

# KEMISTAR CORPORATION LIMITED

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## NOTICE

**NOTICE** is hereby given that the **Twenty Third Annual General Meeting** of the Members of Kemistar Corporation Limited (the "Company") will be held on Friday, September 1, 2017 at 11.00 A.M at 604 Manas Complex, Jodhpur Cross Road Satellite, Ahmedabad- 380015 to transact the following business:

### **ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and Profit and Loss Account of the Company for the year ended March 31, 2017, together with Cash Flow Statement for the year ended March 31, 2017, Notes to Financial Statements, Boards' Report and Auditors' Report thereon and if thought fit, to pass the following resolution with or without modification, as an **Ordinary Resolution**.

**"RESOLVED THAT** the Company do hereby adopt the Audited Balance Sheet as at March 31, 2017, the Profit & Loss Account for the year ended on that date along with Cash Flow Statement, Notes to Financial Statements, Boards' Report and Auditors' Report thereon for the year ending on that date."

2. To appoint Auditors and fix their remuneration and in this regard, pass the following resolution with or without modification as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to provisions of section 139, 142 and other applicable provisions, if any, of the Companies act, 2013 read with Companies (Audit and Auditors) rules,2014 (including any statutory modification(s))M/s. **GAURAV N. ZINZUWADIYA**, (Membership No. 150295) Chartered Accountants, Statutory Auditor of the Company be and are here reappointed as the Statutory Auditors of the Company to hold office till the conclusion of the AGM to be held in calendar year 2018, at the remuneration to be fixed by the Board of Directors of the Company in consultation with the Auditors.

### **SPECIAL BUSINESS:**

#### **ITEM NO.3: ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013, Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force),approval of the Members of the Company be and is hereby accorded to adopt, the new set of Articles of Association primarily based on the Form of Table F under Schedule I of the Act, as new set of Articles of Association in the place of existing Articles of Association of the Company. The Existing regulations 1 to 188 of the Articles of Association are replaced by the new set of regulations 1 to 86 and adopted as new set of Articles of Association.

**"RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution".

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**RESOLVED FURTHER THAT** Mr. Ketankumar Patel, Managing Director of the Company be and is hereby authorised to do all such acts, deeds and things as may be required to give effect to the above resolution(s).”

## **ITEM NO. 4: TO AMEND THE TITLE OF INCIDENTAL OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

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

“**RESOLVED THAT** pursuant to Sections 4, 13 and other applicable provisions of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to necessary approval(s) if any, from the competent authorities, Clause III (B) of the *objects that are incidental or ancillary to the attainment of the main objects of the Memorandum of Association* be and hereby replaced with the title “**MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III.**”

“**RESOLVED FURTHER THAT** One of the directors of Company be and is hereby authorized to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the resolution.”

## **ITEM NO.5. DELETION OF THE OTHER OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies(Incorporation) Rules, 2014, (including any amendment thereto or re-enactment thereof), and subject to necessary approval(s) if any, from the competent authorities, as may be applicable, the consent of the Company be and is hereby accorded for alteration of Memorandum of Association of the Company by deleting Clause III [C] **Other Objects** the Memorandum of Association of the Company will no longer carry Other Objects

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies, Gujarat.”

## **ITEM NO.6. AMENDMENT OF THE LIABILITY CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), Clause IV of the Memorandum of Association be and is hereby altered by replacing the existing Clause IV with the following new Clause IV:

Clause IV. “The liability of members is limited and this liability is limited to the amount unpaid if any on shares held by them.”

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**“FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies, Gujarat”.

### **ITEM NO.7. ISSUE OF 11,95,000 EQUITY SHARES ON A PREFERENTIAL BASIS:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 42 and 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force) and Rules there under and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 as amended from time to time (“SEBI LODR Regulations”) and Listing Agreement entered into by the Company with the Stock Exchange where the Company’s shares are listed and in accordance with the provisions of the SEBI (Issue of Capital and Disclosures Requirements) Regulations 2009 as amended from time to time (“the ICDR Regulations), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the “SEBI (SAST) Regulations”), as may be applicable to the preferential issue of Equity Shares and other applicable regulations of SEBI, if any, (including any statutory modification(s) or re-enactments thereof for the time being in force), Foreign Exchange Management Act, 2000 and rules and regulations as may be prescribed by the RBI and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as the “ Board” which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such consents and approvals of SEBI, RBI, Stock Exchanges, ROC, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board, the consent of the members of the company be and is hereby accorded to the Board to offer, issue, and allot in one or more tranches up to 11,95,000 Equity Shares of Rs. 10/- each at a price of Rs. 16.50/- including premium of Rs. 6.50 /- (Rupees Six and Paise Fifty only) per Equity Share, aggregating to Rs.1,97,17,500( Rupees One Crore Ninety Seven Lakhs Seventeen Thousand Five Hundred only ) at such price not being lower than the price determined in accordance with Regulation 76 (1) of the SEBI (ICDR) Regulations to persons other than Promoters as mentioned herein below on preferential basis on such terms and conditions as the Board or Committee thereof may in its absolute discretion think fit, in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009,in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, thinks fit:

Sr. No.	Name of the Proposed Investor(s)	Category of Investor	No. of Shares
1	Chandrika Rameshbhai Harkhani	PUBLIC	40,000
2	Kiritlivrajbhai Patel	PUBLIC	60,000
3	Navinbhai Gordhanbhai Patel	PUBLIC	60,000
4	Chandresh Gordhanbhai Patel	PUBLIC	60,000
5	Mitesh Champaklal Gandhi	PUBLIC	60,000
6	Ashish Champaklal Gandhi	PUBLIC	60,000
7	Pravin Babubhai Patel	PUBLIC	60,000
8	Sonali Ashokbhai Prajapati	PUBLIC	60,000
9	Chirag Shaileshbhai Shastri	PUBLIC	60,000

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10	Nathuram Jivrambhai Patel	PUBLIC	60,000
11	Urmilaben Maheshbhai Patel	PUBLIC	60,000
12	Ramesh Motibhai Desai	PUBLIC	60,000
13	Shaileshkumar Kantibhai Patel	PUBLIC	60,000
14	Vijay Shankarlal Panchal	PUBLIC	60,000
15	Dharmendra Champaklal Vankani	PUBLIC	30,000
16	Dhiren Kanubhai Patel	PUBLIC	60,000
17	Deepti Dhiren Patel	PUBLIC	30,000
18	Jinal Yogeshbhai Shah	PUBLIC	60,000
19	Medha Chiragbhai Shastri	PUBLIC	60,000
20	Ramesh Jadavbhai Harkhani	PUBLIC	40,000
21	Abha Dharmendra Vankani	PUBLIC	30,000
22	Harsha Sushil Vegda	PUBLIC	30,000
23	Parashottambhai Jadavbhai Harkhani	PUBLIC	35,000

**RESOLVED FURTHER THAT** the issue and allotment of the Equity Shares to the Allottee shall be on the following terms and conditions:

- i. The "relevant date" for the preferential issue, as per Regulation 71(a) of the SEBI (ICDR Regulations), as amended from time to time, for the determination of minimum price for the issue of the above mentioned Equity Shares is August 2, 2017, which is the date falling 30 (Thirty) days prior to September 1, 2017, i.e., the date of the Annual General Meeting of the shareholders or such other date as may be prescribed in accordance with the SEBI ICDR Regulations;
- ii. That the said Equity Shares shall be issued and allotted by the Company to the proposed Allottees within a period of 15 (Fifteen) days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of delay of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval;
- iii. The entire consideration price for subscription to the Equity Shares shall be received from the Allottee's Bank account;
- iv. The Equity Shares to be so allotted shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company, and shall rank paripassu in all respects including dividend, with the existing Equity Shares of the Company;
- v. The Equity Shares to be issued and allotted shall be listed and traded on BSE Limited;

**RESOLVED FURTHER THAT** subject to SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities;

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects;

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**"RESOLVED FURTHER THAT** the Company do apply for In-Principle Approval, Prior to Issue and Allotment of Equity Shares, and apply for listing of the new equity shares on the Stock Exchange and thereby comply with the applicable regulations;

**"RESOLVED FURTHER THAT** the Company does make an application to the Depositories for admission of the new equity shares;

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to implementation of this Resolution, issue and allotment of equity shares and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

Registered Office:  
604, Manas Complex  
Jodhpur Cross Road, Satellite  
Ahmedabad - 380 015.

