AksharChem

PUBLIC ANNOUNCEMENT
to the shareholders of
AKSHARCHEM (INDIA) LIMITED

(Registered Office - 166-169, Village Indrad, Kadi- Kalol Road, Dist: Mehsana- 382 727, Gujarat)

This Public Announcement ("PA") is being issued by Vivro Financial Services Private Limited, (herein after referred to as the "Manager to the Offer" or "Vivro") on behalf of Mrs. Paru M. Jaykrishna, Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna, promoters of AksharChem (India) Limited (hereinafter collectively referred to as the "Acquirers") pursuant to regulation 11(2) and other applicable provisions of Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations" or "SEBI (SAST) Regulations, 1997") and subsequent amendments thereto.

1. BACK GROUND OF THE OFFER

1.1 This open offer (The "Open Offer" or "Offer") is being made by Mrs. Paru M. Jaykrishna, Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna, all residing at "Gokul" Camp Road, Shahibaug, Ahmedabad- 380004 in compliance with Regulation 11(2), to the shareholders of AksharChem (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 166-169, Village Indrad, Kadi-Kalol Road, Dist: Mehsana-382 727, Gujarat (hereinafter referred to as "AIL" or "Target Company"). Mrs. Paru M. Jaykrishna, Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna are the existing promoters of the Target Company as per the disclosure made by the Target Company to the Stock Exchanges in accordance with Clause- 35 of the Listing Agreement. There are no persons acting in concert with the Acquirers.

1.2 The Board of Directors of the Target Company (AIL) at its Meeting held on 11th April, 2011, have considered and approved the proposal to issue and allot 15,50,000 ('Subscription Shares') fully paid up equity shares of Rs. 10/- each at a price of Rs. 18.50 (Rupees Eighteen and Paise Fifty only) per share on preferential basis to the Acquirers, representing 31.30% of the expanded subscribed equity share capital, subject to approval of shareholders and In-Principle approval of the Stock Exchanges. The names of the allottees are as follows:

Sr. No.	Name of the Acquirer	Category	No. of Shares
1	Mrs. Paru M. Jaykrishna	Promoter	7,75,000
2	Mr. Gokul M. Jaykrishna	Promoter	3,87,500
3	Mr. Munjal M. Jaykrishna	Promoter	3,87,500
	Total		15,50,000

1.2.1 The Acquirers have also entered into a Share Subscription Agreement ("SSA" or "Agreement") dated 14th April, 2011 with the Target Company to subscribe to the aforesaid Subscription Shares on preferential basis in compliances with Chapter VII of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirement) Regulations, 2009 and subsequent amendments thereto ("SEBI (ICDR) Regulations") which triggered the Regulations. The issue and allotment of the Subscription Shares shall be in accordance with Section 81(1A) of the Companies Act, 1956 and the applicable provisions of Regulations for Preferential Issue contained in SEBI (ICDR) Regulations and other regulatory approvals, if any and are subject to various condition precedent being fulfilled, including approvals of the shareholders of the Target Company. Accordingly, the Target Company has called for an Extra Ordinary General Meeting ("EGM") on 10th May, 2011 to obtain the approval of the shareholders and to authorize the Board to allot to the Acquirers, up to 15,50,000 fully paid up equity shares of face value of Rs 10/- each representing 31.30% of the Post preferential voting capital as required under Regulation 23(1)(b) of the Regulations. The preferential allotment will be subject to Target Company obtaining in- principle approval from the Bombay Stock Exchange Limited (BSE) and the Ahmedabad Stock Exchange Limited (ASE) in terms of clause 24(a) of the Listing Agreement entered into by the Target Company with the Exchanges. On completion of the Preferential Issue, the post issue voting share capital of AIL will comprise of 49,52,850 fully paid up equity shares of Rs. 10/- each (the post issue voting share capital).

1.3 The salient features of the SSA are as under:

- The Acquirers have agreed to subscribe to 15,50,000 equity shares of the target company on a preferential basis at a price of Rs. 18.50/- per share fully paid up.
- The target company shall complete the allotment of 15,50,000 equity shares subject to approval of shareholders of the target company at the ensuing Annual General Meeting to be held on 10th May, 2011 and customary regulatory and statutory approvals. The allotment is expected to be completed latest by 25th May, 2011.
- In the event the requisite shareholders approval is not received, the SSA shall stand terminated.

1.4 The Equity Shares issued on preferential basis are subject to "lock-in" as per the provisions of SEBI (ICDR) Regulations, 2009.

