PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF SYSCHEM (INDIA) LIMITED

Registered Office: Village Bargodam,Tehsil Kalka, Distt.Panchkula - 134112 (Haryana)

*This Public Announcement (**PA**) is being issued by the Manager to the Offer i.e., **D & A Financial Services (P) Limited**, on behalf of the Acquirer(s), namely, Mr Ranjan Jain, Mr Kushal Pal Singh, Mr Rajesh Gupta, M/s Ally Chem Laboratories Private Limited, M/s Allychem Securities Private Limited and M/s Classic Securities Private limited (hereinafter collectively referred to as "Acquirers") along with Person Acting in Concert namely Mrs. Ruchika Jain and Mr. Jagmohan Arora (hereinafter collectively referred to as the "Persons Acting in Concert"/ PACs") pursuant to Regulation 10 and Regulation 12 as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "SEBI (SAST) Regulations, 1997") and subsequent amendments thereto.*

THE OFFER

1.1 This Open Offer (the "**Open Offer**" or "**Offer**") is being made by Mr Ranjan Jain S/o Shri D D Jain resident of House No. 1701, Sector-33D, Chandigarh, (U.T), Mr Kushal Pal Singh S/o Shri Sukh Pal Singh resident of House No. 1226, Sector-33C, Chandigarh (U.T), Mr Rajesh Gupta S/o of Shri Triloki Nath resident of House No. 5460/2, Modern Complex, Manimajra, Chandigarh , M/s Ally Chem Laboratories Private Limited having its registered office situated at SCO 290, First Floor, Sector-32D, Opposite Nirman Theater, Chandigarh (U.T), M/s Allychem Securities Private Limited having its registered office situated at SCO 290, First Floor, Sector-32D, Opposite Nirman Theater, Chandigarh (U.T) and M/s Classic Securities Private limited having its registered office situated at 1K/19, First Floor, NIT, Faridabad, Haryana (hereinafter collectively referred to as "Acquirers") along with Person Acting in Concert namely Mrs. Ruchika Jain wife of Shri Ranjan Jain resident of House No. 1701, Sector-33D, Chandigarh, (U.T) and Mr. Jagmohan Arora S/o Late Shri Manohar Lal resident of House No. 1298, First Floor, Sector-37 B, Chandigarh (hereinafter collectively referred to as the "Persons Acting in Concert"/ PACs") to acquire the equity shares of Syschem India Limited ("**SIL" or "Target Company"/ the "Company**"), a public limited company incorporated under the Companies Act, 1956 (the "Companies Act") and having its registered office at Village Bargodam,Tehsil Kalka,Distt.Panchkula - 134112 (Haryana) pursuant to and in Compliance with Regulation 10 and Regulation 12 as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "SEBI (SAST) Regulations, 1997") and subsequent amendments thereto.

1.2 The Acquirer has entered into a Share Purchase Agreement [**SPA**] on April 22, 2011 to acquire an aggregate of 15,092,400 (One Crore fifty lacs ninety two thousand four hundred Only) fully paid up equity shares of face value of Rs.1/- each representing 12.26% of the total paid up capital and voting rights of **Syschem India Limited** from the promoter shareholders of SIL, namely Mr Anil Nibber, Mr Atul Nibber, and Mrs Seema Nibber (hereinafter Collectively referred to as Sellers) (10502400, 2090000, 2500000 shares respectively - Collectively, the "Sale Shares"), at a price of Rs. 1.20 (One Rupees and Paisa Twenty Only) per fully paid up equity share payable in cash ("Negotiated Price"). The total consideration for the shares acquired as mentioned above is Rs 1,81,10,880/- (Rupees One Crore Eighty One Lacs Ten Thousand Eight Hundred and Eighty Only). The Offer is not as a result of global acquisition resulting in indirect acquisition of the target company. The Sellers does not belong to any group as such.
By the above acquisition, the holding of acquirers alongwith PACs will be increased from 15931650 equity shares representing 12.94% of total paid up share capital/voting share capital of SIL to 31024050 equity shares representing 25.20 % of total equity share capital/voting share capital of SIL and that resulted the triggering of SEBI (SAST) Regulations, 1997.

1.3 The Acquirers alongwith PACs intend to make an Open Offer in terms of the SEBI (SAST) Regulations, 1997 to the shareholders of SIL to acquire 24620800 equity shares of face value of Rs. 1/- each representing 20% of the total paid up capital / voting share capital of "SIL" at a price of Rs 1.50 (One Rupee and Fifty paisa Only) per fully paid up equity share ("Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter, whose names appear on the register of members on **Specified Date i. e May 20, 2011**.

1.4 There are no partly paid equity shares in the Target Company.

1.5 The shares of "**SIL**" are at present listed on Bombay Stock Exchange Limited (BSE) and Delhi Stock Exchange Limited (DSE).

1.6 The annualized trading turnover during the preceeding six calendar months ended March, 2011 at the Bombay stock exchange and the Delhi Stock Exchange where the shares are listed is as follows.

