



**Kothari
Group**
Imagine Inspire Deliver

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED

Regd. Office : C-4 Gillander House, 8 Netaji Subhas Road
Kolkata - 700 001, Phone : 2230-2331 (6 lines), Fax : 2242-7286
E.mail : hokothari@yahoo.com, Website : www.kothariphyto.com
CIN : L15491WB1897PLC001365

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 RELATING TO PASSING OF THE RESOLUTION BY POSTAL BALLOT READ WITH REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES), REGULATIONS 2009 INCLUDING ANY STATUTORY MODIFICATIONS OR AMENDMENTS OR RE-ENACTMENTS THEREOF ('DELISTING REGULATIONS').

To,
The Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ('Companies Act'), and all other applicable provisions, if any, read with the applicable rules framed under the Companies Act relating to passing of the resolution by Postal Ballot and regulation 8(1)(b) of the Delisting Regulations to the members of KOTHARI PHYTOCHEMICALS & INDUSTRIES LTD. ('Company') and pursuant to the requisition letter dated 18.08.2017 received from Mr. A.K. Kothari (Promoter of the Company) and the resolution passed by the Board of Directors of the Company at its meeting held on November 07, 2017; to consider and if found fit, to pass the following resolution as a special resolution ('Special Resolution') through a postal ballot ('Postal Ballot') or, alternatively, through the e-voting facility offered by the Company in this regard.

The Special Resolution, the explanatory statement ('Explanatory Statement') containing all material facts and a postal ballot form ('Postal Ballot Form') along with details regarding electronic voting are enclosed with this Notice for your consideration. Also enclosed is a self-addressed, postage prepaid envelope for your use. The Board of Directors of the Company has appointed Mr Atul Kumar Labh, Practising Company Secretaries, (Membership No. FCS4848, CP No.3238, email : aklabhcs@gmail.com) as the scrutinizer ('Scrutinizer') for conducting Postal Ballot process in a fair and transparent manner. The members holding Equity Shares of the Company have both the options of voting i.e. by e-voting and through Postal Ballot Form. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form (no other form or photocopy is permitted) duly completed in self-addressed, postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours at 05.00P.M. on January 12, 2018.

Members desiring to avail option of for remote e-voting as per the facility arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through Electronic means'. Reference to Postal Ballot in this Notice includes votes cast through remote e-voting. The remote e-voting period will commence on December 14, 2017 at 11:00 A.M. and will end on January 12, 2018 at 5:00 P.M. During this period, Members of the Company holding shares as on the cut-off date i.e., November 10, 2017, may cast their vote electronically.

Postal Ballot Forms received after this date will be treated as if the reply from the concerned member has not been received. The postage will be borne and paid by the Company, except for Postal Ballot Forms received from outside India. It is hence clarified that those members desiring to exercise their vote from outside India will have to bear /arrange for their postage expenses.

Members may note that, the Company has engaged the services of National Securities Depository Limited ('NSDL') to provide e-voting facility to the members of the Company. Accordingly, the Company is providing an e-voting facility as an alternate, which would enable the members to cast vote electronically instead of dispatching the Postal Ballot Form. Please read and follow the instructions on e-voting enumerated in the notes to this Notice.

Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only. Kindly note that while exercising the vote, members holding equity shares of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or E-voting. If you are opting for e-voting, then do not vote through Postal Ballot Form and vice versa.

The Scrutinizer will submit his report to the Chairman of the Company or, in his absence, to any other designated Director or the Company Secretary of the Company after completion of scrutiny of the Postal Ballot Forms and e-voting results received. The result of voting by the Postal Ballot will be announced at 17.00 Hrs on January 15, 2018 at the Registered Office of the Company. Additionally, the result will be communicated to The Calcutta Stock Exchange Limited ('CSE') where the equity shares of the Company are listed and shall also be published in the newspapers. The results of the Postal Ballot will also be displayed on the Company's website www.kothariphyto.com and on the website of National Securities Depository Limited (www.evoting.nsdl.com). The date of declaration of the results of the Postal Ballot shall be the date on which the Resolution would be deemed to have been passed, if approved by the requisite majority by the public shareholders of the Company.