1.5 The Subscribed and Paid Up and Voting Equity Share Capital of the Target Company prior to the preferential issue was Rs. 3,40,28,500/- consisting of 34,02,850 fully paid up equity shares of Rs.10/- each ("Pre Preferential Capital") Post Preferential Issue, the Subscribed, Paid up and voting Equity Share Capital of the Target company shall increase to Rs.4,95,28,500/- consisting of 49,52,850 fully paid up equity shares of Rs. 10/- each (Post Preferential Voting Capital)

1.6 Before the Preferential Issue the Acquirers held 17,16,241 equity shares representing 50.44% of the total paid up equity share capital in the target company. Pursuant to the Preferential Issue, the Acquirers shall be holding in aggregate 32,66,241 equity shares representing 65.95% of the Post Preferential Voting Capital of the Target Company, the details of which are as follows:

Name of the Acquirer	Pre preferential Issue		Shares to be allotted pursuant to the Preferential Issue		Post Preferential Issue	
	No. of equity Shares	% of share holding	No. of equity Shares	% of share holding	No. of equity Shares	% of share holding#
Mrs. Paru M. Jaykrishna	8,53,271	25.08	7,75,000	15.64	16,28,271	32.88
Mr. Gokul M. Jaykrishna	4,31,843	12.69	3,87,500	7.83	8,19,343	16.54
Mr. Munjal M. Jaykrishna	4,31,127	12.67	3,87,500	7.83	8,18,627	16.53
Total	**17,16,241**	**50.44**	**15,50,000**	**31.30**	**32,66,241**	**65.95**

(# calculated as a % age of Post Preferential Voting Capital of the Target Company)

1.7 The Acquirers belong to the promoter group of the Target Company who in aggregate along with other promoter group hold 20,40,163 equity shares representing 59.95% of pre preferential equity share capital of the target company.

1.8 After this Preferential Issue the holding of the Acquirers along with the holding of other Promoter Group will increase from 20,40,163 equity shares (59.95% of pre preferential paid up equity share capital of the company) to 35,90,163 equity shares representing 72.49% of the Post Preferential paid up equity share capital of AIL, if the entire shares proposed to be allotted to acquirers are subscribed by them. This increase in the promoters' holding has resulted in triggering of the Regulation 11 (2) of SEBI (SAST) Regulations, 1997

2. THE OFFER :

2.1 The Acquirers are making this offer under Regulation 11(2) of the Regulations to the public shareholders of AIL (other than the existing Promoters and Promoter Group of AIL) to acquire 9,90,570 fully paid-up Equity Shares of Rs. 10/- each representing 20% of the Post Issue voting equity share capital (Post Preferential Issue) of AIL, at a price of Rs. 18.50 per fully paid-up Equity Share (the "Offer Price"), payable in cash subject to terms and conditions mentioned hereinafter, to those shareholders whose names appear on the register of members on Specified Date i.e. May 13, 2011

2.2 In terms of Regulation 21(5) of the Regulations, for the purpose of computing the percentage referred above the voting rights at the expiration of 15 days after the closure of the Open Offer has been reckoned.

2.3 No other person is acting in concert with the Acquirers for the purpose of this Offer.

2.4 This offer is being made pursuant to regulation 11(2) of the SEBI (SAST), Regulations, 1997 consequent to the Preferential Issue referred to in paragraph 1.2 above, on account of substantial acquisition of equity shares by the Acquirers of the Target Company. There are no partly paid-up shares of AIL.

2.5 As on the date of PA, the Acquirers hold 17,16,241 fully paid- up equity shares in the Target Company representing 50.44% of Pre Preferential Issued, subscribed and voting equity capital of the Target Company. During twelve months preceding the date of the PA, the Acquirers have not acquired any equity shares of the Target Company

2.6 The Offer is not conditional on any minimum level of acceptance.

2.7 The offer is not as a result of global acquisition resulting to indirect acquisition of the Target Company.

2.8 This is not a Competitive Bid.

2.9 The Offer is subject to the terms and condition set out herein and in the Letter of Offer ("LOO") that would be sent to the shareholders of AIL.

2.10 The "Acquirers" and the Target company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B or any other regulation made under the SEBI Act, 1992.

2.11 This Offer is subject to receipt of the statutory approvals mentioned in paragraph 7 of this PA. In terms of regulation 27 of the SEBI (SAST) Regulations, 1997, if the statutory approvals are refused, the Offer would stand withdrawn.