Name of the Stock Exchange	Total number of Equity Shares traded during October 2010 to March, 2011	Total number of Listed shares	Annualized trading turnover (% of total listed shares)
BSE	8994117	115104000	15.63%
DSE	Nil	115104000	N.A

(* Source : BSE websites)

1.7 Based on the above information, as the annualized trading turnover is more than 5% of the total number of the listed shares, the equity shares are deemed to be frequently traded on BSE as per the data available with BSE (Source: www.bseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997. In accordance with Regulation 20(4) and 20(5) 0f SEBI (SAST) Regulations, 1997, the Offer price of Rs. 1.50 (Rupees One and Paisa Fifty Only) has been determined taking into account the following parameters:

a.	The Negotiated Price	Rs. 1.20/- (One Rupees and Paisa Twenty Only)	
b.	Highest Price paid by Acquirers for acquisition, if any, including by way of allotment in a public or rights issue or preferential issue during the 26 weeks prior to the date of PA	N.A	
c.	The average of the weekly high and low of the closing prices of the equity shares of SIL during 26 weeks period period prior to the date of Public Announcement i.e 25.04.2011 on BSE.	Rs 1.33	
d.	The average of the daily high and low of the equity shares of SIL equity shares of SIL during the 2 weeks period prior to the date of Public Announcement i.e 25.04.2011 on BSE.	Rs 1.25	
e	**Other Financial Parameters**	**Based on the audited financial data for the year ended March 31, 2010**	**Based on the Unaudited financial data for the nine months ended December 31, 2010***
	Return on Net Worth (%)	25.22	(5.51)
	Book Value per share (Rs.)	0.68	0.65
	Earning per share (Rs.)	0.17	(0.03)
	Price Earning Multiple (Closing Market Price : Rs 1.56 on BSE on 22.04.2011)	9.75	-

* As Certified by Mr. Vijay Kumar, Partner of M/s Bansal Vijay & Associates, Chartered Accountants, (Membership No. 93412), being statutory auditor of the target company having their office at SCO, 3017-18, 2nd Floor, Sector-22D, Chandigarh, Tel: 0172 - 2707433 vide their certificate dated March 25, 2011.
In view of the above the offer price of Rs. 1.50/- is justified in terms of Regulations 20(4) and 20(5) of the SEBI (SAST) Regulations, 1997.

1.8 The Offer Price of Rs 1.50 per equity share offered by the Acquirers alongwith PACs to the shareholders of SIL under the proposed Open Offer is justified in terms of Regulations 20(4) and 20(5) of the SEBI (SAST) Regulations, 1997. In the opinion of the Manager to the Offer and Acquirers, the Offer Price is justified.

1.9 As on date of this Public Announcement, the Acquirers have agreed to acquire 15,092,400 (One Crore fifty lacs ninety two thousand four hundred only) fully paid up shares of Rs.1.00/- each representing 12.26% of the total equity share capital of the SIL in terms of the SPA.

1.10 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a Conditional Offer. The Acquirer will accept the equity shares of SIL those are tendered in valid form in terms of this offer upto maximum of 24620800 equity shares of face value of Rs. 1/- each representing 20% of the total paid up capital / voting share capital of "SIL".

1.10 The Offer is not a competitive bid.

1.12 Neither the Acquirer, PACs, Sellers nor the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act, 1992.

1.13 The Manager to the Open Offer i.e. D & A Financial Services (P) Limited does not hold any equity shares in the Target Company as on the date of this Public Announcement. They 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 Open Offer till the expiry of 15 days from the date of closure of Open Offer.

1.14 In the event of any further acquisition of Equity Shares by the Acquirers and PACs , at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. The acquirers and PACs are also holding in aggregate 20700000 no. of warrants convertible into equal no. of equity shares of target company as on date of Public Announcement. Further no. of shares offered will also be increased in case of conversion of warrants in terms of provisions of Regulation 21(5) of "SEBI (SAST) Regulations, 1997".

2 INFORMATION ABOUT THE ACQUIRERS

2.1 Mr. Ranjan Jain

2.1.1 Mr. Ranjan Jain, son of Shri Dharam Dass Jain, aged around 45 years, residing at House No. 1701,Sector 33-D, Chandigarh (UT), Tel No: 0172-2661501,Fax No: 0172- 4255517. Mr. Ranjan Jain is Graduate in Arts (Eco Hon). He has more than 20 years of experience in the field of chemical & drug intermediates.

2.1.2 Mr. Yogesh Kumar, Chartered Accountant (Membership No.81333) partner of Y.K & Company having office at House No. 3169, Sector- 51D, Chandigarh, Phone No. 0712-4673169 has certified vide his certificate dated April 12,2011 that the Net worth of Mr. Ranjan Jain as on 31-3-2011 is Rs. 1751.97 Lacs. Further the letter also confirms that he has sufficient means to fulfill his part of obligations under this Offer.

2.1.3 Mr. Ranjan Jain is holding directorship in Allychem Laboratories Private Limited, Allychem Securities Private Limited and Paramount Chemtech (P) Limited. He is also partner in Sangam Impact, Paramount Chemicals Corporation and Wool ways Agencies.