SPECIAL BUSINESS:

Approval for Voluntary Delisting of the Equity Shares of the Company from The Calcutta Stock Exchange Limited ("CSE") i.e., the only Stock Exchange where the equity shares of the Company are listed:-

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT subject to all the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force) and to the extent Rules notified, the Securities Contract (Regulation) Act, 1956, and the rules framed thereunder, the Listing Agreement with The Calcutta Stock Exchange Limited ("CSE"), SEBI (Delisting) Regulations, and subject to such approvals, permissions and sanctions, as may be necessary, and subject to the compliance with other statutory formalities and subject to such conditions and modifications as may be prescribed or imposed by any authority including the Stock Exchange, while granting such approvals, permissions or sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as "the Board") or a Committee of Directors/ persons authorized by the Board, the consent of the shareholders be and is hereby accorded to the Board to voluntarily delist the equity shares of the Company from CSE."

"RESOLVED FURTHER THAT the Board of Directors/a Committee of Directors/ persons authorized by the Board be and are hereby authorized on behalf of the Company to do all such acts, deeds and things which they may consider proper and desirable and settle any question, difficulties or doubts that may arise in regard to delisting of the equity shares from CSE."

By Order of the Board
For Kothari Phytochemicals & Industries Limited
Sd/-
M L daga
Company Secretary
FCS-2650

Date : November 07, 2017

Place : Kolkata

NOTES :

1. The related explanatory statement, pursuant to section 102 of the Companies Act, 2013, are annexed hereto along with a Postal Ballot Form for your consideration.
2. All documents referred to in the accompanying notice and the explanatory statements are open for inspection at the registered office of the Company during working day in office hours from 11.00 A.M. up to 5.00 P.M.
3. Mr. A. K. Labh, Practicing Company Secretaries, (Membership No. FCS4848, CP No. 3938, email : aklabhcs@gmail.com), a Company Secretary in Practice, has been appointed as Scrutinizer for conducting the Postal Ballot Process.
4. Shareholders are requested to make all correspondences pertaining to shares of the Company to the Compliance Officer of the Company i.e., Mr. M.L Daga, at C-4, Gillander House, 8, Netaji Subhas Road, Kolkata- 700 001, Tel No.: (033) 2230 2331/6, Fax No. : (033) 2242-7286, E-mail : mldaga1957@yahoo.co.in.
5. The Postal ballot Form together with self-addressed Business Reply Envelope is enclosed for the use of the member. Please carefully read the following instructions before exercising your vote and return the form duly completed, signifying your assent/ dissent, in the attached self-addressed, postage pre-paid envelope so as to reach the scrutinizer within a period of 30 days from the date of dispatch of notice i.e. before the close of working hours on January 12, 2018.
6. The notice is being sent to all the members, whose names appeared in the register of members/ Record of Depositories on November 10, 2017. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member as on that date.
7. In compliance with Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer voting facility as an alternate, for all its members to enable them to cast their vote electronically. The Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal ballot. E-voting is optional. In case a member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions as given on the back side of postal ballot form. Member can use the facility and log-in any number of times till he has voted on all the resolutions or till the end of voting period, whichever is earlier.
8. The scrutinizer will submit his report after completion of the scrutiny, addressed to the chairman on January 15, 2018. The chairman will, or in his absence any other person so authorized by him, will announce the result of voting by postal ballot on - January 15, 2018 at 1.00 p.m. at the Registered Office of the Company and the resolution will be taken as passed effectively on the date of announcement of the result by such authorized person, if the results of the postal ballot indicate that the requisite majority of the members has assented to the resolutions. The scrutinizer's decision on the validity of the Postal Ballot shall be final.