By and Order of the Board  
**KEMISTAR CORPORATION LIMITED**  
(CIN: L24233GJ1994PLC022845 )

Ketankumar Patel  
(DIN: 01157786)

Place: Ahmedabad  
Date: 02/08/2017

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## NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting. A Proxy Form for the AGM is enclosed.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send at the registered office of the Company a certified true copy of the relevant Board Resolution or upload it on the e-voting portal together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
  3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto
  4. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.
  5. The register of Members and the share Transfer Books of the Company will remain closed from August 29, 2017 to August 31, 2017 (both days inclusive) for the purpose of 23rd Annual General Meeting.
  6. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company.
  7. Members who have not registered / updated their e-mail addresses with Company/ PurvaShareregistry (I) Pvt. Ltd., if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.
  8. Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) to the Company / Purva Shareregistry (I) Pvt. Ltd. as mandated by the Securities and Exchange Board of India (SEBI) for every participant in securities market.
  9. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DP ID number, as the case may be.
  10. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the Members after making requisite changes thereon.
  11. All documents referred to in the Notice will be available for inspection at the Company's registered office between 11:00 am and 1:00 pm upto September 1, 2017 on all days (except Saturdays, Sundays and public holidays).
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### 12. Members holding shares in electronic mode:

- a. are requested to submit their PAN to their respective DPs with whom they are maintaining their demat accounts, as mandated by SEBI for every participant in securities market.
- b. are advised to contact their respective DPs for availing the nomination facility.

### 13. Information and instructions relating to Remote e-voting are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services arranged by NSDL. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through electronic voting system or polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on August 29, 2017 (9:00 am) and ends on August 31, 2017 (5:00 pm). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 26<sup>th</sup> August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "KEMISTAR CORPORATION LIMITED".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.

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- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (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, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

User ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of 26<sup>th</sup> August, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 26<sup>th</sup> August, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. GAURAV ZINZUWADIYA, Practicing Chartered Accountant (Membership No.150295) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

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- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Company's Details:** KEMISTAR CORPORATION LIMITED  
604, Manas Complex,  
Jodhpur Cross Road,  
Satellite  
Ahmedabad - 380 015  
CIN: L24233GJ1994PLC022845  
E-mail ID: [Kemistarbse@gmail.com](mailto:Kemistarbse@gmail.com)

**Registrar and Transfer Agent:** PurvaSharegistry (India) Pvt. Ltd.  
Unit no. 9  
Shiv Shakti Ind. Estt.  
J.R. Borichamarg  
Opp. Kasturba Hospital Lane  
Lower Parel (E)  
Mumbai 400 011

**E-Voting Agency:** National Securities Depository Limited (NSDL)

**Scrutinizer:** GAURAV N. ZINZUWADIYA  
G-301, ShayonaTilak-III,  
New S.G Road, Gota,  
Ahmedabad-382481

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## Annexure to the Notice Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

### ITEM NO.3:

The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013.

It is thus expedient to adopt new set of Articles of Association (primarily based on Table F set out under the Companies Act, 2013), in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/incorporation of provisions of the Companies Act, 2013. Hence the Board of Directors at its meeting held on August 2, 2017 decided to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same.

The Existing regulations 1 to 188 of the Articles of Association are replaced by the new set of regulations 1 to 86 and adopted as new set of Articles of Association.

In terms of section 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

The entire set of proposed Articles of Association is available on the website of the company.

The shareholders of the Company can also obtain a copy of the same from the Secretarial Department at the registered office of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

### ITEM NO.4:

In order to comply with the provisions of the Companies Act, 2013, the Company needs to amend the title of clause III (B) Objects Clause of the Memorandum of Association. Consent of the shareholders by passing a Special Resolution is required in this regard.

The entire set of proposed Memorandum of Association is available in the website of the Company.

The shareholders of the Company can also obtain a copy of the same from the Secretarial Department at the Registered Office of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as Special Resolution.

### ITEM NO.5

In order to comply with the provisions of Section 4(1)(c), 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to delete the Other Objects Clause from the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of the Shareholders by passing a Special Resolution is required in this regard.

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A copy of the proposed set of new Memorandum of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Saturdays, between 11.00 a.m. to 6.00 p.m.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

### **ITEM NO.6**

In order to comply with the provisions of Section 4(1)(d)(i), 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to alter the Liability Clause of the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of the shareholders by passing a Special Resolution is required in this regard.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The relevant documents are available for inspection by the members during working hours in registered office of the company.

The Directors recommend the aforesaid resolutions for the approval by the members as Special Resolution.