3. THE OFFER PRICE :

The Equity Shares of AIL are presently listed on the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange Limited ("ASE"). The annualized trading turnover during the preceding six calendar months ending March 2011 at the Stock Exchanges where the shares of AIL are listed is as follows:

Name of Stock Exchange	Total No. of Shares traded during the 6 calendar months prior to the month of PA (October 2010 to March 2011)	Total No. of Listed Shares	Annualized trading turnover (in terms of % of total listed shares)
BSE	1,26,704	34,02,850	3.72%
ASE	Nil	34,02,850	Nil

Based on the information available, as the annualized Trading turnover of the Equity shares of AIL is less than 5% of the total number of listed shares at BSE, therefore Equity shares of AIL are deemed to be infrequently traded at BSE within the meaning of Explanation (i) to regulation 20 (5) of the SEBI (SAST) Regulations, 1997. The shares are deemed to be in-frequently traded on ASE within the meaning of explanation (i) to regulation 20(5) of the Regulations, therefore the Offer Price has been determined taking into account the following parameters:

(Rs.)

a.	Negotiated Price	NA	
b.	Price to be paid by the Acquirers for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement (Acquisition price to be paid by the Acquirers in proposed Preferential Issue)	18.50	
c.	Other Parameters	Audited Financials for the year ended **March 31, 2010**	Reviewed for the Nine Months Period ended **December 31, 2010***
		(Pre Preferential Issue)	
	Return on Net worth (%)	18.78%	4.47%
	Book Value per share (Rs.)	23.79	24.61
	Earnings Per Share (Rs.)	4.45	0.83
	Industry Average P/E Multiple **	15.5	
	Price to Earning ratio with reference to offer price of Rs. 18.50 for fully paid up equity share	4.16	22.29

* Financial as certified by Auditors through a Limited Review

** (Source : Capital Market Journal Vol. XXVI/03, April 04-17, 2911 Industry - Chemicals)

Mr. Trushit Chokshi, proprietor of Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad (Membership No.40847) having office at 401, Shivam Complex, B/h Samartheshwar Mahadev, Off C.G. Road, Ellisbridge, Ahmedabad-380006 Ph. No. 079-26463003, Email:trushit@tcaca.com vide certificate dated April 14, 2011 has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union v. Hindustan Lever Limited, (1995) (83 Comp Cases 30), the value of the equity shares of AIL is Rs. 17.94 per Equity Share.

In view of the above, the Offer Price of Rs. 18.50 (Rupees Eighteen and Paise Fifty Only) per fully paid up equity share is justified in terms of regulation 20(5) of the SEBI (SAST) Regulations, 1997

4. INFORMATION ABOUT THE ACQUIRERS

4.1 Mrs. Paru M Jaykrishna

4.1.1 Mrs. Paru M Jaykrishna, w/o Mr. Mrugesh Jaykrishna, aged 68 years, residing at "Gokul" Camp Road, Shahibaug, Ahmedabad- 380004; Tel.: 079-22866177/88; E-mail id: parumj@asahisongwon.com.

4.1.2 She is an Arts graduate and M.A. in Philosophy, Sanskrit and English Literature from Gujarat University and also holds a degree in Law. She is one of the renowned women entrepreneurs of India. She is being the first lady appointed as a President and Executive Member of Gujarat Chambers of Commerce and Industry. She has been a founder director and President to many of the Gujarat Government Boards and Organizations. She is the Chairperson and Managing Director of the Company. She is the founder of the Company and looks after policy making and growth strategies of the Company.

4.1.3 She is Chairperson & Managing Director in Asahi Songwon Colors Ltd., a company listed on the Bombay Stock Exchange Limited. She is also director in Akshar Silica Pvt. Ltd., Asahi Energy Pvt. Ltd., Asahi Powertech Pvt. Ltd. and Skyjet Aviation Pvt. Ltd.

4.1.4 She is the promoter of Asahi Songwon Colors Ltd., a company listed with BSE. She is also the promoter of Akshar Silica Pvt. Ltd., Asahi Energy Pvt. Ltd., Asahi Powertech Pvt. Ltd. and Skyjet Aviation Pvt. Ltd.

4.1.5 As on the date of the PA, she holds 8,53,271 fully paid up Equity Shares representing 25.08 % of the pre preferential issued voting capital of the Target Company.

4.2 Mr. Gokul M Jaykrishna

4.2.1 Mr. Gokul M Jaykrishna, S/o Mr. Mrugesh Jaykrishna, aged 43 years, residing at "Gokul" Camp Road, Shahibaug, Ahmedabad- 380004; Tel.: 079-22866177/88; E-mail id: gokulmj@asahisongwon.com.