2.1.4 Mr. Ranjan Jain has acquired 17,00,000 equity shares of the Target Company at an average price of Rs 1.08 per share during preceding Twelve months from the date of public announcement.

2.2 Mr. Kushal Pal Singh

2.2.1 Mr. Kushal Pal Singh, son of Shri Sukh Pal Singh, aged 49 years, residing at H.No. 1226, Sector 33-C, Chandigarh (UT), Tel No: 0172-2621709, Fax No: 0172- 4255517. Mr. Kushal Pal Singh is a Master of Commerce. He is engaged in the business of manufacturing and trading of chemicals, solvents and drug intermediates for last 7 years. He has worked in senior positions with reputed pharmaceuticals companies i.e. Ind Swift Group, Montari Industries etc. for period of 15 years.

2.2.2 Mr. Atul Gupta, Chartered Accountant (Membership No.509005) partner of Vinod Atul & Associates having office at Panchkula has certified vide his certificate dated April 18,2011 that the Net worth of Mr. Kushal Pal Singh as on 31-03-2011 is Rs 387.90 lacs. The letter also confirms that he has sufficient means to fulfill his part of obligations under this Offer.

2.2.3 Mr. Kushal Pal Singh is holding directorship in Allychem Laboratories Private Limited and Allychem Securities Private limited.

2.2.4 Mr. Kushal Pal Singh has acquired 17,25,548 equity shares of the Target Company at an average price of Rs 1.07 per share during preceding Twelve months from the date of public announcement.

2.3 Mr. Rajesh Gupta

2.3.1 Mr. Rajesh Gupta, S/o Shri Tarloki Nath, aged around 45 years, residing at H.No. 5460/2, Modern Complex, Manimajra, Chandigarh-160101, Tel No: 0172- 4255555, Fax No: 0172-4255517. Mr. Rajesh Gupta is Under Graduate and is having around 20 years of experience in the business of trading of chemicals, solvents and hardwares.

2.3.2 Mr. Narinder Sharma, Chartered Accountant (Membership No.503003) partner of Duggal Gupta & Associates having office SCO 169, Sector- 37C, Chandigarh-160036, Phone No. 0172- 3013783, 4635783, Fax No. 0172- 2692482 has certified vide his certificate dated April 01, 2011 that the Net worth of Mr. Rajesh Gupta as on 31-03-2011 is Rs 224.99 Lacs and the letter also confirms that he has sufficient means to fulfill his part of obligations under this Offer.

2.3.3 Mr. Rajesh Gupta is Proprietor of Rajesh Modi & Co, a Proprietary concern.

2.3.4 Mr. Rajesh Gupta has acquired 36,00,000 equity shares of the Target Company at an average price of Rs 1.18 per share during preceding Twelve months from the date of public announcement.

2.4 M/s Ally Chem Laboratories Private Limited

2.4.1 Ally Chem Laboratories Private Limited (hereinafter referred to as "ACLP") is a private company incorporated with the Registrar of Companies, Punjab,Himachal Pradesh and Chandigarh vide its certificate of incorporation dated December 20, 2002 under the provisions of Company Act, 1956. At present the Registered Office of the Company is situated at SCO 290,First Floor, Sector 32-C,Opposite Nirman Theatre , Chandigarh - 160047. The Company does not belong to any group as such.

2.4.2 The Shareholding Pattern of the Acquirer Company as on 31.03.2011 is given as under:

S. No.	Name	No. of Shares	% of holding
1.	Mr Kushal Pal Singh	540000	30.32
2.	Mr. Ajay Kumar Chaudhary	411000	23.08
3.	Mr Jagmohan Arora	360000	20.21
4.	Mr.Ranjan Jain	470000	26.39
	TOTAL	**1781000**	**100.00**

2.4.3 The brief financials of the Ally Chem Laboratories Private Limited are as under:

(Rs in Lacs)

Particulars	Year ended March 31, 2009 (Audited)	Year ended March 31, 2010 (Audited)	Year ended March 31, 2011* (Unaudited)
Total Income	600.69	771.34	1027.40
Profit After Tax	16.75	36.52	60.18
Earning Per Share (EPS) (In Rs)	2.39	2.05	3.38
Book Value Per Share (In Rs)	13.32	13.36	15.54
Networth	91.28	236.39	275.31
Return on Networth	23.93%	20.51%	33.79%

* As Certified by Mr.Atul Gupta, partner of Vinod Atul & Associates Chartered Accountants,(Membership No. 509005), being statutory auditor of the company having their office at 291, Sector- 15, Panchkula, Phone No. 0172- 2593302 vide their Certificate dated April 08th, 2011

2.4.4 The company's shares are not listed any of the Stock Exchanges.

2.4.5 The company has not acquired any shares of the target company i.e SYSCHEM (INDIA) LIMITED during preceding Twelve months from the date of public announcement.