### **ITEM NO.7**

Members are requested to note that in order to carry out the business activities of the Company from time to time, it will be appropriate to infuse further funds in the Company from such prospective investors.

Members are further requested to note that for achieving the abovementioned objective of undertaking capital infusion, the Board of Directors of the Company at their meeting held on Tuesday, August 2, 2017, accorded their approval for the issue of up to 11,95,000 fully paid-up Equity Share of Rs. 10/- each at a price of Rs. 16.50 per Equity Share including a premium of Rs.6.50 per Equity Share aggregating up to Rs. 1,97,17,500 by way of preferential offer, subject to the approval of the Members of the Company.

Members are requested to note that in terms of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 ("the Act") and Rules made thereunder, and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations"), as amended, a company can undertake preferential allotment only after obtaining prior approval of the Shareholders by way of Special Resolution on the terms and conditions and formalities as stipulated in the Act and the SEBI (ICDR) Regulations.

Further, in terms of Regulation 73 of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement to the Notice. The relevant disclosures as required under Chapter VII of the SEBI ICDR Regulations are set out below:

#### **a) The Object(s) of the issue**

The company proposes to expand its business and therefore proposes to mobilize funds for funding current and future activities and / or growth plans of the Company or general corporate purposes including any capital expenditure required if any. In order to achieve the same the company needs to raise funds by issuing 11,95,000 fully paid Equity Shares of Rs.10/- each at a price of Rs. 16.50 each to individuals / entities other than the Promoters/ Promoters Group on preferential basis.

#### **b) The proposal of the Promoters / Directors / Key Management Persons of the Issuer to subscribe to the offer:**

## KEMISTAR CORPORATION LIMITED

None of the Promoter / Director / Persons in Promoter/ Promoter Group / Key Management Persons are subscribing to the offer.

**c) Pricing of the Preferential Issue**

The Equity Shares will be allotted in accordance with the price determined in terms of Regulation 76(1) of the SEBI ICDR Regulations. The Equity Shares shall be allotted at a price not less than higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the related Equity Shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or
- (b) The average of the weekly high and low of the volume weighted average prices of the related Equity Shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

As per the calculations, 26 weeks and 2 weeks of the High and low of the Volume Weighted Average Price of the Equity Shares of the Company quoted on Stock Exchanges preceding the Relevant Date stands at Rs. 16.41 and Rs. NIL - respectively. However, the issue price has been fixed at Rs.16.50 (including premium of Rs. 6.50) per Equity Share which is higher than the price i.e.Rs. 16.41 calculated as per Regulation 76(1) of the SEBI ICDR Regulations.

**d) Basis on which price has been arrived at along with report of the registered valuer:**

As such this is not applicable in the present case since the Company is a listed company and the pricing is in terms of the SEBI (ICDR) Regulation.

**e) Relevant Date:**

The "Relevant Date" in terms of Regulation 71 of the SEBI (ICDR) Regulations for determination of minimum price is August 2, 2017, being the date 30 days prior to the date of the Annual General Meeting being September 1, 2017.

**f) Shareholding Pattern of the Company before and after the proposed Issue:**

The shareholding pattern before and after the offer would be as under:

	Category	Pre Issue*		Preferential Allotment of Equity Shares	Post Issue#	
		No. of Equity Shares held	% of Equity Share holding		No. of Equity Shares held	% of Equity Share holding
<b>A</b>	<b>Promoters' holding :</b>					
	1. Indian :					
	Individual	2,11,392	31.49	0	2,11,392	11.33
	Bodies Corporate	-	-	0	-	-
	Sub Total	2,11,392	31.49	0	-	-
	Foreign Promoters	-	-	0	-	-
	Sub Total (A)	2,11,392	31.49	0	2,11,392	11.33
<b>B</b>	<b>Non-Promoters' holding :</b>					
	2. Mutual funds /UTI	-	-	0	-	-
	Financial Institutions/ Banks	-	-	0	-	-
	Insurance Companies / Govt. Institutions	-	-	0	-	-
	Foreign Institutional Investors	-	-	0	-	-
	Sub Total	-	-	0	-	-
	3. Bodies Corporate	29,004	4.32	0	29,004	1.55
	Individual holding	4,30,572	64.13	11,95,000	16,25,572	87.10
	Foreign Companies	-	-	0	-	-

## KEMISTAR CORPORATION LIMITED

Non-Resident Individuals	-	-	0	-	-
Clearing Member	400	0.06	0	400	0.02
HUF	24	0	0	24	0
<b>Sub Total (B)</b>	<b>4,60,000</b>	<b>68.51</b>	<b>11,95,000</b>	<b>16,55,000</b>	<b>88.67</b>
<b>Grand Total</b>	<b>6,71,392</b>	<b>100.00</b>	<b>11,95,000</b>	<b>18,66,392</b>	<b>100.00</b>

\*Above shareholding pattern is prepared based on Shareholding of the Company as on June 30, 2017.