4.2.2 He is a Major in Finance and Marketing from Lehigh University, Bethlehem. He has the experience of working with Krieger Associates, New Jersey, USA, one of the influential currency and currency option traders.

4.2.3 He is the Joint Managing Director of the Company looking after the Finance and day to day management of the Company.

4.2.4 He is Joint Managing Director in Asahi Songwon Colors Ltd., a company listed on the Bombay Stock Exchange Limited. He is also director in Akshar Silica Pvt. Ltd., Asahi Energy Pvt. Ltd., Asahi Powertech Pvt. Ltd., Skyjet Aviation Pvt. Ltd. and Flyover Communication Pvt. Ltd.

4.2.5 He is the promoter of Asahi Songwon Colors Ltd., a company listed with BSE. He is also the promoter of Akshar Silica Pvt. Ltd. and Skyjet Aviation Pvt. Ltd.

4.2.6 As on the date of the PA, he holds 4,31,843 fully paid up Equity Shares representing 12.69 % of the pre preferential issued voting capital of the Target Company.

4.3 Mr. Munjal M Jaykrishna

4.3.1 Mr. Munjal M Jaykrishna, S/o Mr. Mrugesh Jaykrishna, aged 41 years, residing at "Gokul" Camp Road, Shahibaug, Ahmedabad- 380004; Tel.: 079-22866177/88; E-mail id: munjalmj@asahisongwon.com.

4.3.2 He is a Bachelor of Science in Business and Marketing from Lehigh University, Bethlehem. Before joining the Company, he has worked with Bank of California, San Francisco as Financial Analyst and Paragon Knits, Bethlehem as a Consultant.

4.3.3 He is the Joint Managing Director of the Company looking after the operations of the company including production, marketing and quality control.

4.3.4 He is Joint Managing Director in Asahi Songwon Colors Ltd., a company listed on the Bombay Stock Exchange Limited. He is also a director in Akshar Silica Pvt. Ltd., Asahi Energy Pvt. Ltd., Asahi Powertech Pvt. Ltd., Skyjet Aviation Pvt. Ltd. and Flyover Communication Pvt. Ltd.

4.3.5 He is the promoter of Asahi Songwon Colors Ltd., a company listed with BSE. He is also the promoter of Akshar Silica Pvt. Ltd., Asahi Powertech Pvt. Ltd., Flyover Communication Pvt. Ltd. and Skyjet Aviation Pvt. Ltd.

4.3.6 As on the date of the PA, he holds 4,31,127 fully paid up Equity Shares representing 12.67 % of the pre preferential issued voting capital of the Target Company.

4.4. Mr. Trushit Chokshi, proprietor of Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad (Membership No. 40847) having office at 401, Shivam Complex, B/h Samartheshwar Mahadev, Off C.G. Road, Ellisbridge, Ahmedabad-380006 Ph. No. 079-26463003, Email:trushit@tcaca.com vide report dated April 14, 2011 has certified their net worth as under:

Sr. No.	Name of the Acquirer	Net worth as on 31-03-2010 (Rs. In Lakhs)
1	Mrs. Paru M. Jaykrishna	923.51
2	Mr. Gokul M Jaykrishna.	411.24
3	Mr. Munjal M Jaykrishna	392.47

4.5 RELATIONSHIP AMONGST ACQUIRERS WITH EACH OTHER:

Mrs. Paru M Jaykrishna is mother of Mr. Gokul M. Jaykrishna and Mr. Munjal Jaykrishna. Mr. Gokul M Jaykrishna and Mr. Munjal M Jaykrishna are brothers.

4.6 The Acquirers are the promoters of the Target Company

4.7 As on the date of this PA Mrs. Paru M Jaykrishna, Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna are on the Board of the Target Company. Pursuant to Regulation 22(9) of the Regulations, they undertake not to participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer

5. INFORMATION ON THE TARGET COMPANY ("AKSHARCHEM (INDIA) LIMITED"/"AIL")

5.1 AIL was originally incorporated in the name of Audicem (India) Private Limited on 4th July 1989 under the Companies Act, 1956. The name was changed to AudiChem (India) Limited on 25th February 1994. The name was further changed to AksharChem (India) Limited w.e.f. 21st March, 2003.

5.2 The Registered Office of the company is situated at 166-169, Village Indrad, Kadi- Kalol Road, Dist: Mehsana-382 727, Gujarat. Tele: 91-2764 233 007-10 Fax: 91-2764 233 020. E-mail: admin@asahisongwon.com.

