

Prabhat Dairy Limited

September 14, 2019

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai Ref. Scrip Code : 539351	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Ref: Symbol – PRABHAT
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Sub: Postal Ballot Notice

Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

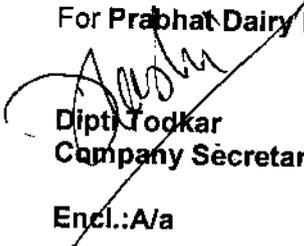
Dear Sir/Madam,

Further to the outcome of meeting of the board of directors of the Company dated September 13, 2019, we hereby enclose a copy of the postal ballot notice dated September 13, 2019 ("Postal Ballot Notice") and postal ballot form.

The Postal Ballot Notice, along with other relevant documents, are being sent to all the shareholders whose names appear in the register of members/ beneficial owners as on September 10, 2019 ("Cutoff date"), seeking their approval as set out in the Postal Ballot Notice. The Company has engaged the services of Karvy Fintech Private Limited ("KFPL") for the purpose of providing e-voting facility to all its members. The voting through postal ballot and remote e-voting will commence from Sunday, September 15, 2019 (9:00 A.M. IST) and shall end on Monday, October 14, 2019 (5:00 P.M. IST). The results of the postal ballot will be announced on or before October 16, 2019. The above information will also be made available on the website of the Company: www.prabhat-india.in

Kindly take the same on your records.

Thank you
For Prabhat Dairy Limited


Dipti Todkar
Company Secretary



Encl.:A/a

CIN: L01100PN1998PLC013068

Registered Office: Gat No. 122, At Ranjankhol, Post Tilaknagar, Taluka Rahata, Shirampur, Ahmednagar, Maharashtra - 413720. Tel.: +91-2422-245995.
Pune Office: 2nd Floor, Kataria Chambers, Above Reliance Footprint, S. No. 128/4, Plot No. 6, Sanewadi, Aundh, Pune, Maharashtra - 411007.
India. Tel.: - 020-25885043.

Works : Gut No.66/3B, At. Matunje Khurd, Tal. Rahuri, Dist. Ahmednagar - 413721

web : www.prabhat-india.in

PRABHAT DAIRY LIMITED

CIN: L01100PN1998PLC013068

Registered Office: Gat No. 122, At Ranjankhol, Post Tilak Nagar, Taluka Rahata,
Shrirampur Ahmednagar, Maharashtra 413 720

Email: investor@prabhatdairy.in; **Website:** www.prabhat-india.in

Tel.: +91-2422-265993

POSTAL BALLOT NOTICE

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULES 20 AND 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2009, AS AMENDED, AND SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED.

Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("**Companies Act**") read with Rules 20, 22 of the Companies (Management and Administration) Rules, 2014 and all other applicable rules framed under the Companies Act, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("**Delisting Regulations**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted hereinafter, to the shareholders of Prabhat Dairy Limited ("**Company**"), to consider and if thought fit to pass the resolution set out herein below as a special resolution by way of a postal ballot ("**Delisting Resolution**") in accordance with Regulation 8(1)(b) of the Delisting Regulations.

The proposed Delisting Resolution has been placed before the shareholders of the Company as a result of the receipt of a letter dated September 4, 2019 by the Company from certain members of the promoter and promoter group of the Company (as defined under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended) viz., Mr. Sarangdhar Ramchandra Nirmal, Mr. Vivek Sarangdhar Nirmal, Madhyam Farming Solutions Private Limited and Nirmal Family Trust (collectively to be referred as "**Acquirers**"). In the said letter, the Acquirers expressed their intention to acquire 4,87,40,547 fully paid-up equity shares of the Company representing 49.90% of the paid-up equity share capital of the Company that are presently held by the public shareholders of the Company and consequently voluntarily delist the equity shares of the Company from the stock exchanges where they are listed namely, BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"), in accordance with the Delisting Regulations and withdrawal of the "permitted to trade" status of the equity shares of the Company on Metropolitan Stock Exchange of India Limited ("**Delisting Proposal**").