2.4.6 Presently Ally Chem Laboratories Private Limited is engaged in the business of manufacturing of bulk drugs intermediates and chemicals.

2.5 M/s Allychem Securities Private Limited

2.5.1 Allychem Securities Private Limited (hereinafter referred to as "ACSP") is a private company incorporated with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh vide its certificate of incorporation dated December 23, 2009 under the provisions of Companies Act, 1956.The Registered Office of the Company is situated at SCO 290, First Floor, Sector 32-D, Chandigarh - 160047. The Company does not belong to any group as such.

2.5.2 The Shareholding Pattern of the Acquirer Company as on 31.03.2011 is given as under:

S. No.	Name	No. of shares	% of holding
1.	Mr Kushal Pal Singh	9500	38.00
2.	Mr Jagmohan Arora	5500	22.00
3.	Mr.Ranjan Jain	10000	40.00
	TOTAL	**25000**	**100.00**

2.5.3 The brief financials of the AllyChem Securities Private Limited are as under:

(Rs in Lacs)

Particulars	Year ended March 31, 2010 (Audited)	Year ended March 31, 2011 (Unaudited)
Total Income	Nil	Nil
Profit After Tax	Nil	Nil
Earning Per Share (EPS) (In Rs)	Nil	Nil
Book Value Per Share (In Rs)	6.01	9.24
Networth	0.90	23.10
Return on Networth	Nil	0.0%

* As Certified by Mr.Atul Gupta, partner of Vinod Atul & Associates Chartered Accountants, (Membership No. 509005), being statutory auditor of the company having their office at 291, Sector- 15, Panchkula, Phone No. 0172- 2593302 vide their Certificate dated April 08th, 2011.

2.5.4 The Company's shares are not listed on any of the Stock Exchange.

2.5.5. The Company has acquired 70,00,000 equity shares of the target company at an average price of Rs 0.94 per share during preceding Twelve months from the date of public announcement.

2.5.6 The main object of Allychem Securities Private Limited prescribed business of Financial Consultants, Management Consultants, to act as corporate advisor in arranging syndication of loans, FCCB, ECB, sale-purchase of shares, issue of securities and other financial instruments, to act as underwriter and subject to approval of regulatory Authorities to act as insurance agents and such other works and conveniences which may seem necessary to advance the interests of the Company.

2.6 M/s Classic Securities Private Limited

2.6.1 Classic Securities Private Limited (hereinafter referred to as "CSP") is a private company incorporated with the Joint Registrar of Companies, Delhi and Haryana vide its certificate of incorporation dated January 05, 1993 under the provisions of Companies Act, 1956. The Registered Office of the Company is situated at 1K/19, IST Floor, NIT, Faridabad, Haryana-121001.The Company does not belong to any group as such.

2.6.2 The Shareholding Pattern of the Acquirer Company as on 31.03.2011 is given as under:

S. No.	Name	No. of Shares	% of holding
1.	Smt.Bhagwati Sharma	3000	1.01
2.	Smt.Chanda Bhansali	1850	0.63
3.	Sh. Moti Lal Sharma	1500	0.51
4.	Sh.Surinder Choudhary	1000	0.34
5	Smt. Kusum Challani	1200	0.41
6	Sh. Hemant Saini	26450	8.95
7	Sh. Sanjay Sharma	28500	9.64
8	M/s Sumit Engineers Pvt Ltd	118400	40.05
9	M/s RMB Financial Services Limited	110000	37.21
10	Mr. Abhishek Bhansali	3700	1.25
	TOTAL	**295600**	**100.00**

2.6.3 The brief financials of the Classic Securities Private Limited are as under:

(Rs in Lacs)

Particulars	Year ended March 31, 2009 (Audited)	Year ended March 31, 2010 (AUdited)	Year ended March 31, 2011 (Unaudited)*
Total Income	0.97	1.25	2.71
Profit After Tax	0.10	0.07	0.08
Earning Per Share (EPS) (In Rs)	0.05	0.03	0.04
Book Value Per Share (In Rs)	9.93	9.98	38.51
Networth	29.43	29.49	123.08
Return on Networth	0.34	0.24	0.07

*As Certified by Mr.Suresh Anchalia, Proprietor of Anchalia & Associates, Chartered Accountants,(Membership No. 094061), being statutory auditor of the company having their office at 35, Neelam Batra Road, N.I.T, Faridabad, Haryana-121001, Phone No. 0129-4158005 vide their Certificate dated April 05, 2011.

2.6.4 The company's shares are not listed any of the Stock Exchanges.

2.6.5 The company has not acquired any shares of the target company i.e SYSCHEM (INDIA) LIMITED during preceding Twelve months from the date of public announcement.

2.6.6 Clasic Securities Private Limited engaged in the business of an investment in shares, mutual funds, debentures etc.

2.6.7 The Company is a Non-Banking Finance (NBFC) registered with Reserve Bank Of India under Section 45IA having Registration No. B - 03.00068 dated May 17, 2000 issued at New Delhi.