By Order of the Board
For Kothari Phytochemicals & Industries Limited
Sd/-
M L daga
Company Secretary
FCS-2650

Date : November 07, 2017

Place : Kolkata

EXPLANATORY STATEMENT FOR THE PROPOSED RESOLUTION PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013

- 1) The equity shares of face value of Rs. 10 each ('Equity Shares') of KOTHARI PHYTOCHEMICALS & INDUSTRIES LTD. ('Company') are presently listed on The Calcutta Stock Exchange Limited ('CSE') only. The Promoters/ Promoter Group of the Company collectively hold 28,50,445 equity shares of the Company constituting 73.41% of the subscribed and paid-up equity share capital of the Company.
- 2) The Board of Directors of the Company have received a requisition letter dated 18.08.2017 ('Promoter's Letter') from Mr. A. K. Kothari, Promoter of the Company. In the Promoter's Letter, the Promoters have notified their intention to acquire the Equity Shares held by the public shareholders of the Company ('Public Shareholders') by providing an exit opportunity through a voluntary delisting offer ('Delisting Offer') in accordance with Securities and Exchange Board of India (Delisting of Equity Shares), Regulations 2009 including any statutory modifications or amendments or re-enactments thereof ('Delisting Regulations') for acquiring 10,32,730 Equity Shares representing 26.59% of the Equity Share Capital held by the public shareholders, in order to delist the Equity Shares from the CSE, the only stock exchange where the shares of the company are presently listed.
- 3) The objective in making the Delisting Offer is to obtain full ownership of the Company which will provide the Promoters enhanced operational flexibility. Additionally, the Promoters believe that the proposed Delisting Offer would provide an exit opportunity to the Public Shareholders.
- 4) Pursuant to the intimation received from the Promoters, the Board of Directors of the Company, in its meeting held on September 05, 2017, took on record the Promoter's Letter and appointed M/s. VC Corporate Advisors Private Limited as the Merchant Banker for carrying out due diligence as required in terms of regulation 8(1A)(ii) of the Delisting Regulations. On receipt of the Due Diligence Report dated November 06, 2017 from M/s. VC Corporate Advisors Private Limited, the Board of Directors again met on November 07, 2017 and approved the proposed delisting in terms of Regulation 8(1)(a) of the Delisting Regulations subject to approval of public shareholders of the Company. The result of the meeting of the Board of Directors of the Company held for approving the Delisting Offer was notified to the CSE on November 07, 2017.
- 5) In terms of regulation 8(1) (b) of the Delisting Regulations, the Delisting Offer requires approval of the members of the Company by way of a special resolution passed through a Postal Ballot in accordance with the Delisting Regulations. As per regulation 8(1)(b) of the Delisting Regulations, the special resolution passed by the members of the Company shall be acted upon if the votes cast by the Public Shareholders in favour of the Delisting Offer amount to at least two times the number of votes cast by Public Shareholders against it.
- 6) In the event that this special resolution is passed by the members as set out above, subject to receipt of in-principle approval of the CSE, and other applicable statutory approval as may be deemed necessary from time to time, a Public Announcement of the Delisting Offer may be made by the Promoter in accordance with the Delisting Regulations followed by dispatch of the Letter of Offer to all Public Shareholders. Thereafter, the Delisting Offer will be conducted in accordance with the Delisting Regulations.
- 7) The price at which Equity Shares will be acquired in the Delisting Offer is required to be determined in accordance with a reverse book building process set out under the Delisting Regulations subject to a floor price as computed under the Delisting Regulations.
- 8) In compliance with the provisions of regulation 15(2) of the Delisting Regulations, the floor price shall be determined in terms of regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Public Shareholders of the Company may tender their Equity Shares during the reverse book building process at the Floor Price or any such price above the Floor Price as they deem fit. The members are requested to note that the Floor Price is neither a ceiling nor the maximum price.
- 9) The Promoter shall not proceed with the Delisting Offer unless: The Promoter accepts the discovered price, and The number of Equity Shares validly tendered in the Delisting Offer is sufficient enough to result in the Delisting Offer being successful as per the Delisting Regulations, and The Promoter having obtained all the necessary regulatory and statutory approvals as may be required under applicable laws including the Delisting Regulations.
- 10) The approval of the members is sought for the aforesaid special resolution, after which the Promoter will proceed, subject to receipt of necessary regulatory approvals, to make the Delisting Offer to the members of the Company in accordance with the provisions of the Delisting Regulations. The Board of Directors of the Company, therefore, place the proposed resolution for your consideration and recommends that it be passed as a special resolution.
- 11) The documents referred to in this notice and explanatory statement are available for inspection from 11.00 hours up to 17.00 hrs on all workings days (except Saturday, Sundays & Public Holidays) at the Registered Office of the Company, until January 12, 2018

Your Directors recommend the Special Resolution for approval of the shareholders.

