

Punjab Alkalies & Chemicals Limited

Regd. Office : S.C.O. 125-127, Sector 17-B, Chandigarh - 160 017 (INDIA)
Phone : 0172-4072508-569, E-mail : info@punjabalkalies.com Fax : 0172-2704797
CIN : L24119CH1975PLC003607, Website : www.punjabalkalies.com



PACL:SEC:2020: 961

15.09.2020

BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
MUMBAI-400 001.

Script Code: 506852

**Sub.: RECOMMENDATIONS OF INDEPENDENT DIRECTORS COMMITTEE ON
OPEN OFFER.**

Dear Sir,

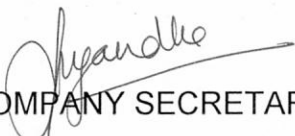
Pursuant to Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011, as amended, it is hereby informed that, "Recommendations of the Committee of Independent Directors", has been published in the same newspapers where the Detailed Public Statement of the open offer was published.

A copy of the same is enclosed herewith for your kind perusal.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For PUNJAB ALKALIES & CHEMICALS LIMITED


COMPANY SECRETARY

Encl.: As above.



Punjab Alkalies & Chemicals Limited

Registered Office: S.C.O. 125-127, Sector 17-B, Chandigarh – 160017
Tel. No.: +91-172-4072512 / 4072515

E-mail ID: sharesqueries@punjabalkalies.com ; secretarial@punjabalkalies.com
Website: www.punjabalkalies.com CIN: L24119CH1975PLC003607

Recommendations of the Committee of Independent Directors ('IDC') for the Open Offer to the Shareholders of **PUNJAB ALKALIES AND CHEMICALS LIMITED** ("Target Company") under Regulation 26(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SEBI (SAST) Regulations, 2011') and amendments thereof.

1.	Date	14.09.2020
2.	Name of the Company	PUNJAB ALKALIES AND CHEMICALS LIMITED
3.	Details of the Offer pertaining to the Company	Open Offer to acquire upto 7,056,607 Equity Shares representing 26.00% of the total issued share capital and 26.03% of voting capital of the Company from the Eligible Shareholders (i.e. Other Public Shareholders and Existing Promoter), at an offer price of INR 39.10/- (Indian Rupees Thirty Nine and Ten Paise Only) per share.
4.	Name of the Acquirer and PAC with the Acquirer	Flowtech Industrial Projects Private Limited ('Acquirer 1') Flowtech Chemicals Private Limited ('Acquirer 2') Mr. Sukhbir Singh Dahiya ('Acquirer 3') Mr. Jagbir Singh Ahlawat ('Acquirer 4') Mr. Jatin Dahiya ('Acquirer 5') Mrs. Parerna Ahlawat ('Acquirer 6') along with Mrs. Dayawati Dahiya ('PAC 1') Mr. Mayank Ahlawat ('PAC 2') Ms. Garima ('PAC 3') Himalaya Alkalies & Chemicals Limited ('PAC 4') Advance Chemicals ('PAC 5') Tara Mercantile Private Limited ('PAC 6')
5.	Name of the Manager to the Offer	Sundae Capital Advisors Private Limited SEBI Registration No. INM000012494
6.	Members of the Committee of Independent Directors	1. Dr. A.K. Kundra, IAS (Retd.) – Chairman 2. Shri G.S. Sandhu, IAS (Retd.) – Member 3. Shri D.C. Mehandru – Member 4. Shri J.S. Mann – Member
7.	IDC Member's relationship with the Company	The IDC members are Independent Directors of the Company. Dr. A.K. Kundra holds 600 Equity Shares in the Company, other than as mentioned above, none of the members of the IDC has entered into any contact or has any relationship with the Company.
8.	Trading in the Equity shares/ other securities of the Company by IDC Members	Dr. A.K. Kundra holds 600 Equity shares since IPO of the Company in 1983 and has not traded in the shares of the Company since then. Apart from him, none of the IDC members hold any shares of the Company and neither have they traded in any equity shares/other securities of the Company.
9.	IDC Member's relationship with the Acquirer	The IDC members do not have any relationship with Acquirers along with PACs.
10.	Trading in the Equity shares/ other securities of the Acquirer by IDC Members	The IDC members do not hold any shares/ securities of the Acquirers along with PACs.
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	The open offer price at Rs. 39.10 per equity share by M/s Flowtech Industrial Projects Private Limited along with Other Acquirers and PACs is in line with the provisions of Regulation 8(2) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and to that extent is fair and reasonable. However, the Shareholders should independently evaluate the offer and take informed decision while keeping in mind the following facts: 1. After their public announcement on 5th August, 2020, the shares of PACL have traded at a price higher than the offer price. 2. The price of Rs. 39.10 has been determined on the basis of highest price paid by Acquirers during the previous 26 weeks immediately preceding the date of public announcement which coincides with the general decline in business on account of COVID-19. Similarly, the volume weighted average market price of Rs. 33.72 for a period of sixty trading days immediately preceding the date of public announcement as per under Regulation 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 also coincides with the general decline of business on account of COVID-19.
12.	Summary of reasons for recommendation	IDC of the Punjab Alkalies & Chemicals Limited has reviewed the following documents as issued by the Acquirer in connection with the Open Offer : a) The Public Announcement in connection with the Open Offer dated 05.08.2020. b) The Detailed Public Statement published on 11.08.2020. c) Letter of Offer dated 04.09.2020. The IDC noted that the shares of the Company are frequently traded within the meaning and definition of 'frequently traded shares' under clause (j) of sub-regulation (1) of Regulation 2 of the SEBI (SAST) Regulations, 2011. IDC had sought external advice from Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker and has taken into consideration their opinion while making our recommendation. The Independent External Professional Advisor vide its report dated 11.09.2020 have expressed the opinion that Open Offer price of Rs. 39.10 per equity share offered to the shareholders of Company is in compliance with Regulation 8(2) of the SEBI (SAST) Regulation, 2011. Based on the afore-stated reasons and considerations, the IDC is of the opinion that the offer price of Rs. 39.10 per share offered by the Acquirer to the public shareholders of the Punjab Alkalies & Chemicals Limited is fair and reasonable in terms of SEBI (SAST) Regulations, 2011. However, the shareholders should independently evaluate the offer and make informed decision.
13.	Details of Independent Advisors, if any.	Corporate Professionals Capital Private Limited SEBI Registered Category – I Merchant Banker Reg. No.: INM000011435 Address: D-28, South Extension Part – I, New Delhi – 110049 Ph. No.: +91-11-40622248
14.	Any other matter(s) to be highlighted	None

"To the best of our knowledge and belief, after making 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 Committee of Independent Directors of Punjab Alkalies & Chemicals Limited under SEBI (SAST) Regulations, 2011."

For and on behalf of
Independent Directors Committee of
Punjab Alkalies and Chemicals Limited
sd/-

Place: Chandigarh
Date: 14.09.2020

A.K. Kundra
Chairman of Independent Directors Committee