An explanatory statement pursuant to Section 102 of the Companies Act and other applicable legal provisions, pertaining to the said resolution setting out the material facts and the reasons thereof, is also appended. The said resolution and explanatory statement are being sent to you along with a postal ballot form for your consideration.

The Company, pursuant to Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, has appointed Mr. Alpeshkumar J. Panchal (ACS 49008; CP 20120), Partner, KJB & Co LLP, Practicing Company Secretaries, Mumbai, was appointed as the scrutinizer to conduct the process of the postal ballot process in a fair and transparent manner.

SPECIAL BUSINESS:

Approval for Voluntary Delisting of the Equity Shares of the Company from BSE Limited ("BSE**") and National Stock Exchange of India Limited ("**NSE**") and withdrawal of "**Permitted to Trade**" status on the Metropolitan Stock Exchange of India Limited ("**MSE**")**

To consider and if thought fit, to accord assent/ dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to: (i) the letter dated September 4, 2019 received by the Company certain members of the promoter and promoter group of the Company as defined under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, viz., Mr. Sarangdhar Ramchandra Nirmal, Mr. Vivek Sarangdhar Nirmal, Madhyam Farming Solutions Private Limited and Nirmal Family Trust (collectively to be referred to as "**Acquirers**") expressed their intention to

acquire 4,87,40,547 fully paid-up equity shares of the Company, representing 49.90% of the paid-up equity share capital of the Company, that are held by the public shareholders and consequently voluntarily delist the equity shares of the Company for the recognised stock exchanges where its equity shares are listed namely, BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively, referred to as “**Stock Exchanges**”) in accordance with in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time (“**Delisting Regulations**”) and withdrawal of the “permitted to trade” status on the Metropolitan Stock Exchange of India Limited (“**Delisting Proposal**”); and (ii) the approval of the board of directors of the Company (“**Board**”, which term shall be deemed to include any committee which the Board may have constituted or may hereafter constitute exercising the powers conferred on the Board by this resolution) granted in their meeting held on Tuesday, September 10, 2019 and Friday, September 13, 2019; and in accordance with the provisions of the Companies Act, 2013 (“**Companies Act**”) and applicable rules framed thereunder, the Delisting Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities Contract (Regulation) Act, 1956 including the rules issued thereunder, the listing agreement entered with the Stock Exchanges, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter, and all other applicable laws, rules, regulations and guidelines, if any, and subject to such approvals, permissions and sanctions, as may be required and necessary for the Company and the Acquirers under applicable laws and subject to such conditions and modifications as may be prescribed or imposed by any authority or third party, while granting such approvals, consents, permissions, the approval of the shareholders of the Company be and is hereby accorded to voluntarily delist the equity shares of the Company from the Stock Exchanges and withdrawal of the “permitted to trade” status on the Metropolitan Stock Exchange of India Limited pursuant to the proposed acquisition by the Acquirers, as detailed in their letter dated September 4, 2019, of 4,87,40,547 fully paid-up equity shares of the Company, representing 49.90% of the paid-up equity share capital of the Company that are held by the public shareholders, in accordance with the terms of the Delisting Regulations and other applicable laws and the Company shall accordingly take all necessary actions and make all the necessary disclosures and filings to facilitate the proposed voluntary delisting of equity shares of the Company in accordance with applicable law.