INFORMATION ABOUT PAC(s)

2.7 Mrs. Ruchika Jain

2.7.1 Mrs. Ruchika jain is W/o Mr. Ranjan Jain, aged around 36 years, residing at House No.1701, Sector-33D, Chandigarh. Tel No: 0172-2661501.

2.7.2 Mr.Yogesh Kumar, Chartered Accountant (Membership No.81333) partner of Y.K & Company having office Chandigarh has certified vide his certificate dated April 20, 2011 that the Net worth of Mrs.Ruchika Jain as on 31-03-2011 is Rs. 939.09 Lacs.

2.7.3 Mrs. Ruchika Jain is holding directorship in Allychem Organics Private Limited and partner in Paramount Chemicals Corporation.

2.7.4 Mrs Ruchika Jain is Undergraduate and she is a Housewife. .

2.7.5 Mrs. Ruchika Jain has not acquired equity shares of the Target Company i.e SYSCHEM (INDIA) LIMITED during preceding Twelve months from the date of public announcement.

2.8 Mr. Jagmohan Arora

2.8.1 Mr. Jagmohan Arora is S/o Late Sh. Manohar Lal, aged around 42 years, an Indian Resident, residing at House no 1298, Sector 37-B,Chandigarh. Tel No: 0172-6573717.

2.8.2 Mr. Atul Gupta, Chartered Accountant (Membership No.509005) partner of Vinod Atul & Associates having office Panchkula has certified vide his certificate dated April 18, 2011 that the Net worth of Mr Jagmohan Arora as on 31-03-2011 is Rs. 64.51 Lacs.

2.8.3 Mr.Jagmohan Arora is a Master in Science and also Master of Philosophy from Kurukhetra University. He has 15 years of experience in manufacturing and trading of pharmaceuticals products, chemical & drug intermidiates.

2.8.4 He is holding Directorship in Allychem Laboratories Private Limited & Allychem Securities Private Limited.

2.8.5 He has acquired 1000000 equity shares of the Target Company at an average price of Rs 0.85 per share during preceding Twelve months from the date of public announcement.

4. INFORMATION ABOUT THE TARGET COMPANY

4.1 Syschem (India) Limited

Syschem (India) Limited (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 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.

4.2 The authorised share capital of SIL as on the date of Public Announcement is Rs 20.00 Crore, comprising of 20,00,00,000 equity shares of Rs 1/- (Rupee One Only) each and the issued, subscribed and paid-up share capital of SIL as on date of Public Announcement stood at Rs 12,31,04,000/- comprising of 12,31,04,000 fully paid up equity share of Rs 1/- (Rupees One only) each.

4.3 There are no partly paid up shares in the Company.

4.4 SIL engaged in the business of manufacturing of bulk drugs intermediates and also Chemicals.

4.5 The shares of "SIL" are listed on Bombay Stock Exchange Limited (BSE) and Delhi Stock Exchange Limited (DSE).

4.6 The Brief financials of the SIL as per the Annual Report are as under:

(Amount in Rs. Lacs)

Particulars	Year ended March 31, 2010	Nine months ended December 31, 2010 (Unaudited)*
Total Income	703.99	393.50
Profit After Tax	195.09	(41.32)
Earnings Per Share (EPS)	0.17	(0.03)
Book Value Per Share	0.68	0.65
Networth	773.44	750.15
Return on Networth (in %)	25.22	(5.51)

* As Certified by Mr. Vijay Kumar, Partner of M/s Bansal Vijay & Associates, Chartered Accountants, (Membership No.93412), being statutory auditor of the target company having their office at SCO, 3017-18, 2nd Floor, Sector-22D, Chandigarh, Tel: 0172 - 2707433 vide their certificate dated March 25, 2011..

5 Reasons for the acquisition, rationale for the Offer and future plans

5.1 The Acquirers are interested in taking over the management and control of SIL. Thus substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition.

5.2 The Offer to the Public shareholders of SIL is for acquiring 20.00% of the total paid up capital / voting rights. After the proposed Offer, the Acquirer along with PACs will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

5.3 The Offer to the shareholders of SIL is being made in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations, 1997.

6 Disclosure in terms of Regulation 16(ix)

The Acquirer and PACs at present have no intention to sell, dispose of or otherwise encumber any significant assets of SIL in the succeeding two years, except in the ordinary course of business of SIL. However SIL's future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of SIL.

7. Statutory Approvals / Other Approvals Required For the Offer

7.1 As on the date of Public Announcement, no approval from any Bank/Financial Institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirers.

7.2 As on the date of Public Announcement, to the best of the Acquirer's knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.

7.3 The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of Offer.

7.4 SEBI has the power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22 (12) of the SEBI (SAST) Regulations, 1997, if there is any delay in receipt of statutory approval. If, however, the delay in obtaining the requisite approval takes place on account of any willful default by the Acquirers, then provision contained in Regulation 22 (13) of the SEBI (SAST) Regulations, 1997 will also become applicable.