None of the Directors, Managers, Key Managerial Personnel and their relatives, in any way, is concerned or interested in the resolution except to the extent of their shareholding/ shareholding of their associates as Promoters / Promoter Group in the Company.

By Order of the Board
For Kothari Phytochemicals & Industries Limited
Sd/-
M L daga
Company Secretary
FCS-2650

Date : November 07, 2017
Place : Kolkata

INSTRUCTIONS

Member(s) can opt only one mode for voting i.e. either by Physical Ballot or e-voting. In case you are opting for e-voting, then do not vote by physical ballot also and vice-versa. However, in case member(s) cast their vote both by Physical Ballot & e-voting, then voting done through e-Voting shall prevail and voting done by Postal Ballot shall be treated as invalid.

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING:

1. A member desiring to exercise his vote by Postal Ballot may complete this postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope before the close of working hours (5.00 p.m.) on or before January 12, 2018. The postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.
2. The self-addressed Business reply envelope is addressed to the Scrutinizer appointed by the Board of the Company.
3. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. A member may request for a duplicate Postal ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the scrutinizer not later than the date specified in point (1) above.
4. The postal Ballot form must be completed and signed by the member as per the specimen signature registered with the company/ Depository participant.
5. Incomplete/ Unsigned and incorrect postal Ballot form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.
6. In case the shares are held by Body Corporate/ trust, the duly completed Postal Ballot form should be accompanied by a certified true copy of the Board Resolution/ authorization together with the attested specimen signature of the authorised signatories.
7. Members are requested not to send any other paper (other than Board Resolution/ authority as mention in point no. 6 above) along with the Postal ballot form in the enclosed self-addressed Business Reply Envelope addressed to the scrutinizer and any extraneous paper found in such envelope would be destroyed by the scrutinizer.

VOTING THROUGH ELECTRONIC MEANS:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and applicable SEBI LODR, the Company is pleased to provide members facility to exercise their right to vote by electronic means as an alternative to vote physically through Postal Ballot, and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL)

The instructions for members voting electronically are as under:

- (i) The voting period begins on 14.12.2017 at 11.00 A.M. and ends on 12.01.2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares in Demat & Physical as on the cut-off date of 10.11.2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the e-voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For NSDL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters
- (v) Next enter the Image Verification as displayed and Click on login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares as on	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none"> Please Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "KOTHARI PHYTOCHEMICALS & INDUSTRIES LTD." on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@nsdl.co.in
 - After receiving the login details they have to create a Compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to evoting@nsdl.co.in and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to evoting@nsdl.co.in.
1. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at mldaga1957@yahoo.co.in with a copy marked to evoting@nsdl.co.in on or before 12.01.2018 upto 5 pm. without which the vote shall not be treated as valid.
 2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 10.11.2017.
 3. The notice of Postal Ballot will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 10.11.2017.
 4. The shareholders shall have one vote per equity share held by them as on the cut-off date of 10.11.2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
 5. The results shall be declared on 15.01.2018. The results declared along with the Scrutinizer’s Report shall be placed on the website of NSDL and that of Company at www.nsd.co.in and Error! Hyperlink reference not valid. and will be communicated to the CSE.
 6. Members have option to vote either through Postal Ballot Form or through e-voting. If a member exercises his/ her voting by both Postal Ballot Form and through e-voting, then the vote cast through e-voting shall be considered as valid. Further, the decision of the Scrutinizer on validity of the vote shall be final.

The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period shall submit his Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Results shall be declared on or after the January 15, 2018 of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.kothariphyto.com and website of NSDL www.nsd.co.in within two (2) days of passing of the resolutions for the postal ballot of the Company and communicated to the Stock Exchanges.