# On assumption that entire 11, 95,000 Equity Shares may be allotted pursuant to the shareholders resolution. However, if any Equity Shares are not issued / allotted, the figures will change accordingly.

**g) Proposed time frame within which allotment in the preferential issue shall be completed:**

The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing of the Resolution by the Shareholders provided where the allotment is pending on account of any approval from any Regulatory Authority / Body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

**h) Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital (expanded capital) that may be held by them:**

Sr. No	Name of proposed allottee	Category	Pre-issue shareholding		Maximum No. of Equity shares proposed to be Allotted		Post issue shareholding	
			No. of shares	%	No. of shares	%	No. of shares	%
1.	Chandrika Rameshbhai Harkhani	PUBLIC	0	-	40,000		40,000	2.14
2.	Kirit Jivrajbhai Patel	PUBLIC	0	-	60,000		60,000	3.21
3	Navinbhai Gordhanbhai Patel	PUBLIC	0	-	60,000		60,000	3.21
4.	Chandresh Gordhanbhai Patel	PUBLIC	0	-	60,000		60,000	3.21
5.	Mitesh Champaklal Gandhi	PUBLIC	0	-	60,000		60,000	3.21
6.	Ashish Champaklal Gandhi	PUBLIC	0	-	60,000		60,000	3.21
7.	Pravin Babubhai Patel	PUBLIC	0	-	60,000		60,000	3.21
8.	Sonali Ashokbhai Prajapati	PUBLIC	0	-	60,000		60,000	3.21
9.	Chirag Shaileshbhai Shastri	PUBLIC	0	-	60,000		60,000	3.21
10.	Nathuram Jivrambhai Patel	PUBLIC	0	-	60,000		60,000	3.21
11.	Urmilaben Maheshbhai Patel	PUBLIC	0	-	60,000		60,000	3.21
12.	Ramesh Motibhai Desai	PUBLIC	0	-	60,000		60,000	3.21
13.	Shaileshkumar Kantibhai Patel	PUBLIC	0	-	60,000		60,000	3.21
14.	Vijay Shankarlal Panchal	PUBLIC	0	-	60,000		60,000	3.21
15.	Dharmendra Champaklal Vankani	PUBLIC	0	-	30,000		30,000	1.60
16.	Dhiren Kanubhai Patel	PUBLIC	0	-	60,000		60,000	3.21
17.	Deepti Dhiren Patel	PUBLIC	0	-	30,000		30,000	1.60
18.	Jinal Yogeshbhai Shah	PUBLIC	0	-	60,000		60,000	3.21
19.	Medha Chiragbhai Shastri	PUBLIC	0	-	60,000		60,000	3.21
20.	Ramesh Jadavbhai Harkhani	PUBLIC	0	-	40,000		40,000	2.14
21.	Abha Dharmendra Vankani	PUBLIC	0	-	30,000		30,000	1.60
22.	Harsha Sushil Vegda	PUBLIC	0	-	30,000		30,000	1.60
23.	Parashottambhai Jadavbhai Harkhani	PUBLIC	0	-	35,000		35,000	1.88

# KEMISTAR CORPORATION LIMITED

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Section 62 of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares etc., such shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 62 unless the shareholders in the general meeting decide otherwise by passing a Special Resolution.

Hence, consent of the shareholders by way of a Special Resolution is being sought pursuant to Section 62(1)(c) and all other applicable provisions of Companies Act, 2013 and in terms of the provisions of the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations executed by the Company with BSE Limited where the Company's shares are listed.

**i) Auditors' Certificate:**

A copy of the certificate from Statutory Auditors certifying that the issue of Equity Shares is being made in accordance with the requirements of SEBI (ICDR) Regulations, and will be made available for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.

**j) Lock in Period:**

The Equity Shares allotted on preferential basis shall be subject to lock-in for such periods as prescribed in Regulation 78 of SEBI (ICDR) Regulations.

