

# 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

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**CIN:** L24231GJ1988PLC010956

## **PRE-OFFER ADVERTISEMENT AND CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT UNDER REGULATION 18(7) IN TERMS OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

This Pre-Offer Advertisement and Corrigendum to the Detailed Public Statement is issued by Kunvarji Finstock Private Limited (**'Manager to the Offer'**), for and on behalf of Mr. Hemant Amrish Parikh ("Acquirer") pursuant to regulation 18(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended [**'SEBI (SAST) Regulations'**], in respect of the Open Offer to acquire 15,21,000 (Fifteen Lakhs Twenty-One Thousand Only) Equity Shares of ₹ 10/- each of Adline Chem Lab Limited (**'Target company' or 'TC'**) representing 26% ('Twenty-Six Percent') of the Fully Paid-Up Equity Share Capital and Voting Capital, payable in Cash. The Detailed Public Statement (**'DPS'**) with respect to the aforementioned Open Offer was made on May 24, 2023, in Financial Express (English), Financial Express (Gujarati) and Jansatta (Hindi).

### **Shareholders of the Target Company are requested to kindly note the following:**

1. **Offer Price:** The Offer is being made at a Price of ₹ 5.25/- (Five Rupees and Twenty Five Paise Only) per Equity Share, payable in cash and there has been no revision in the Offer Price.
2. **Recommendations of the Committee of Independent Directors:** A Committee of Independent Directors of the TC ("IDC") published its recommendation on the offer on September 5, 2023, in Financial Express (English), Financial Express (Gujarati) and Jansatta (Hindi). The IDC is of the opinion that the Offer Price to the Public Shareholders of the Target Company is fair and reasonable and is in line with SEBI (SAST) Regulations, 2011. Public Shareholders may, therefore, independently evaluate the offer and take an informed decision.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI Takeover Regulations.
4. The Letter of Offer (**'LoF'**) was mailed on August 31, 2023, to all the Public Shareholders of the Target Company, who's E-Mails IDs are registered and physical copies were dispatched on August 31, 2023, to all the Public Shareholders of the Target Company who are holding Physical Equity Shares and non-email registered shareholders as appeared in its Register of Members on August 24, 2023. (**'Identified Date'**).
5. Please note that a copy of the LOF (which includes the Form of Acceptance) is also available on the websites of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), the Target Company ([www.kamronlabs.com](http://www.kamronlabs.com)), the Registrar to the Offer ([www.bigshareonline.com](http://www.bigshareonline.com)), the Manager to the Offer ([www.kunvarji.com](http://www.kunvarji.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)), from which the Public Shareholders can download/print the same.
6. There are currently no outstanding convertible instruments to be converted into Equity Shares of the Target Company at a future date. There has been no merger/ de-merger or spin-off in the Target Company during the past three years.
7. Instructions for Public Shareholders:

#### **A. In case of Equity Shares are held in Physical Form:**

The Public Shareholders who are holding Physical Equity Shares and intend to participate in the Open Offer shall approach the seller broker. The seller broker should place bids on the

Designated Stock Exchange platform with relevant details as mentioned on physical shares certificate(s). The selling broker shall print TRS generated by the exchange bidding system. TRS will contain the details of the order submitted folio no., certificate no., Dist. no., the number of Equity Shares etc. and such Equity Shareholders should note that the Physical Equity Shares will not be accepted unless the complete set of documents as mentioned on page 26 of the Letter of Offer is submitted. Acceptance of the Physical Equity Shares for the Open Offer shall be subject to verification by the Registrar & Transfer Agent (RTA). On receipt of the confirmation from the RTA, the bid will be accepted otherwise it would be rejected and accordingly the same will be depicted on the Exchange platform.

**B. In case of Equity Shares are held in the Dematerialized Form:** Eligible person(s) may participate in the offer by approaching their respective selling broker and tender shares in the Open Offer as per the procedure mentioned on page 26 of the letter of offer.

**C. Procedure for tendering the Shares in case of non-receipt of the Letter of Offer**

In case of non-receipt of the LoF, the Public Shareholders holding the Equity Shares may download the same from the websites of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), the Target Company ([www.kamronlabs.com](http://www.kamronlabs.com)), the Registrar to the Offer ([www.bigshareonline.com](http://www.bigshareonline.com)), the Manager to the Offer ([www.kunvarji.com](http://www.kunvarji.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)). Alternatively, they may participate in the Offer by providing their application in plain paper in writing signed by all Shareholder(s), stating name, address, the number of Equity Shares held, client ID number, DP name, DP ID number, Folio No. certificate no., Dist.no., no (In case of physical shares) number of equity shares tendered and other relevant documents as mentioned on page 28 of the Letter of offer.