5.3 As on the date of PA, the Authorized Share Capital of the company is Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Face Value of Rs. 10/- each. The present issued, subscribed and paid up capital of the company is Rs. 3,40,28,500/- comprising of 34,02,850 Equity Shares of Face Value Rs. 10/- each fully paid up. There are no calls in arrears and no partly paid up shares in the Target Company.

5.4 The Target Company is engaged in the manufacturing of Dyes and Dyestuff. The principal product of the company is Vinyl Sulphone. Vinyl Sulphone is used as a key raw material in the manufacturing of reactive dyes which is having application in color pigments, paints, rubber, textiles, plastics and leathers.

5.5 As on the date of PA the Board of directors of AIL consists of Mrs. Paru M. Jaykrishna, Mr. Gokul M. Jaykrishna, Mr. Munjal M. Jaykrishna, Mr. Kiran J Mehta, Mr. Param J. Shah and Prof. Pradeep Jha.

5.6 The Equity Shares of AIL are listed on BSE and ASE and are infrequently traded on the Bombay Stock Exchange Limited and deemed to be infrequently traded on ASE. The shares of the AIL are not admitted as permitted security in any other Stock Exchange.

5.7 AIL is complying with the provisions of the listing agreement entered into with the Stock Exchanges and is regular in complying with the provisions of Chapter II of SEBI (SAST) Regulations, 1997

5.8 There are no outstanding instruments in the nature of warrants/ fully convertible debentures/ partly convertible debentures etc. which are convertible into equity shares at any later date.

5.9 The Brief financials of Aksharchem (India) Limited are as under:

Particulars	Year ended March 31, 2010[1]	9 Months Period ended December 31, 2010[2]
Total Income (Rs. in Lakhs)	8,277.19	6,434.10
Profit After Tax (Rs. in Lakhs)	152.02	28.09
Paid up Share Capital (Rs. in Lakhs	3.40	3.40
Net worth (Rs. in Lakhs)	809.51	837.60
EPS (in Rs.)	4.45	0.83
Book Value Per Share (in Rs.)	23.79	24.61
Return on Net worth (%)	18.78	3.35
P/E Ratio	3.98*	15.49**

Note: (1) Audited Financials as per Annual Report FY 10.

(2) Financials as certified by auditors through a Limited Review.

*Based on the closing price of Rs. 17.70 of Target Company on BSE on March 31, 2010 and Basic Earnings Per share for the year ending on March 31, 2010

** Based on the closing price of Rs. 17.15 of Target Company on BSE on December 31, 2010 and Basic Earnings Per share (annualized) for the period ending on December 31, 2010

5.10 AIL has confirmed that it has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

5.11 AIL is not a sick company within the meaning of the provisions of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

5.12 There has been no merger/ de-merger or spin off in the Company during the past three years.

6. REASON FOR THE OFFER AND FUTURE PLANS

6.1. This offer is being made pursuant to signing of the SSA between the Company and Acquirers for the proposed preferential allotment of 15,50,000 Equity Shares to Acquirers representing 31.30% of the Post Preferential Voting Capital (expanded subscribed equity share capital) of the Target Company, resulting in consolidation of holding of the Acquirers in AIL. The Acquirers are making this offer to Public Shareholders of the Target Company in accordance with regulation 11(2) of the Regulations and other applicable provisions of Chapter III and in compliance with the Regulations. This acquisition will not result in a change in control of the Target Company.

6.2. The Acquirers (being promoters of the company) intend to infuse additional funds to the extent of around Rs. 3 crores for the purpose of augmenting long term working capital in the system and also for raising resources for funding the growth plans of the company.

6.3. The Acquirers do not have any plans to dispose off or otherwise encumber any fixed assets of AIL in the next two years from the date of closure of the offer except in the ordinary course of business with the prior approval of the shareholders of the Target Company.

7. STATUTORY/OTHER APPROVALS REQUIRED FOR THE OFFER

7.1 The Offer is subject to receiving the necessary approval(s), if any from Reserve Bank of India under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any.

7.2 As on the date of this PA, to the best of the knowledge of the Acquirers, there are no other statutory approvals and/ or consents required. However the offer would be subject to all statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

7.3 In case of delay in receipt of any statutory approvals, if any, SEBI has power to grant extension of time to the Acquirers for the payment of the consideration to the shareholders subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if the delay occurs due to willful default of the Acquirers in obtaining the requisite approval, if any, regulation 22(13) will become applicable.

7.4 No Approval from any Banks/ Financial Institution is required for the purpose of this offer, to the best of the knowledge of the "Acquirers".