7.5 The Acquirers shall withdraw this offer if the statutory approval(s) required as above is refused as provided in Regulation 27 of the SEBI (SAST) Regulations, 1997

8. CONTINUOUS LISTING OF SHARES IN TERMS OF REGULATION 21(2)

The Offer (assuming full acceptance) would not result in public shareholding in the Target Company being reduced below the minimum level of 25% required as per the Listing Agreement entered with the Stock Exchanges for the purpose of listing on continuous basis and the post offer shareholding of acquirers alongwith PACs will be less than 75% of the paid up/voting share capital of target company.

9. FINANCIAL ARRANGEMENTS

9.1 The Acquirers have adequate resources to meet the financial requirements of the Offer. The Acquirers have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997. TheInternal / personal resources and no borrowings from banks / FIs etc., is being made.

9.2 Assuming full acceptance, the total requirement of funds for the Offer would be Rs. 3,69,31,200 (Rs. Three Crore Sixty Nine lakh thirty one thousand and two hundred only). As per Regulation 28 of SEBI (SAST) Regulations, 1997,

9.3 In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirers have created an Escrow Account in the form of a Bank Guarantee for an amount Rs 1,00,00,000/- (Rupees One Crore Only) issued by Punjab National Bank, valid till April 30, 2012 in favour of D & A Financial Services (P) Limited - the Manager to the Offer and also acquirers have made a cash deposit of Rs. 35,00,000/- (Rupees Thirty Five Lacs Only) being in excess of 1% of the maximum purchase consideration payable under this Offer, in a bank escrow account with Axis Bank, East of Kailash, New Delhi. D & A Financial Services (P) Limited, the Manager to the Offer has been empowered to realize the value of the Escrow in terms of the SEBI (SAST) Regulations, 1997.

9.4 The amount in terms of Bank Guarantee and Cash Deposit jointly constitute more than 25% of the amount required for the Open Offer.

9.5 In terms of Regulation 28(13), in case of non-fulfillment of obligations by the Acquirer, the Manager to the Offer shall ensure realization of escrow amount by way of foreclosure of deposit and invocation of bank guarantee.

9.6 The Acquirer has 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, 1997.

9.7 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 fulfill the Offer obligations.

10. OTHER TERMS OF THE OFFER

10.1 The Offer is not subject to any minimum level of acceptances from shareholders and in case of the shares received under the Offer exceeding the Offer size, the acquirers will accept shares on proportionate basis.

10.2 A Letter of Offer specifying the detailed terms and conditions of the Offer together with a Form of Acceptance cum Acknowledgement and Transfer Deed (for shareholders holding shares in physical forms) will be mailed by the shareholders of SIL (Other than Acquirer, PACs and Sellers) whose names appear on the Register of Members of SIL, at the close of business hours on **Specified Date i. e May 20, 201**1. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

10.3 All owners (Other than parties to the agreement) of equity shares, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

10.4 The shareholders of SIL are eligible to participate in the Offer anytime before the closure of the offer by sending their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and Transfer Deed(s) duly signed, to the Registrar to the Offer viz. **Beetal Financial & Computer Services (P) Ltd having its office is at,Beetal House,99,Madangir,Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir,New Delhi-110062** either by Registered Post, Courier or Hand Delivery (Between 10.00 a.m to 5.00 p.m on all working days), on or before the date of closure of the offer i.e Tuesday, July 05, 2011 in accordance with the instructions specified in the Letter of Offer & Application Form.

10.5 Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance cum Acknowledgement, which will be available on SEBI's websites at **http:/www.sebi.gov.in** and can apply for the Offer in such downloaded form.

10.6 Beneficial owners and Shareholders who hold Shares in the physical form and wish to offer the Shares for sale pursuant to the Offer shall be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and transfer deed(s) and other documents as may be specified in the LOO, duly signed to the Registrar to the Offer viz. Beetal Financial & Computer Services (P) Ltd having its office is at,Beetal House,99,Madangir,Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir,New Delhi-110062 either by Registered Post, Courier or Hand Delivery (Between 10.00 a.m to 5.00 p.m on all working days), on or before the date of closure of the offer i.e Tuesday, July 05, 2011in accordance with the instructions specified in the Letter of Offer & Application Form.

10.7 The Registrar to the Offer has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares during the Offer from eligible shareholders who hold equity shares in demat form.

10.8 Beneficial owners and Shareholders who hold shares in the dematerialized form, will be required to send their Form of Acceptance-cum-Acknowledgement and other documents as may be specified in the LOO to the Registrar to the Offer viz. Beetal Financial & Computer Services (P) Ltd having its office is at,Beetal House,99,Madangir,Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir,New Delhi-110062 either by Registered Post, Courier or Hand Delivery (Between 10.00 a.m to 5.00 p.m on all working days), on or before the date of closure of the offer i.e Tuesday, July 05, 2011along with a photocopy of the delivery instructions in "off-market" mode or counter foil of the delivery instructions in "off market" mode, or counterfoil of the delivery instructions in "off market" mode duly acknowledged by the Depository Participant ("DP"), in favour of the "**BEETAL OPEN OFFER ESCROW A/C SIL**" filled in as per the instructions given below:

DP Name : NDA Securities Limited
DP ID Number : IN 303663
Client ID Number : 10035317
Depository : National Securities Depository Limited

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instructions slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

10.9 Persons who own shares and whose names do not appear on the Register of members of the Company on the Specified Date are also eligible to participate in this Offer. Unregistered owners of shares of SIL can send their applications in writing to the Registrar to the Offer on a plain paper stating the name, address, number of Shares held, number of Shares offered, distinctive numbers, folio numbers, together with the original share certificate(s), transfer deeds and the original contract note issued by the broker through whom they acquired their shares.

