

To,
The General Manager
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

Dear Sir /Madam,

Sub: Recommendations of the Committee of Independent Directors on the Open Offer for acquisition of 15,21,000 Equity Shares of Adline Chem Lab Limited ("Target Company") in terms of Regulation 3(1) and Regulation 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

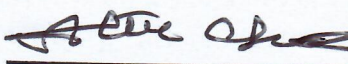
Dear Sir/Madam,

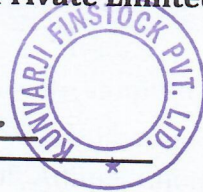
We, Kunvarji Finstock Private Limited (hereafter referred to as "**Manager to the Offer**"), are hereby submitting the Recommendations of the Committee of Independent Directors of Adline Chem Lab Limited on the Open Offer for the acquisition of 15,21,000 Equity Shares of Target Company by Mr. Hemant Amrish Parikh ("Acquirer") pursuant to and in compliance with Regulation 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.

Request you to take the same on your record.

Thanking You,

For, Kunvarji Finstock Private Limited


Mr. Atul Chokshi
Director (DIN: 00929553)
SEBI Reg. No: INM000012564



Date: September 5, 2023
Place: Ahmedabad

Encl.: E- Newspaper Copy

Kunvarji Finstock Pvt. Ltd.

Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051. Phone:+91 79 6666 9000 | mb@kunvarji.com

Corporate Office : "1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway - Metro Station, Andheri (E),

Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979

000762/2023



ADLINE CHEM LAB LIMITED

Registered Office: 904, 9th Floor, Shapath-I Complex, Opp. Rajpath Club Nr. Madhur Hotel, S. G. Highway, Bodakdev, Ahmedabad - 380054, India
Tel No.: 91-9227714587; **E-mail:** info@kamronlabs.in; **Website:** www.kamronlabs.com
CIN: L24231GJ1988PLC010956

Recommendation of the Independent Director Committee ("IDC") of Adline Chem Lab Limited ("Target Company") in relation to the Open Offer ("Offer") made by Mr. Hemant Amrish Parikh ("Acquirer") to the Public Shareholders of the Target Company ("Shareholders") under Regulations 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Subsequent Amendments thereto ("SEBI (SAST) Regulations, 2011").

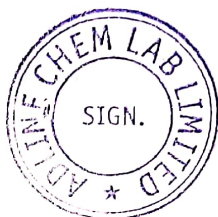
| | | |
|----|--|--|
| 1 | Date | 04.09.2023 |
| 2 | Target Company ("TC") | Adline Chem Lab Limited |
| 3 | Details of the Offer pertaining to the Target Company | The Offer is being made by the Acquirer pursuant to Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for the acquisition up to 15,21,000 (Fifteen Lakhs Twenty-One Thousand Only) Fully Paid-Up Equity Shares of Face Value of Rs. 10/- (Rupees Ten Only) Each representing 26% ('Twenty-Six Percent') of the Fully Paid-Up Equity Share Capital and Voting Capital, payable in Cash. |
| 4 | Acquirer | Mr. Hemant Amrish Parikh ("Acquirer") |
| 5 | Manager to the Offer | Kunvarji Finstock Private Limited |
| 6 | Members of the Committee of Independent Director | 1) Mr. Mahendra Papatlal Shah - Independent Director, Chairman 2) Mr. Devarshi Dilipbhai Patel - Non-Executive Independent Director |
| 7 | IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract/relationship), if any | IDC Member's are Independent Directors on the Board of the Target Company. They do not have any Equity holding in the Target Company. None of them have any contractual or other relationships with the Target Company other than their position as Independent Directors of the Target Company. |
| 8 | Trading in the Equity shares/other securities of the TC by IDC Members | No trading in the Equity Shares of the Target Company has been done by IDC Members |
| 9 | IDC Member's relationship with the Acquirer (Director, Equity shares owned, any other contract/relationship), if any. | None of the IDC Members holds any contracts, nor have any relationship with the Acquirer. |
| 10 | Trading in the Equity shares/other securities of the Acquirer by ID | No trading in the Equity Shares/other securities of the Acquire by IDC Member |
| 11 | Recommendation on the Open offer, as to whether the offer, is or is not, fair and reasonable | Based on the review of the Public Announcement and the Detailed Public Statement issued by the Manager to the Offer on behalf of the Acquirer. IDC Members believe that the Offer is fair and reasonable and in line with the SEBI (SAST) Regulations, 2011. |