RESOLVED FURTHER THAT for the purposes of giving effect to the Delisting Proposal, Mr. Vaibhav Parjane, Independent Director and Ms. Dipti Todkar, Company Secretary and Compliance Officer, be and are hereby individually authorized on behalf of the Company to do, either by themselves or through delegation to any person, as they may in their absolute discretion deem fit, all such acts, deeds, matters and things as they may at their discretion deem necessary or expedient for such purpose, and make all necessary filings including but not limited to making applications to the any regulatory/ government authority, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the Delisting Proposal and/ or withdrawal of “permitted to trade” status on MSE (as may be required), in accordance with the provisions of Delisting Regulations, applicable provisions under the Companies Act and the rules framed thereunder and other applicable laws to execute all such deeds, documents or writings as are necessary or expedient, to settle any questions, difficulties or doubts that may arise in this behalf or delegate the aforesaid authority to any person or to engage any advisor, lawyers, consultant, agent or intermediary, as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT all actions taken or required to be taken by the Board in connection with any matter referred to above or contemplated in the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and are hereby authorized to issue a certified true copy of the aforesaid resolution wherever necessary.”

**By order of the Board of Directors
Prabhat Dairy Limited**

Place: Navi Mumbai
Date: September 13, 2019

Sd/-
Dipti Todkar
Company Secretary and Compliance Officer
(Membership no.: ACS 21676)

Registered office: Gat No. 122, At Ranjankhol, Post Tilak Nagar, Taluka Rahata, Shrirampur Ahmednagar, Maharashtra – 413 720.

NOTES AND INSTRUCTIONS:

1. The explanatory statement pursuant to Section 102 of the Companies Act setting out material facts and reasons in relation to the proposed special business is annexed hereto.
2. The board of directors of the Company (“**Board**”) has appointed Mr. Alpeshkumar J. Panchal (ACS 49008; CP 20120), Partner, KJB & Co LLP, Practicing Company Secretaries, Mumbai, was appointed as the scrutinizer to conduct the process of the postal ballot process in a fair and transparent manner (“**Scrutinizer**”).

3. The Notice is being sent to all shareholders of the Company, whose names appear in the register of members/ list of beneficial owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited on Tuesday, September 10, 2019, which will be considered for the purposes of voting on postal ballot/ remote e-voting. The Notice is being sent electronically by e-mail to all the shareholders who have registered their e-mail IDs with their depository participants/ the Company, and to all other shareholders it is being sent through permitted mode of dispatch along with postal ballot form and self-addressed envelope. The shareholders, who have received postal ballot notice by e-mail and who wish to vote through physical postal ballot form, can download postal ballot form from the Company's website (www.prabhat-india.in) or seek duplicate postal ballot form from the Company's Share and Transfer Agent, Karvy Fintech Private Limited, Unit: Prabhat Dairy Limited, Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda Serilingampally Mandal, Hyderabad - 500032 – India or email at suresh.d@karvy.com fill in the details as per the instructions mentioned thereunder and send the same to the Scrutinizer.
4. The voting rights of the shareholders of the Company shall be in proportion to their shares of the paid-up equity share capital of the Company as on Tuesday, September 10, 2019 (cut-off date). Any person who is not a shareholder of the Company as on the cut-off date should not treat this Notice for information purposes only.
5. All material documents referred to in the Notice and the explanatory statement will be made available for inspection at the registered office of the Company, during working hours, on all working days excluding Sundays and public holidays from the date of dispatch until the last date for receipt of votes by postal ballot/ remote e-voting ie, Monday, October 14, 2019.
6. The shareholders desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the postal ballot form and return the same duly completed in the attached postage pre-paid self-addressed envelope. Unsigned postal ballot forms will be rejected. Postage will be borne and paid by the Company if sent in self-addressed prepaid envelope, except for postal ballot forms received from outside India. It is hence clarified that those shareholders desiring to exercise their vote from outside India will have to bear/ arrange for their postage expenses. However, postal ballot form, if sent by courier or by registered post or any other means at their own expense at the expense of the shareholder(s) will also be accepted so as long as it reaches the Scrutinizer not later than the close of working hours ie, by 5:00 pm (IST) on Monday, October 14, 2019.
7. Please note that the duly completed postal ballot form should reach the Scrutinizer on or before Monday, October 14, 2019 till 5:00 pm (IST) at “Mr. Alpeshkumar J. Panchal, Partner of KJB & Co., LLP, the Scrutinizer, Unit: Prabhat Dairy Limited, c/o Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500032 India”, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the shareholder.
8. Pursuant to provisions of Regulation 44 of the Listing Regulations, and Sections 108, 110 and other applicable provisions, if any, of the Companies Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide remote e-voting facility through Karvy Fintech Private Limited (“Karvy”), for its shareholders to enable them to cast their votes electronically. The instructions for electronic voting are annexed to this Notice. Please read and follow the instructions on e-voting enumerated in the notes to this Notice.
9. Only shareholders entitled to vote are entitled to fill in the postal ballot form and send it to the Scrutinizer or vote under the remote 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.
10. Kindly note that the shareholders can opt only one mode of voting, ie, either through postal ballot form or through remote e-voting. If you are opting for remote e-voting, then do not vote by through postal ballot form also and vice versa. However, in case shareholders cast their vote by postal ballot form and remote e-voting, then voting done through remote e-voting shall prevail and voting done by postal ballot form will be treated as invalid. The Scrutinizer’s decision on the validity of the postal ballot form shall be final.
11. Voting by postal ballot, in the physical form or remote e-voting, can be exercised only by the shareholder or his/ her duly constituted attorney or in case of bodies corporate, by the duly authorised person. Voting rights in a postal ballot cannot be exercised through a proxy by a shareholder.
12. Voting period commences on Sunday, September 15, 2019 at 9.00 am (IST) (start date) and ends on Monday, October 14, 2019 at 5:00 pm (IST) (end date).

13. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny or, in his absence, to any person so authorized by the Company after completion of scrutiny of the postal ballot forms and e-voting, and the result of the voting by postal ballot will be announced by the Chairman or any other officer of the Company duly authorized, on or before Wednesday, October 16, 2019 through the website of the Company (www.prabhat-india.in), website of Karvy (<https://evoting.karvy.com>) and by way of intimation to the Stock Exchanges and will also be displayed at the registered office of the Company within the stipulated time period in accordance with the provisions under Companies Act and the rules thereunder and the Listing Regulations.
14. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on Monday, October 14, 2019 ie, the last date specified for receipt of duly completed postal ballot forms or e-voting.

Any query in relation to the resolutions proposed to be passed by postal ballot may be sent to/ contact the Company Secretary and Compliance Officer of the Company at dipti.todkar@prabhatdairy.in and contact no. +91 (022) 41287715.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE:

In compliance with Regulation 44 of the Listing Regulations, and Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company has extended remote e-voting facility as an alternate for its shareholders to enable them to cast their votes electronically instead of dispatching postal ballot form. Therefore, business as set out in Notice may be transacted through remote e-voting services provided by Karvy Fintech Private Limited (“Karvy”). **Please note that remote e-voting is optional for shareholders. In case the shareholders cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid.**

GENERAL INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

- i. A person whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date, ie, Tuesday, September 10, 2019, only shall be entitled to avail the facility of remote e-voting.
- ii. Any member who holds the shares as on the cut-off date ie, Tuesday, September 10, 2019 may obtain the User ID and password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWDE-voting Event Number+Folio No. or DP ID Client ID to +91 9212993399 Example for NSDL: MYEPWD IN12345612345678 Example for CDSL: MYEPWD 1402345612345678 Example for Physical: MYEPWD XXX1234567890
 - b. If e-mail address of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click “Forgot password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Members may call Karvy’s toll free number 1-800-3454-001
 - d. Members may send an e-mail request to evoting@karvy.com. If the member is already registered with the Karvy e-voting platform then such member can use his/ her existing User ID and password for casting the vote through remote e-voting.
- iii. The remote e-voting facility will be available during the following period:
 - a. Commencement of remote e-voting: 9:00 am (IST) on Sunday, September 15, 2019.
 - b. End of remote e-voting: 5:00 pm (IST) on Monday, October 14, 2019.