8. OPTION IN TERMS OF REGULATION 21(2)

If pursuant to this Offer, the Public Shareholding in the Target Company falls below 25% of the Expanded Voting Capital of the Target Company, the Acquirers will, in accordance with regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the Target Company to raise the level of public share holding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under Clause 40A of the Listing Agreement and in compliance with SEBI (SAST) Regulations, 1997 and will make arrangements to bring the public shareholding to 25% in terms of Securities Contracts (Regulation) Rules, 1957 as amended on June 04, 2010

9. FINANCIAL ARRANGEMENTS

9.1 The Acquirers have adequate financial resources to meet the financial requirements of the Offer. The Acquirers have made firm financial arrangements in terms of regulation 16 (xiv) for the resources required to complete the offer in terms of the SEBI (SAST) Regulations, 1997. The acquisition to be financed through internal resources. No borrowings from Bank/ Financial Institution are being made for the purpose. The funds to be utilized shall be domestic and not any foreign funds.

9.2 The maximum purchase consideration payable by the Acquirers in case of full acceptance of offer i.e. 9,90,570 fully paid up equity shares is Rs. 1,83,25,545/- (Rupees One Crore Eighty Three Lacs Twenty Five Thousand Five Hundred Forty Five Only) at a price of Rs. 18.50 per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

9.3 In accordance with regulation 28 of SEBI (SAST) Regulations, 1997, the Acquirers have opened an Escrow Account in the form of Fixed Deposit for Rs.45,62,000/- (Rupees Forty Five Lacs Eighty Two Thousand only) being more than 25% of the total consideration payable under the Offer in the name and style of "AksharChem (India) Ltd. Open Offer - Escrow Account" with HDFC Bank Ltd. (hereinafter referred to as Escrow Banker) having its Branch at HDFC House, 1st Floor, Near Jain Derasar, Navrangpura, Ahmedabad-380009 on 18th April 2011.

9.4 The manager to the offer is authorized to operate the above mentioned Escrow Account to the exclusion of all others and to instruct the Escrow Banker to issue cheques/ pay orders / demand drafts / ECS Credit if required, in accordance with the Regulations.

9.5 Mr. Trushit Chokshi, proprietor of Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad (Membership No. 40847) having office at 401, Shivam Complex, B/h Samartheshwar Mahadev, Off C.G. Road, Ellisbridge, Ahmedabad-380006 Ph. No. 079-26463003, Email:trushit@tcaca.com have certified vide their certificate dated 14th April 2011, that the Acquirers have adequate financial resources to fulfill the obligations of the Open Offer and that firm financial arrangements are made by them out of their personal savings and business income to meet the obligations under the Offer.

9.6 Based on the aforesaid financial arrangements and based on confirmations received from the Escrow Banker and the Chartered Accountant, the manager to the Offer, is satisfied about the ability of the Acquirers to implement the Offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

10 OTHER TERMS OF THE OFFER

10.1. This is not a conditional offer and there is no stipulation as to the minimum level of acceptance.

10.2. The Letter of Offer ("LOO") together with the Form of Acceptance cum Acknowledgement ("FOA"), Form of Withdrawal ("FOW") and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to those shareholders of AIL (except Acquirers and the Promoters/ Promoter group) whose names appear on the register of members of AIL and to the Beneficial Owners of the equity shares of AIL whose names appear as beneficiaries on the records of the respective Depositories at the closure of business hours on Friday, May 13, 2011 (the "Specified Date").

10.3. Accidental omission to dispatch this Letter of Offer or non-receipt or delayed receipt of this Letter of offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

10.4. LINK INTIME INDIA PVT. LTD. SEBI Regn. No.: INR00004058 having their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078, is acting as the Registrar to the Offer ("Registrar"), and has opened a special Depository Account with following details:

Depository	NSDL
DP Name	VENTURA SECURITIES LIMITED
Account Name	LIIPL AIL Open Offer Escrow Demat Account
Client ID Number	10751116
DPID No. ,	IN303116
ISIN	INE542B01011
Market	Off Market

10.5. In addition to the above-mentioned address, shareholders, who wish to avail of and accept the offer can also deliver the Acceptance Cum Acknowledgment Form along with all the relevant documents at the collection centers specified below on or before close of the offer i.e. not later than June 30, 2011 in accordance with the procedure as set out in the Letter of Offer. The centers mentioned herein below would be open from Monday to Friday (excluding Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 5.00 p.m.