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| | The shareholders are advised to independently evaluate the Open Offer and take an informed decision, whether or not to tender equity shares in the open offer. | | | | | | | | | | | | | | | | | | | | | |
|---|---|---------------------------------|---------------------------------|---|--|--------|---|---|----------------|---|---|----------------|---|--|----------------|---|---|----------------|---|---|--------|--|
| 12. Summary of reasons for the recommendation | <p>IDC has taken into consideration the following for making the recommendation: IDC has reviewed</p> <ol style="list-style-type: none"> The Public Announcement ("PA") dated 17.05.2023; The Detailed Public Statement ("DPS") which was published on 24.05.2023; The Draft Letter of Offer ("DLOF") dated 31.05.2023; The Letter of Offer ("LOF") dated 28.08.2023. <p>Based on the review of PA, DPS, DLOF and LOF, the IDC Members are of the view that the Offer Price is in line with the parameters prescribed by SEBI in the Regulations.</p> <p>The Equity Shares of the Target Company are infrequently traded on BSE Limited (BSE) during the Twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of SEBI (SAST) Regulation, 2011.</p> <p>The Offer Price of Rs. 5.25/- (Rupees Five Point Twenty Five Only) per Equity Share is justified in terms of Regulations, 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011 being the highest of the following:</p> | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th data-bbox="702 985 766 1064">Sr.</th> <th data-bbox="766 985 1244 1064">Particulars</th> <th data-bbox="1244 985 1370 1064">Price (in Rs. per Equity Share)</th> </tr> </thead> <tbody> <tr> <td data-bbox="702 1064 766 1176">1</td> <td data-bbox="766 1064 1244 1176">The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer.</td> <td data-bbox="1244 1064 1370 1176">5.25/-</td> </tr> <tr> <td data-bbox="702 1176 766 1288">2</td> <td data-bbox="766 1176 1244 1288">The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA.</td> <td data-bbox="1244 1176 1370 1288">Not Applicable</td> </tr> <tr> <td data-bbox="702 1288 766 1422">3</td> <td data-bbox="766 1288 1244 1422">The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (Twenty-six) weeks immediately preceding the date of the public announcement.</td> <td data-bbox="1244 1288 1370 1422">Not Applicable</td> </tr> <tr> <td data-bbox="702 1422 766 1556">4</td> <td data-bbox="766 1422 1244 1556">The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on an exchange, provided such shares are frequently traded.</td> <td data-bbox="1244 1422 1370 1556">Not Applicable</td> </tr> <tr> <td data-bbox="702 1556 766 1646">5</td> <td data-bbox="766 1556 1244 1646">The Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable.</td> <td data-bbox="1244 1556 1370 1646">Not Applicable</td> </tr> <tr> <td data-bbox="702 1646 766 1823">6</td> <td data-bbox="766 1646 1244 1823">Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share.</td> <td data-bbox="1244 1646 1370 1823">5.21/-</td> </tr> </tbody> </table> | Sr. | Particulars | Price (in Rs. per Equity Share) | 1 | The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer. | 5.25/- | 2 | The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA. | Not Applicable | 3 | The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (Twenty-six) weeks immediately preceding the date of the public announcement. | Not Applicable | 4 | The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on an exchange, provided such shares are frequently traded. | Not Applicable | 5 | The Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable. | Not Applicable | 6 | Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share. | 5.21/- | |
| Sr. | Particulars | Price (in Rs. per Equity Share) | | | | | | | | | | | | | | | | | | | | |
| 1 | The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer. | 5.25/- | | | | | | | | | | | | | | | | | | | | |
| 2 | The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA. | Not Applicable | | | | | | | | | | | | | | | | | | | | |
| 3 | The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (Twenty-six) weeks immediately preceding the date of the public announcement. | Not Applicable | | | | | | | | | | | | | | | | | | | | |
| 4 | The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on an exchange, provided such shares are frequently traded. | Not Applicable | | | | | | | | | | | | | | | | | | | | |
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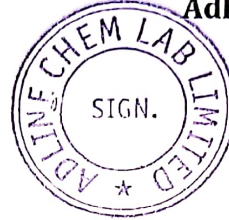
| | | |
|----|--|--|
| | | In view of the parameters considered and presented in the table above, in the opinion of acquirers and manager to the offer, the Offer Price is Rs. 5.25/- in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011. |
| 13 | Details of Independent Advisors, if any. | None |
| 14 | Any other matter to be highlighted | None |

To the best of our knowledge and belief, after making the proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the Regulations.

Place: Ahmedabad

Date: September 04, 2023

For and on behalf of the Committee of
Adline Chem Lab Limited



mshah Sd/-
Mahendra P. Shah
Independent Director
(DIN: 00461325)

ADLINE CHEM LAB LIMITED

Registered Office: 904, 9th Floor, Shapath-I Complex, Opp. Rajpath Club Nr. Madhur Hotel, S. G. Highway, Bodakdev, Ahmedabad - 380054, India

Tel No.: 91-9227714587; **E-mail:** info@kamronlabs.in; **Website:** www.kamronlabs.com

CIN: L24231GJ1988PLC010956

Recommendation of the Independent Director Committee (“**IDC**”) of Adline Chem Lab Limited (“**Target Company**”) in relation to the Open Offer (“**Offer**”) made by Mr. Hemant Amrish Parikh (“**Acquirer**”) to the Public Shareholders of the Target Company (“**Shareholders**”) under Regulations 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Subsequent Amendments thereto (“**SEBI (SAST) Regulations, 2011**”).