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

INSTRUCTIONS AND OTHER INFORMATION RELATING TO REMOTE E-VOTING:

A. In case of members receiving an e-mail from Karvy [for members whose e-mail addresses are registered with the Company/ depository participants(s)]

- a. Launch an internet browser by typing the URL <https://evoting.karvy.com>.
- b. Enter the login credentials (ie, User ID and password). The Event No. + Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for re-setting the password.
- c. After entering the above details Click on- Login.
- d. You will now reach password change menu, wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- e. You need to login again with the new credentials.
- f. On successful login, the system will prompt you to select the E-Voting Event Number for Prabhat Dairy Limited.
- g. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- h. Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
- i. Voting must be done for each items of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- j. You may then cast your vote by selecting an appropriate option and click on "Submit" and also "Confirm" when prompted.
- k. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have not voted on the Resolution(s).
- l. Corporate/ institutional members (ie, other than individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the board resolution/ authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to Scrutinizer at the e-mail ID: alpesh.panchal@kjbllp.com with a copy marked to evoting@karvy.com and suresh.d@karvy.com. They may also upload the same in the e-voting module under their login. The scanned images of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case a member receives physical copy of the Notice and postal ballot form

- a. User ID and initial password is provided in the Postal Ballot Form.
- b. Please follow all steps from Sr. No. (a) to (l) as mentioned in (A) above, to cast your vote.
- c. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast vote again.
- d. In case of any query or grievance pertaining to remote e-voting, Members may contact Mr. B Srinivas, Manager, Karvy at contact +91 (040) 67162222 and/ or send an e-mail at einward.ris@karvy.com. Further, members may also visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

EXPLANATORY STATEMENT

(Pursuant to the provisions of Section 102 of the Companies Act, 2013)

Approval for Voluntary Delisting of the Equity Shares of the Company from NSE and BSE (collectively referred to as “Stock Exchanges”) and withdrawal of “Permitted to Trade” status on the MSE

1. 9,76,76,131 equity shares of the Company, having a face value of INR 10/- (Indian Rupees ten only) each of the Company are presently listed on NSE and BSE and are “permitted to trade” on MSE.
2. Presently, 4,89,35,584 fully paid-up equity shares of the Company representing 50.10% of the paid-up equity share capital of the Company are held by shareholders forming part of its promoter and promoter group category out of which Nirmal Family Trust, Mr. Sarangdhar Ramchandra Nirmal and Mr. Vivek Sarangdhar Nirmal hold 46.64 %, 1.15% and 1.15% of the paid-up equity share capital in the Company, respectively. As on date, Madhyam Farming Solutions Private Limited does not hold any equity shares of the Company.
3. The Board received a letter dated September 4, 2019 from the Acquirers proposing to voluntarily delist the equity shares of the Company from the Stock Exchanges in accordance with the Delisting Regulations and withdrawal of the “permitted to trade” status of the equity shares of the Company on MSE. In their letter, the Acquirers expressed their intention to: (a) acquire 4,87,40,547 fully paid-up equity shares of the Company representing 49.90% of the paid-up equity share capital of the Company that are presently held by the public shareholders of the Company; and (b) consequently voluntarily delist the equity shares of the Company from the Stock Exchanges and withdrawal of “permitted to trade” status of the equity shares of the Company from MSE, by making a delisting offer in accordance with the Delisting Regulations (“**Delisting Offer**”).
4. The Acquirers, in their letter dated September 4, 2019, specified the following as the rationale for the Delisting Offer:
 - a. The Company has recently completed the sale of its dairy business undertaking by way of slump sale along with the sale of its 100% shareholding in Sunfresh Agro Industries Private Limited (step-down subsidiary of the Company) pursuant to a share purchase agreement to the Tirumala Milk Products Private Limited, a wholly owned subsidiary of French dairy multinational Groupe Lactalis (to be referred as “**Business Sales**”). After the Business Sales, the Company is no longer operating in its core business which contributed the majority of the revenues and profits of the Company. The Acquirers understand and recognize that a majority of the public shareholders would have invested in the Company, with the intention of investing in a company engaged in the dairy business.
 - b. The long term business plan of the Acquirers with respect to the Company is to undertake new ventures and possibly raise further capital (including by way of leverage which may require provision of certain assets of the Company and members of the promoter and promoter group as security/ collateral) for entering into such ventures, and in this regard may make investments in a variety of asset classes, including equity and debt securities of listed and/ or unlisted companies. Accordingly, in addition to the existing business, the Company may actively be involved in the business of finance and its related services, and such investments by nature may involve significant risks and long gestation/ payback periods, and may have a different risk profile as compared to a company engaged in the dairy business.
 - c. The Acquirers may also plan to undertake certain corporate restructuring involving the Company and other entities within the group or otherwise, including by way of mergers or acquisitions in connection with the new business activities it wishes to undertake.
 - d. The delisting of equity shares of the Company will result in reduction of the on-going substantial compliance costs which includes the costs associated with listing of equity shares such as annual listing fees and fees payable to share transfer agents or such other expenses required to be incurred as per the applicable securities law.
 - e. The delisting of the equity shares of the Company is in the interest of the public shareholders as it will provide them with an exit opportunity at a price determined in accordance with the Delisting Regulations.
5. The Company was informed by the Acquirers, pursuant to their letter dated September 13, 2019, that: (a) the “reference date” with respect to the proposed delisting was September 5, 2019 i.e, the date on which the Company intimated the Stock Exchanges that a meeting of the Board is being convened on September 10, 2019, *inter alia*, to consider the Delisting Proposal; and (b) as per certificate dated September 13, 2019 issued by Shailesh Bedmutha, Partner, A.S. Bedmutha & Co., Chartered Accountants (FRN: 101067W), (which was enclosed with the Acquirers’ letter dated September 13, 2019), INR 63.77/- (Indian Rupees sixty