Sr. No.	Collection Centre	Address of Collection Centre	Contact Person / e-mail ID	Telephone No. / Fax No.	Mode of Delivery
1	Ahmedabad	Link Intime India Pvt. Ltd, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura. Ahmedabad - 380 009	Hitesh Patel ahmedabad@ linkintime.co.in	Tel: 079-2646 5179 Fax: 079-2646 5179 (Telefax)	Hand Delivery
2	Mumbai	Link Intime India Pvt. Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai -400078.	Nilesh Chalke nilesh.chalke @linkintime.co.in	Tel.: 022 25960320 Fax: 022-25960329	Hand Delivery/ Registered Post

10.6 **Shareholders holding shares in physical form**, who wish to tender their fully paid up shares will be required to send the Form of Acceptance cum Acknowledgment, Original Share Certificate(s) and Transfer Deed(s) duly signed, to the Registrar to the Offer at the address given above, either by hand delivery during normal business hours from Monday to Friday between 11.00 a.m. to 5.00 p.m. (excluding Saturday, Sunday, and Public Holidays) or by Registered Post on or before the close of the offer i.e. June 30, 2011 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgment, in an envelope subscribing the same with "AksharChem (India) Limited - Open Offer."

10.7 **Shareholders holding shares in Dematerialized form**: Beneficial Owners will be required to send their Form of Acceptance Cum Acknowledgment to the Registrar to the offer either by hand delivery during normal business hours or by registered post on or before the close of the Offer i.e. Thursday June 30, 2011 along with photocopy of the delivery instructions in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the Depository Participant ("DP") in favour of "LIIPL AIL Open Offer Escrow Demat Account"

Shareholders having their depository account in CDSL have to use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with NSDL.

10.8 Shareholders who have sent their shares for demat need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer i.e. Thursday June 30, 2011 else the application would be rejected.

10.9 All owners of fully paid-up equity shares registered or unregistered and the beneficial owners of the shares (except the "Acquirers" and Promoters / promoter group as hereinabove stated) who own the shares at any time prior to the closure of the offer are eligible to participate in the offer.

10.10 Unregistered owners/ shareholders who have not received Letter of Offer can send their application in writing, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered to, Distinctive Numbers, Folio No., together with documents stated above so as to reach the Registrar to the Offer on or before Thursday June 30, 2011 accompanied by a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

10.11 In case of non-receipt of Letter Of Offer, eligible person may send their acceptance to the Registrar to the Offer on a plain paper stating the Name, Address, No: of Shares held, Distinctive No., Folio No., No. of Shares offered, along with documents as mentioned above, so as to reach to the Registrar to the Offer at the above address on or before the close of the Offer i.e. Thursday June 30, 2011. In case of beneficial owners they may send their acceptance to the Registrar to the Offer on a plain paper stating the Name, Address, No: of Shares held, No. of Shares offered, DP name, DP ID, beneficiary account no. with photocopy of the delivery instructions in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the DP in favour of the special depository account so as to reach to the Registrar to the Offer on or before the close of the Offer, i.e. not later than Thursday June 30, 2011.

10.12 In case of non-receipt of Letter of offer, the eligible person may obtain the copy of the same from the Registrar to the Offer by providing suitable documentary evidence to that effect. Such shareholders may also download the Form of Acceptance Cum Acknowledgement from the website of SEBI i.e. http://www.sebi.gov.in which will be made available from the opening of the Offer.

10.13 Registrar to the Offer will hold in trust the 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 AIL, who have accepted the offer, until the cheques / drafts for the consideration and / or the unaccepted shares/ share certificates are dispatched/ returned.

10.14 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders / unregistered owners' sole risk to the sole / first shareholder as appearing in the Register of Members of "AIL". Unaccepted shares held in Demat form will be credited back to the beneficial owners depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

10.15 Shares, if any, that are 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. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

10.16 In case the shares tendered in the Open Offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid application received from the shareholders on a proportional basis, in consultation with the Manager to the Offer, taking due care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots.

10.17 While tendering 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 shares of AIL. In case of previous RBI approvals not being submitted, the Acquirers reserve the right to reject the offer. 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 the Acquirers under the Income-tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal 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 The securities Transaction Tax will not be applicable to the shares accepted in this offer.

10.19 The Acquirers are confident of completing all the formalities pertaining to the acquisition of the said shares, within 15 days from the date of closure of this Offer including payment of consideration to the shareholders who have accepted the Offer and for the purpose opened a Special account as provided under regulation 29 of SEBI (SAST) Regulations, 1997.

