and who wish to accept the Offer and tender their shares will be required to send the FOA together with the share certificate (s) and transfer deed(s) to the Registrar.

10.9. In case of non-receipt of the LOO/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to Sharex Dynamic (India) Pvt. Ltd at any of the collection centres clearly marking the envelope "**Sampada - Open Offer**" or make an application on a plain paper duly signed and stating Name/Address/No. of shares offered/DP Name/DP ID/ together with the counterfoil/photocopy of the delivery instructions in "off market" in favour of special depository account mentioned above, duly acknowledged by the Depository Participant ("DP"). Unregistered owners holding shares in physical form can send their application in writing on plain paper, duly signed and stating Name/Address/No. of shares offered/Share Certificate No(s)/Distinctive No(s)/Folio No(s) together with the original Share Certificate(s), valid transfer deeds as received from the broker (Columns meant for transferee / buyer should be kept blank) to the Registrar to the Offer.

10.10 In case any person has lodged shares of the Target Company for transfer and the transfer has not yet been affected, the concerned person may apply on plain paper giving details as stated above along with a transfer deed duly signed (Columns meant for transferee / buyer should be kept blank) and the acknowledgement of the lodgement of shares of transfer. Such person should also instruct Target Company and its Registrar and Transfer Agent to send the transferred share certificate(s) directly to the collection centres as mentioned in Clause 10.4 above. The applicant should ensure that the certificate(s) reach the designated collection centre before the closure of the Offer. In case any person has lodged shares of the Target Company for dematerialization and the dematerialisation has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialisation request form acknowledged by shareholder's DP. The shareholder should ensure the credit of shares in favour of the special depository account mentioned above, before the closure of the Offer. A copy of the delivery instructions acknowledged by the DP should also be forwarded along with the FOA and other documents.

10.11 If the number of shares tendered by the shareholders are more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) of SEBI (SAST) Regulations on a proportional 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 or the entire holding, if it is less than the marketable lot.

10.12 The Registrar will hold in trust the share certificates, transfer deeds, shares lying in credit of the special depository account, FOA on behalf of the shareholders of the Target Company who have accepted the Offer, till the Acquirer completes the Offer obligations in accordance with the SEBI (SAST) Regulations.

10.13 Equity shares tendered by the shareholders of the Target Company in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever. Equity shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of the Target Company may be precluded from transferring the equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered under the Offer prior to the date of closure of the Offer.

10.14 The consideration received by shareholders for shares accepted in the Offer will be subject to the capital gains tax applicable as per the Income-tax Act, 1961. Further, the securities transaction tax will not be applicable on shares accepted in this Offer.

10.15 While tendering the Shares under the Offer, NRIs/OCBs/foreign Shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer/PAC reserves the right to reject such Shares tendered.

10.16 TAX TO BE DEDUCTED AT SOURCE: As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under applicable section of the Income Tax Act or as business profits as the case may be, Acquirer may need to deduct tax at source (including surcharge and education cess) at the applicable rate on the gross consideration payable to the following categories of shareholders, as given below:

- Non resident Indians
- Overseas Corporate Bodies (OCBs) / Non-domestic companies
- Other persons who are not resident in India

10.17 Accordingly, while tendering Shares under the Offer, NRI/OCBs/foreign Shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the Shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such Shareholder.

10.18 In respect of **Foreign Institutional Investors** ("**FII**"): The Acquirer will not deduct tax at source if the Shares are held by the FII on investment/ capital account. FIIs will have to certify in the Form of Acceptance cum Acknowledgment that the said shares are held on investment/capital account and enclose the certificate of registration by SEBI as FII.

10.19 The Acquirer will purchase the shares from the shareholders of the Target Company who have validly tendered the shares in the Offer (i.e. equity shares and/or other documents are in order in terms of the Offer) and remit the consideration in respect thereof within 15 days from Offer closure by crossed account payee cheques / demand drafts. Consideration in excess of Rs.1,500/-, unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. All dispatches involving payment of a value up to Rs. 1500/- will be made under certificate of posting at the shareholders' sole risk. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished in the FOA.

10.20 In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Tuesday February 23, 2010.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the LOO.
- In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:

  In case of Physical Shares: Name, Address, Distinctive numbers, Folio number, number of shares tendered; and

  In case of Dematerialized Shares: Name, Address, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account.

10.21 A schedule of some of the key events in respect of the Offer is given below:

ACTIVITY	DAY	DATE
Specified date	Wednesday	Dec. 23, 2009
Last date for competitive bid	Thursday	Jan. 07, 2010
Date by which Letter of Offer to be dispatched to shareholders	Friday	Jan. 29, 2010
Date of opening of the Offer	Tuesday	Feb. 09, 2010
Last date for revision of offer price/ number equity shares	Wednesday	Feb. 17, 2010
Last date for shareholders to withdraw their acceptance of the Offer	Tuesday	Feb. 23, 2010
Date of closure of the Offer	Monday	Mar. 01, 2010
Date of communicating acceptance / rejection and payment of consideration for the applications accepted	Tuesday	Mar. 16, 2010

11. GENERAL

11.1. If there is any upward revision in the Offer Price by Acquirer till the last date of revision i.e. Wednesday February 17, 2010 or withdrawal of the Offer, the same would be informed by way of a PA in the same newspapers in which the original PA had appeared. Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

11.2. If there is a competitive bid:

- **The Public Offer under all the subsisting bids shall close on the same date i.e. March 01, 2010.**
- **As the Offer Price cannot be revised during the 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the Final Offer price of each bid and tender their acceptances accordingly.**

11.3. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed Imperial Corporate Finance & Services Pvt. Ltd., as Manager to the Offer.

11.4. The Acquirer has appointed Sharex Dynamic (India) Pvt. Ltd as the Registrar to the Offer

11.5. The Acquirer represented by its Board of Directors severally and jointly accepts full responsibility for the information contained in this Public Announcement (except that which pertains to the Target Company and has been compiled from publicly available sources) and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations.

11.6. For further details please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

11.7. This Public Announcement would also be available on SEBI's website (www.sebi.gov.in). Eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at (www.sebi.gov.in) from the Offer Opening Date i.e.Tuesday February 09, 2010, and apply the same.

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

Imperial Corporate Finance & Services Pvt. Ltd.
102, Mittal Chambers, Nariman Point, Mumbai-400 021
Tel.: +91-22-4002 4601, 2204 6796 • Fax: +91-22-2287 5825
Email: imperial1@vsnl.com
Contact Person: Mr. Ramesh Satagopan

REGISTRAR TO THE OFFER:

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind. Premises, 1st Floor, 44-E,
M. Vasanti Marg, Andheri-Kurla Road,
Safed Pool, Andheri (E), Mumbai-400 072.
Tel.: +91-22-2851 5606 • Fax: +91-22-2851 2885
Email: sd_india@rediffmail.com
Contact Person: Mr. B.S. Baliga

On Behalf of the Acquirer:
M/s. **Shyam Alcohol and Chemicals Limited**
A/10, Kavita Apartments, Natakwala Lane, Borivali (West), Mumbai – 400 092

Place : Mumbai
Date : December 16, 2009