three and seventy seven paise only) is the floor price per equity share (“**Floor Price**”), which is arrived at in accordance with Regulation 15 of the Delisting Regulations read with Regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

6. The shareholders are requested to note that the Floor Price is not a ceiling/ maximum price. The discovered price will be determined through the book building process specified in Schedule II of the Delisting Regulations. The final discovered price will be determined as the price at which shares accepted through eligible bids during the book building process takes the shareholding of the promoter and promoter group to 90% of the paid-up equity share capital of the Company, excluding the shares which are held by a custodian and against which depository receipts have been issued. The Acquirers shall have the sole discretion to accept or reject the price discovered pursuant to the book building process.
7. The Board, in its meeting held on Tuesday, September 10, 2019, appointed Saffron Capital Advisors Private Limited as the merchant banker after taking note of the Delisting Proposal in accordance with Regulation 8(1A)(ii) of the Delisting Regulations to carry out due diligence in compliance with Regulation 8(1D) and 8(1E) read with Regulation 8(1A)(ii) of the Delisting Regulations. Further, the Board, in its meeting held on Friday, September 13, 2019, *inter alia*, took on record the due diligence report submitted by the merchant banker in accordance with Regulations 8(1D) and 8(1E) of the Delisting Regulations and granted approval to the Delisting Proposal and the consequent voluntary delisting of the equity shares of the Company in accordance with Delisting Regulations. Based on the information available with the Company and after taking on record the confirmation from the members of the promoter and the promoter group of the Company and the report, the Board, in accordance with Regulation 8(1B) of the Delisting Regulations, certified that:
 - a. The Company is in compliance with applicable provisions of securities law;
 - b. The members of the promoter and promoter group of the Company or their related entities are in compliance with Regulations 4(4) and 4(5) of the Delisting Regulations; and
 - c. The Delisting Proposal is in the interest of the shareholders of the Company.
8. The Board, in its meeting dated Friday, September 13, 2019, also granted the approval to seek shareholders’ approval by way of special resolution through postal ballot and remote e-voting in accordance with Regulation 8(1)(b) of the Delisting Regulations and apply to the Stock Exchanges for obtaining in-principle approval in terms of Regulation 8(1)(c) of the Delisting Regulations. In terms of Regulation 8(1)(b) of the Delisting Regulations, the special resolution shall be acted upon only if the votes cast by public shareholders in favour of the proposal amount to at least two times the number of votes cast by public shareholders against it. Accordingly, approval for the Delisting Resolution is sought from the public shareholders of the Company, and upon receipt of such approval, the Acquirers will proceed, at their discretion, to make an offer to the public shareholders of the Company and purchase the equity shares at the exit price in accordance with the Delisting Regulations.
9. In terms of the Delisting Offer, the acquisition of 4,87,40,547 equity shares of the Company by the Acquirers from the public shareholders of the Company will be conditional upon the following:
 - a. Approval of the shareholders of the Company by way of special resolution through postal ballot in accordance with the Regulation 8(1)(b) of the Delisting Regulations and other applicable law.
 - b. The acceptance by Acquirers of the price payable for the equity shares as determined by the book building process in accordance with the Delisting Regulations. In case the exit offer price discovered pursuant to the book building process is not acceptable to the Acquirers, they may make a counter offer to the public shareholders of the Company within the time period and in the manner specified under the Delisting Regulations.
 - c. A minimum number of equity shares being tendered for delisting to be successful in accordance with the Delisting Regulations.
 - d. Approval of the Stock Exchanges (including MSE, if required) or any other regulatory and/ or statutory approvals, as may be required, under applicable laws for the acquisition of the equity shares of the Company from the public shareholders of the Company, if required.
 - e. Such other terms and conditions as may be set out in the ‘public announcement’ or the ‘letter of offer’ to be dispatched to the public shareholders of Company.

