

**ASHOK ALCO-CHEM LIMITED ("Target Company")**CIN: **L24110MH1992PLC069615**

Registered Office: 12/13, Jeevan Udyog Building; 278, Dr D N Road, Fort, Mumbai – 400 001

Telephone: +91 22 66106338 E-mail: [secretarial@ashokalcochem.com](mailto:secretarial@ashokalcochem.com);Website: [www.ashokalcochem.com](http://www.ashokalcochem.com)**Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of Ashok Alco-Chem Limited (hereinafter referred to as "The Company") by Mr. Manan Chetan Shah ("Acquirer") under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**

1	Date	November 20, 2020
2	Name of the Target Company	Ashok Alco-Chem Limited
3	Details of the Offer pertaining to Target Company	Open Offer to acquire up to <b>11,96,090 (Eleven Lakh Ninety Six Thousand and Ninety Only)</b> fully paid-up equity shares of face value of Rs.10 each (Rupees Ten each) (" <b>Offer Shares</b> "), representing <b>26%</b> of the Fully Diluted Total Paid-Up Equity Share for cash at a price of <b>Rs.22.55 (Rupees Twenty Two and Paise Fifty Five only)</b> per equity share.
4	Name(s) of the acquirer and PAC with the acquirer	Mr. Manan Chetan Shah
5	Name of the Manager to the offer	Pioneer Investcorp Limited
6	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	1. Mr. Shekhaar Raju Shetty - Chairperson 2. Mr. Manoj Chimanbhai Ganatra 3. Ms. Hina Shah  The Chairperson of the Committee is Mr. Shekhaar Raju Shetty.
7	IDC Member's relationship with the Company (Director, Equity shares owned, any other contract / relationship), if any	The IDC Members are independent directors without any shareholding in the Company.
8	Trading in the Equity shares/other securities of the Company by IDC Members	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 during a period of 12 months prior to the day of Public Announcement and since then till date.
9	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	The IDC members do not have any relationship with the Acquirer.
10	Trading in the Equity shares/other securities of the acquirer by IDC Members	Not Applicable
11	Recommendation on the Open offer, as to whether the offer is 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 believes that the Open offer is in accordance with SEBI (SAST) Regulations, 2011 and to that extent is fair and reasonable.  However, with regard to the reasonableness of the Price, IDC would like to draw the attention of the shareholders to the current market price of the shares of the Company. The shareholders should independently evaluate the offer and take their own informed decision.
12	Summary of reasons for recommendation	The volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of the public announcement i.e August 25, 2020 is Rs. 22.55 (Rupees Twenty Two and paise Fifty Five only).  Acquirer made an open offer pursuant to the signing of a Share Purchase Agreement with the promoters of the promoter of the Company namely Mr. Sunil Shah and HK Dealers Private Limited for the acquisition of 100% of the shareholding of Aura Alkalies and Chemicals Private Limited (the promoter of the Company). The open offer is made for the acquisition of shares under Regulation 4 and 5(1) / 5(2) of the SEBI (SAST) Regulations, 2011.  Accordingly, 11,96,090 (Eleven Lakh Ninety Six Thousand and Ninety Only) fully paid-up equity shares of face value of Rs.10 each (Rupees Ten each) representing 26% of the Fully Diluted Total Paid-Up Equity Share Capital of the Target Company is being acquired for cash at a price of Rs. 22.55 (Rupees Twenty Two and Paise Fifty Five only) per equity share. The offer price is at the Volume Weighted Average Market Price for a period of 60 days prior to the Public Announcement and is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011.
13	Details of Independent Advisors, if any.	None
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 the 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 Company under the Takeover Code.

For and behalf of

The Committee of Independent Directors of

Ashok Alco-Chem Limited

Sd/-

Shekhaar Raju Shetty

Chairperson - Committee of Independent Directors

Place: Mumbai

Date: November 20, 2020