8. The Draft Letter of Offer was submitted to SEBI on May 31, 2023, in accordance with Regulation 16(1) of the SEBI (SAST) Regulations, 2011. All observations from SEBI via letter number SEBI/HO/CFD-RAC-DCR2/P/OW/2023/34005/1 dated August 22, 2023, which was received on August 22, 2023, have been duly incorporated in the Letter of Offer, according to Regulation 16(4) of the SEBI (SAST) Regulations, 2011.
9. The financial information of Target Company based on the Audited financial year ended March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2020 are as follows:

**(Amt. in Lakhs)**

Profit & Loss Statement	Audited Financial Statement Year ended on March 31,			
	2023	2022	2021	2020
Revenue from Operations	-	73.66	632.82	659.13
Other Income	99.51	18.43	0.34	2.34
<b>Total Income [A]</b>	<b>99.51</b>	<b>92.09</b>	<b>633.16</b>	<b>661.47</b>
Total Expenditure (Excl. Depreciation and Finance Cost) [B]	79.67	103.28	655.95	(992.28)
<b>Profit Before Exp. Item, Depreciation, Finance Cost and Tax [C=A-B]</b>	<b>19.84</b>	<b>(11.19)</b>	<b>(22.79)</b>	<b>(330.81)</b>
Depreciation	8.75	35.01	102.34	42.27
Finance Cost	-	0.74	3.27	2.02
Profit / (Loss) on Exceptional Item	11.09	114.14	0.06	24.35
Exceptional Items	434.5	0	0	0
<b>Profit/ (Loss) Before Tax</b>	<b>(423.41)</b>	<b>67.20</b>	<b>(128.34)</b>	<b>(350.75)</b>
Provision for Tax	-	(4.58)	-	25.71
<b>Profit/ (Loss) After Tax</b>	<b>(423.41)</b>	<b>71.78</b>	<b>(128.34)</b>	<b>(376.46)</b>

Balance Sheet Statement	Audited Financial Statement Year ended on March 31,			
	2023	2022	2021	2020
<b><u>Sources of Funds</u></b>				
Equity Share Capital	585.00	585.00	585.00	585.00
Reserve & Surplus	(741.75)	(320.16)	(391.95)	(263.61)
Deferred Tax Liabilities (Net)	-	-	4.59	4.59
Long Term Provisions	29.09	30.01	35.84	30.45
Short Term Borrowings	128.79	131.67	250.15	285.45
Trade Payable	4.52	44.70	23.63	55.65
Other Current Liabilities	0.47	1.60	31.12	35.86
Short term Provisions	0.05	14.63	25.00	25.09
<b>Total</b>	<b>6.17</b>	<b>487.45</b>	<b>563.37</b>	<b>758.48</b>
<b><u>Application of Funds</u></b>				
Property, Plant & Equipment	-	-	-	11.69
Intangible Assets	-	443.26	364.13	466.47
Long Term Loans & Advances	-	0.88	0.90	3.52
Inventories	-	25.90	39.22	109.17
Trade Receivable	-	7.14	158.28	143.08
Cash and Cash Equivalents	6.17	4.69	(15.71)	5.23
Short Term Loans & Advances	-	5.15	6.12	8.94
Other Current assets	-	0.44	10.43	10.38
<b>Total</b>	<b>6.17</b>	<b>487.45</b>	<b>563.37</b>	<b>758.48</b>

Other Financial Data	Audited Financial Statement Year ended on March 31,			
	2023	2022	2021	2020
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	(7.24)	(1.23)	(2.19)	(6.45)
Net worth	(156.75)	264.84	193.05	321.39
Return on Net worth (%)	NA	27.10%	-66.48%	-117.14%
Book Value Per Equity Share	-2.68	4.53	3.30	5.49

10. There are no directions subsisting or proceedings pending against the Target Company and its Promoters, including existing selling promoters, under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company and its Promoters, including existing promoters except, as informed by Target Company, as mention below:

Date of BSE Notice	Default Details	Fine Amount	Status
15-June-2018	Delay in submission of Financial Results for the quarter ended March, 2018.	Rs. 1,58,500/-	Paid by target company on 01-Oct-2018
12-Feb-2019	Non-appointment of Compliance officer for the quarter ended December, 2018.	Rs. 92,000/-	Paid by target company on 27-Aug-2019
14-May-2019	Non-appointment of Compliance	Rs. 44,000/-	Paid by target company

	officer for the quarter ended March, 2019.		on 27-Aug-2019
02-Nov-2020	Delay in submission of Financial Results for the quarter ended June, 2020.	Rs. 35,000/-	Waived by BSE Limited in view of Covid pandemic period

11. There have been no other material changes in relation to the Offer, since the date of the Public Announcement on May 17, 2023, same as otherwise disclosed in the DPS and the Letter of Offer.
12. As of date, to the best of the knowledge of the Acquirer, no statutory approvals are required for the Offer except as mentioned in the Letter of Offer.
13. The Open Offer will be implemented through Stock Exchange Mechanism made available by the Stock Exchanges in the form of a Separate Window ('Acquisition Window') as provided under the SEBI (SAST) Regulations, 2011 and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. The Acquirer has through whom the purchases and settlement of the Open Offer shall be made during the Tendering period. The detailed procedure for tendering of shares is given in point no. – 9 "Procedure for Acceptance and Settlement" of the Letter of Offer.
14. Pursuant to the Open Offer and the transactions contemplated in the Agreement, the Acquirers and/or the PACs would be in compliance with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations") read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR") i.e., the public shareholding shall not fall below 25%.
15. Revised Schedule of Activities:

ACTIVITY	Original Schedule Date***	Revised Schedule
PA Date	May 17, 2023 Wednesday	May 17, 2023 Wednesday
Publication of DPS in the newspapers	May 24, 2023 Wednesday	May 24, 2023 Wednesday
Filing of the DLoF with SEBI	May 31, 2023 Wednesday	May 31, 2023 Wednesday
Last date for a competing offer*	June 14, 2023 Wednesday	June 14, 2023 Wednesday
Identified Date**	June 23, 2023 Friday	August 24, 2023 Thursday
Date by which LOF will be dispatched to the shareholders	July 3, 2023 Monday	August 31, 2023 Thursday
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for this Offer	July 6, 2023 Thursday	September 5, 2023 Tuesday
Last date for revising the Offer Price / Offer Size	July 7, 2023 Friday	September 6, 2023 Wednesday
Date of commencement of Tendering Period (Offer Opening Date)	July 10, 2023 Monday	September 7, 2023

		Thursday
Date of expiry of Tendering Period (Offer Closing Date)	July 21, 2023 Friday	September 21, 2023 Thursday
Date by which all requirements including payment of consideration would be completed	August 4, 2023 Friday	October 9, 2023 Monday
Post offer Advertisement	August 11, 2023 Friday	October 16, 2023 Monday

**\*Identified Date** is only for the purpose of determining the Equity Shareholders of the Target Company as of such date to whom the Letter of Offer would be sent by Email / Post. It is clarified that all the shareholders holding Equity Shares of the Target Company (registered or unregistered) (except the Acquirer, Sellers and promoter and promoter group of the Target Company) are eligible to participate in this Offer any time before the closure of this Offer.

The Acquirer accepts full responsibility for the information contained in this advertisement and also for the obligations of the Acquirer as laid down in SEBI (SAST) Regulations 2011. This Advertisement will also be available on SEBI's website at [www.sebi.gov.in](http://www.sebi.gov.in).

**Issued by the Manager to the Offer on behalf of the Acquirer**

	<p><b>KUNVARJI FINSTOCK PRIVATE LIMITED</b>  <b>Registered Office:</b> Block B, First Floor, Siddhi Vinayak Towers, Off S.G. Highway Road, Mouje Makarba, Ahmedabad- 380051  <b>Corporate Office:</b> 05, Ground Floor &amp; 1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri(E), Mumbai - 400093  <b>CIN:</b> U65910GJ1986PTC008979  <b>Contact Person:</b> Mr. Jiten Patel/ Mr. Prasann Bhatt  <b>Tel No.:</b> +91 22 69850000   91 79-6666 9000  <b>Email:</b> <a href="mailto:mb@kunvarji.com">mb@kunvarji.com</a>  <b>SEBI Reg. No. :</b> INM000012564</p>
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**For and on behalf of the Acquirer**  
**Sd/-**

**Mr. Hemant Amrish Parikh**  
**Acquirer**

**Date: September 6, 2023**  
**Place: Ahmedabad**