10.10 Owners of shares who have sent their equity shares for transfer should enclose Form of Acceptance-cum-Acknowledgement duly completed and signed copy of the letter sent to SIL for transfer of shares, acknowledgement received thereon and valid share transfer form(s). Shareholders who have sent their physical Shares for dematerialization need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the aforesaid special depository account should be received on or before 5.00 P.M. up to the date of Closure of the Offer, i. e Tuesday, July 05, 2011 else the application would be rejected.

10.11 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of equity shares held, distinctive numbers, folio numbers, number of Shares offered, along with the documents to prove their title to such equity shares such as brokers note, succession certificate/ original letter of allotment and valid equity shares transfer deed (one per folio), duly signed by all the shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with SIL) and witnessed (if possible) by the Notary Public or a Bank Manager or the Member of the stock exchange with membership number, as the case may be, so as to reach the Registrar to the Offer on or before 5.00 P.M. upto the date of Closure of the Offer, i.e. by Tuesday, July 05, 2011.

10.12 In case of shareholders who have not received the LOO and holding equity shares in the dematerialized form may send their consent in writing to the Registrar to the Offer, on a plain paper stating the name, addresses, number of Shares held, number of Shares offered, Depository name, Depository ID, Client ID along with a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in the "Off-market" mode, duly acknowledged by the Depository Participant as specified in para 10.8 above, so as to reach the Registrar to the Offer, on or before 5.00 P. M. upto the date of Closure of the Offer, i.e. by Tuesday, July 05, 2011. Such equity shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

10.13 The following collection centre would be accepting the documents by Hand Delivery/ Regd Post/ Courier as specified above, both in case of physical and dematerialized form. The centre mentioned herein below would be open on all working days as follows:

Name & Address	Beetal Financial & Computer Services (P) Ltd, Beetal House,99,Madangir,Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir,New Delhi-110062
Contact Person	Mr. Punit Mittal
Phone Nos.	011-29961281/82
Fax No	011- 29961284
E-mail	beetalrta@gmail.com

Business Hours: Mondays to Fridays between 10.00 a.m. to 5.00 p.m., Saturday between 10.00 a.m. to 1.00 p.m. The centers will be closed on Sunday and any other public holidays.

10.14 No indemnity is needed from unregistered shareholders.

10.15 In terms of Regulation 22(5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrar to the Offer upto three working days prior to the date of Closure of the Offer i. e June 30, 2011. The withdrawal can also be exercised by submitting an application on a plain paper, alongwith the details such as name, address, distinctive no, folio no, number of equity shares tendered.

10.16 The Letter of Offer alongwith Form of Acceptance cum acknowledgement/ withdrawal would also be available at SEBI's website http://www.sebi.gov.in/ and shareholders can also apply by downloading such forms from the website.

10.17 Applications in respect of shares that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/orders regarding these shares are not received together with the shares tendered under the Offer.

11. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

11.1 Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirer, the Acquirer will accept the offers received from 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 shareholders shall not be less than the minimum marketable lots or the entire holding if it is less than the marketable lot. The marketable lot of SIL is 1 {One} Equity Share.

11.2 Shareholders who have offered their equity shares under the Offer would be informed about acceptance or rejecting of the Offer within 15 days from the date of Closure of the Offer. The payment of consideration to those shareholders whose Shares or share certificates and / or other documents are found complete, valid and in order will be made by way of a crossed account payee cheque, demand draft or pay order only in favour of the first holder of equity shares. Such consideration or unaccepted Share Certificates(s), transfer deed (s) and other documents, if any, will be returned by registered post at the shareholders/ unregistered owner's sole risk. For Shares which are tendered in electronic form, the Bank account as obtained from the beneficiary position provided by the Depository will be considered and the payment will be issued with the said bank particulars. Shares held in dematerialized form to the extent not accepted or shares withdrawn will be credited back to their beneficial owner's depository account with their respective depository participants as per the details furnished by their beneficial owners in the Form of Acceptance-cum-Acknowledgement and the intimation of the same will be send to the respective shareholders. The Acquirer is required to deduct tax on source, as may be applicable.