Provided that where the Acquirers are unable to make payment to the shareholders who have accepted the offer before the said period of 15 days due to non-receipt of requisite statutory approval, if any, the SEBI may, if satisfied that non-receipt of requisites statutory approval was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the application for such approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Shareholders for delay beyond 30 days, as may be specified by the SEBI from time to time

10.20 In accordance with regulation 22 (5A) of SEBI (SAST) Regulations, 1997, shareholders who have tendered requisite documents in terms of Public Announcement and Letter of Offer shall have option to withdraw acceptance tendered up to 3 working days prior to the offer closing date. The withdrawal option can be exercised by submitting the form of withdrawal (separately enclosed with the Letter of Offer which will be mailed to the shareholders of "AIL" as on the Specified Date being May 13, 2011) together with copy of acknowledgment received from the Registrar to the Offer while tendering the acceptance together with following details :

- Name, Address, Distinctive No. Folio No., No: of shares tendered / withdrawn

In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making an application on the plain paper along with the details mentioned above.

11. SCHEDULE OF KEY EVENTS PERTAINING TO THE OFFER:

ACTIVITY	DATE	DAY
Public Announcement	19-04-2011	Tuesday
Last Date for Competitive Bid	09-05-2011	Monday
Specified Date (For the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	13-05-2011	Friday
Day by which Letter of Offer to be Posted to the Shareholders	02-06-2011	Thursday
Date of Opening of the Offer	11-06-2011	Saturday
Last Date for Revising the Offer price/No. of Shares	21-06-2011	Tuesday
Last Date up to which the Shareholders may withdraw	27-06-2011	Monday
Date of Closure of the Offer	30-06-2011	Thursday
Date by which acceptance/ rejection would be communicated and the corresponding payment for the acquired shares and/ or the unaccepted shares/ share certificates will be dispatched/ credited.	15-07-2011	Friday

12. General

12.1 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 the closure of the offer i.e. Monday, 27th June, 2011 by filling the withdrawal form. The withdrawal form will also be available in the SEBI website (www.sebi.gov.in)

12.2 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.

12.3 The Acquirers can revise the price upwards upto 7 working days prior to the date of closure of the offer i.e. Tuesday 21st June 2011and revision, if any, in the offer price would appear in the same newspapers in which this PA has appeared and same price would be paid to all shareholders who tender their shares in the offer.

12.4 Pursuant to regulation 13 of the SEBI (SAST) Regulations, 1997, the Acquirers have appointed Vivro Financial Services Private Limited as Manager to the Offer and the Manager to the offer issues this Public Announcement on behalf of the Acquirers. As on the date of this PA, the Manager to the Offer does not hold any shares in AIL.

12.5 If there is competitive bids:

- **The public offer under all the subsisting bids shall close on the same date.**
- **As the offer price cannot be revised during 7 working days prior to the closing date of the offers/ bids, it would be therefore, in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender acceptance accordingly.**

12.6 The Acquirers, have not been prohibited by SEBI from dealing in securities in terms of directions issued under Section 11B of SEBI Act, 1992, as amended or any other regulation made under the SEBI Act.

12.7 The Acquirers severally and jointly accept full responsibility for the information contained in this PA and also for the fulfillment of obligations of the Acquirers as laid down in SEBI (SAST) Regulations, 1997, and subsequent amendments made thereto.

12.8 For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement. This Public Announcement and the Letter of Offer together with Form of Acceptance cum Acknowledgement would also be available on SEBI's website at http://www.sebi.gov.in. Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance cum Acknowledgement Form from the said website from the offer Opening Date, 11th June, 2011, and apply in the same.

Issued by:

MANAGER TO THE OFFER	RREGISTRAR TO THE OFFER
VIVRO **VIVRO FINANCIAL SERVICES PVT. LTD.** **SEBI Regn. No.: INM000010122** "Manu Mansion", 16/ 18, Shahid Bhagat Singh Road, Opp. Old Customs House, Fort, Mumbai - 400 023. **Tel.: (022) - 22657364, 22624656, 22658397, Fax: (022) 22658406** **Email-ID**: investors@vivro.net **Contact Person: Mr. Ashok Mehta Mr. Harish Patel**	LINK INTIME LINK INTIME INDIA PVT. LTD. SEBI Regn. No.: INR000004058 C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078. **Tel No. 022- 25960320** **Fax No. 022- 25960329** **Toll Free:- 1-800-22-0320** **Contact Person: Mr. Nilesh Chalke** **Email ID**: ail.offer@linkintime.co.in **Website:** www.linkintime.co.in

Date: 19th April, 2011

Place: Ahmedabad

On behalf of the Acquirers,

Mrs. Paru M. Jaykrishna,

Mr. Gokul M. Jaykrishna

Mr. Munjal M. Jaykrishna