**k) Sale / Transfer of Equity Shares:**

The proposed allottees have confirmed to the Company that they have not sold / transferred any Equity Shares of the Company during the period of six months prior to the Relevant Date.

**l) Change in control consequent to the preferential issue:**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

**m) Undertakings**

In terms of SEBI (ICDR) Regulations, 2009, the Company hereby undertakes that:

a) It shall re-compute the price of the specified securities in terms of the provision of SEBI (ICDR) Regulations, where it is so required.

b) If the amount payable on account of the recomputation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the Allottees.

**n) Others:**

Save and except the Preferential Issue as proposed in the resolution set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.

**o) The Issuer its Promoters and Directors have not been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.**

As it is proposed to issue and allot the aforesaid Equity Shares on preferential allotment basis, Special Resolution is required to be approved by Members pursuant to the provisions of Section 62 of the Companies Act, 2013, other applicable provisions of Companies Act, 2013 and in terms of the provisions of the SEBI ICDR

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## KEMISTAR CORPORATION LIMITED

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Regulations and the listing agreement entered into by the Company with the BSE Limited, where the Company's equity shares are listed.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its members. The Board recommends the resolutions as set out in the accompanying notice for the approval of members as a Special Resolutions.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors/Key Managerial Personnel of the Company is, in anyway, concerned or interested in the above resolution.

**Place:** Ahmedabad  
**Date:** August 2, 2017

**By Order of the Board of Directors**  
**Kemistar Corporation Limited**

**Registered Office:**  
604, Manas Complex,  
Jodhpur Cross Road  
Gujarat, India

**Ketan Patel**  
**Managing Director**

# KEMISTAR CORPORATION LIMITED

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604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad-380 015

## ATTENDANCE SLIP

### 23<sup>rd</sup> Annual General Meeting

Regd. Folio/ DP & Client No.	
No. Shares held	

I certify that I am registered Shareholder/ Proxy for the registered shareholder of the Company. I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the shareholders of the company, to be held on Friday, the 1<sup>st</sup> September, 2017 at 11.30 a.m. at the registered office of the company

Member's Name: \_\_\_\_\_

Proxy's Name: \_\_\_\_\_

**Note:**

1. Please fill the attendance slip and hand over at the registered office of the Company.
2. Members/Proxy Holders/ Authorized Representative are requested to show their Photo ID proof for the attending the meeting.
3. Authorized Representative of corporate members shall produce proper authorization issue in their favour.

Electronic Voting Particulars		
EVEN	User Id	Password

# KEMISTAR CORPORATION LIMITED

604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad-380 015

## Form No. MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :		_____
Registered Address :		_____
E-mail ID:	*Folio No./DP ID & Client ID:	_____

\*For details with respect to you Folio No./DP ID, Client ID and number of shares, please refer to above Attendance Slip enclosed along with the Annual Report.

I/We, being the member(s) of \_\_\_\_\_ shares of the above name company, hereby appoint

- Name: \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him/her
- Name: \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him/her

as my/our to attend and vote (on a poll) for me/us on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the company, to be held on Friday, the September 1, 2017 at 11.00 a.m. at the registered office of the company and at my adjournment thereof in respect of such resolutions and in such manner as are indicated below:

## KEMISTAR CORPORATION LIMITED

Resolution No.	Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Audited Financial Statements, Directors' Report & Auditors' Report for the year ended 31.03.2017		
2.	To appoint and fix remuneration of M/s. Gaurav N. Zinzuwadiya, Chartered Accountants as Auditors of the Company.		
3.	Adoption of new set of Articles of Association		
4.	Amend the title of incidental object clause of the Memorandum of Association		
5.	Deletion of the other Objects Clause of the Memorandum of Association		
6.	Amendment of the Liability Clause of the Memorandum of Association:		
7.	Approval to the proposal to raise funds on preferential allotment basis to persons other than Promoters		

Singed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Affix Revenu
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\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

**Notes:**

1. A proxy need not be a member of the company. Pursuant to the provisions of the section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as proxy for any other member.
2. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. For the resolutions, explanatory statement and notes please refer to the notice of the 23<sup>rd</sup> Annual General Meeting of the company.
4. This form of proxy, to be effective should be duly completed and deposited at the registered office of the company, not later than 48 hours before the commencement of the aforesaid meeting.