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| 1 | Date | 04.09.2023 |
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| 3 | Details of the Offer pertaining to the Target Company | The Offer is being made by the Acquirer pursuant to Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for the acquisition up to 15,21,000 (Fifteen Lakhs Twenty-One Thousand Only) Fully Paid-Up Equity Shares of Face Value of Rs. 10/- (Rupees Ten Only) Each representing 26% (‘Twenty-Six Percent’) of the Fully Paid-Up Equity Share Capital and Voting Capital, payable in Cash. |
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| 10 | Trading in the Equity shares/other securities of the Acquirer by ID | No trading in the Equity Shares/other securities of the Acquire by IDC Member |

| 11 | Recommendation on the Open offer, as to whether the offer, is or is not, fair and reasonable | <p>Based on the review of the Public Announcement and the Detailed Public Statement issued by the Manager to the Offer on behalf of the Acquirer. IDC Members believe that the Offer is fair and reasonable and in line with the SEBI (SAST) Regulations, 2011.</p> <p>The shareholders are advised to independently evaluate the Open Offer and take an informed decision, whether or not to tender equity shares in the open offer.</p> | | | | | | | | | |
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| 12 | Summary of reasons for the recommendation | <p>IDC has taken into consideration the following for making the recommendation: IDC has reviewed</p> <p>a) The Public Announcement (“PA”) dated 17.05.2023;</p> <p>b) The Detailed Public Statement (“DPS”) which was published on 24.05.2023;</p> <p>c) The Draft Letter of Offer (“DLOF”) dated 31.05.2023;</p> <p>d) The Letter of Offer (“LOF”) dated 28.08.2023.</p> <p>Based on the review of PA, DPS, DLOF and LOF, the IDC Members are of the view that the Offer Price is in line with the parameters prescribed by SEBI in the Regulations.</p> <p>The Equity Shares of the Target Company are infrequently traded on BSE Limited (BSE) during the Twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of SEBI (SAST) Regulation, 2011.</p> <p>The Offer Price of Rs. 5.25/- (Rupees Five Point Twenty Five Only) per Equity Share is justified in terms of Regulations, 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011 being the highest of the following:</p> <table border="1" data-bbox="755 1360 1448 1885"> <thead> <tr> <th data-bbox="755 1360 808 1516">Sr.</th> <th data-bbox="808 1360 1299 1516">Particulars</th> <th data-bbox="1299 1360 1448 1516">Price (in Rs. per Equity Share)</th> </tr> </thead> <tbody> <tr> <td data-bbox="755 1516 808 1705">1</td> <td data-bbox="808 1516 1299 1705">The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer.</td> <td data-bbox="1299 1516 1448 1705">5.25/-</td> </tr> <tr> <td data-bbox="755 1705 808 1885">2</td> <td data-bbox="808 1705 1299 1885">The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA.</td> <td data-bbox="1299 1705 1448 1885">Not Applicable</td> </tr> </tbody> </table> | Sr. | Particulars | Price (in Rs. per Equity Share) | 1 | The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer. | 5.25/- | 2 | The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA. | Not Applicable |
| Sr. | Particulars | Price (in Rs. per Equity Share) | | | | | | | | | |
| 1 | The highest negotiated price per Equity Share of the Target Company for acquisition under any agreement attracts the obligation to make a PA of an Open Offer. | 5.25/- | | | | | | | | | |
| 2 | The volume-weighted average price paid or payable for acquisitions, by the Acquirer during 52 (Fifty-two) weeks immediately preceding the date of the PA. | Not Applicable | | | | | | | | | |

| | | | | |
|----|--|--|---|----------------|
| | | 3 | The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (Twenty-six) weeks immediately preceding the date of the public announcement. | Not Applicable |
| | | 4 | The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on an exchange, provided such shares are frequently traded. | Not Applicable |
| | | 5 | The Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable. | Not Applicable |
| | | 6 | Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share. | 5.21/- |
| | | In view of the parameters considered and presented in the table above, in the opinion of acquirers and manager to the offer, the Offer Price is Rs. 5.25/- in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011. | | |
| 13 | Details of Independent Advisors, if any. | None | | |
| 14 | Any other matter to be highlighted | None | | |

To the best of our knowledge and belief, after making the proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the Regulations.

Place: Ahmedabad
Date: September 04, 2023

For and on behalf of the Committee of
Adline Chem Lab Limited

Sd/-
Mahendra P. Shah
Independent Director
(DIN: 00461325)