11.3 While tendering equity shares under the offer, non resident shareholders (NRI/OCB/Foreign shareholders) should submit copy of the permission received from Reserve Bank of India (specific or general) that they would have been required for acquisition of the shares of SIL. In case of its non submission, Acquirer reserves his right to reject the shares tendered in the Offer. While tendering equity shares under the offer, non resident shareholders (NRI/OCB/Foreign shareholders) will also be required to submit a Tax Clearance Certificate from 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 aforesaid Tax Clearance Certificate is not submitted, acquirer will arrange to deduct tax, if any, at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

11.4 All Shares tendered in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.

11.5 The Registrar to the Offer will hold in trust the equity shares/ share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form (s) on behalf of the shareholders of SIL who have accepted the Offer, until the cheques/ drafts/ pay orders for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.

12 TIME SCHEDULE OF THE OFFER

12.1 A schedule of some of the major activities in respect of the Offer is given below:

S. No	Activity	Days & Dates
1.	Date of Publication of Public Announcement	Monday, April 25, 2011
2.	Specified Date*	Friday, May 20, 2011
3.	**Last date for announcement of a competitive Bid**	**Monday, May 16, 2011**
4.	Date by which Letter of Offer will be posted to Shareholders.	Monday, June 06, 2011
5.	**Date of Opening of the Offer**	**Thursday, June 16, 2011**
6.	**Last date for revising the offer price / number of Shares.**	**Friday, June 24, 2011**
7.	**Last date for withdrawing acceptance from the Offer**	**Thursday, June 30, 2011**
8.	**Date of Closure of the Offer**	**Tuesday, July 05, 2011**
9.	Date of communicating rejection / acceptance and payment of consideration for applications Accepted	Wednesday, July 20, 2011

*Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent.

13 GENERAL CONDITIONS

13.1 The Acquirer reserves the right to withdraw the Offer pursuant to Regulation 27 of the SEBI (SAST) Regulations, 1997. Any such withdrawal will be notified in the form of a public announcement in the same newspapers in which this public announcement appears.

13.2 In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations, 1997, shareholders who have accepted the Offer by tendering the requisite documents in terms of the public announcement / Letter of Offer can withdraw the same up to three working days prior to the date of Closure of the Offer i.e. June 30, 2011.

13.3 The withdrawal of shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.

13.4 The intimation of returned shares to the Shareholders will be sent at the address as per the records of SIL/ Depository as the case may be.

13.5 If there is any upward revision in the Offer price (In accordance with Regulation 26 of the SEBI (SAST) Regulations, 1997) by the Acquirer till the last day of revision viz. at any time upto seven working days prior to the date of Closure of the Offer or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where Original Public Announcement had appeared. Such revised Offer would be payable for all the successful shares tendered anytime during the Offer.

13.6 If there is a competitive bid:

13.6.1 The Public Offer under all the subsisting bids shall close on the same date.

13.6.2 As the Offer Price cannot be revised during the seven 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.

13.7 This Public Announcement would also be available on the SEBI's web site at http://www.sebi.gov.in.

13.8 Pursuant to Regulation 13 of the SEBI (SAST) Regulations, 1997, the Acquirer have appointed M/s D & A Financial Services (P) Limited as Manager to the Offer and Mas Services Limited as Register to the Offer.

13.9 This Public Announcement is being issued on behalf of the Acquirers and PACs by the Manager to the Offer, M/S D & A Financial Services (P) Limited.

13.10 The acquirers Mr Ranjan Jain resident of House No. 1701, Sector-33D, Chandigarh, (U.T), Mr Kushal Pal Singh resident of House No. 1226, Sector-33C, Chandigarh (U.T), Mr Rajesh Gupta resident of House No. 5460/2, Modern Complex, Manimajra, Chandigarh, the Board of Directors of M/s Ally Chem Laboratories Private Limited having its registered office situated at SCO 290, First Floor, Sector-32D, Opposite Nirman Theater, Chandigarh (U.T), M/s Allychem Securities Private Limited having its registered office situated at SCO 290, First Floor, Sector-32D, Opposite Nirman Theater, Chandigarh (U.T) and M/s Classic Securities Private limited having its registered office situated at 1K/19, First Floor, NIT, Faridabad, Haryana alongwith Person Acting in Concert Mrs. Ruchika Jain resident of House No. 1701, Sector-33D, Chandigarh, (U.T) and Mr. Jagmohan Arora resident of House No. 1298, First Floor, Sector-37 B, Chandigarh accepts full responsibility for the information contained in this Public Announcement and also the obligations of the Acquirers and PACs as laid down in the SEBI (SAST) Regulations, 1997 & subsequent amendments thereof.

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.: 011-26419079/ 26218274; Fax no.: 011 - 26219491; E- mail : dafspl@gmail.com Contact Person: ***Mr. Priyaranjan*** **SEBI Rgn. No. : INM000011484**	**BEETAL FINANCIAL & COMPUTER SERVICES PVT. LIMITED** Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukh Das Mandir, New Delhi-110062 Tel. Nos.: 29961281-82, Fax No.: 29961284 E. Mail: beetal@rediffmail.com Contact Person: ***Mr. Punit Mittal*** **SEBI Rgn. No. : INR000000262**

Place : New Delhi
Date : 23.04.2011

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