10. In the event the Delisting Resolution is passed by the shareholders by way of special resolution, subject to receipt of the in-principle approval of the Stock Exchanges and other applicable regulatory/ statutory approvals, as may be applicable, the Acquirers will make a public announcement in accordance with the Delisting Regulations followed by dispatch of the letter of offer to all public shareholders in accordance with the Delisting Regulations.
11. The Board recommends the special resolution and places it for your consideration and the approval of the shareholders of the Company.
12. Mr. Sarangdhar Nirmal and Mr. Vivek Nirmal, directors, being one of the Acquirers are concerned and interest in the resolution. Except as provided, none of the other directors or key managerial personnel of the Company or their relatives are directly or indirectly concerned or interested in this resolution.

**By order of the Board of Directors
Prabhat Dairy Limited**

Place: Navi Mumbai
Date: September 13, 2019

Sd/-
Dipti Todkar
Company Secretary and Compliance Officer
(Membership No.: ACS 21676)

Registered office: Gat No. 122, At Ranjankhol, Post Tilak Nagar, Taluka Rahata, Shirampur Ahmednagar, Maharashtra 413 720.

PRABHAT DAIRY LIMITED

CIN: L01100PN1998PLC013068

Registered Office: Gat No. 122, At Ranjankhol, Post Tilak Nagar, Taluka Rahata, Shirampur
Ahmednagar, Maharashtra- 413720

Email: investor@prabhatdairy.in; Website: www.prabhat-india.in
Tel.: +91-2422-265993

POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

(Please read carefully the instructions printed overleaf before filling this form)

The last date for receipt of postal ballot form is Monday, October 14, 2019

1. Name and Postal / Registered Address of the sole / :
first named Shareholder

2. Name(s) of the Joint Shareholder(s) if any :

3. Registered Folio No. / DP ID No./ Client ID No.* :
(*Applicable to investors holding shares in
dematerialized form)

4. Number of equity shares held :

I/We hereby exercise my/our vote(s) in respect of Special Resolution as detailed in the Postal Ballot Notice dated September 13, 2019 of Prabhat Dairy Limited ("the Company") by conveying my/our assent or dissent to the said Resolution by placing a tick mark (✓) in the appropriate box below:

Item No.	Description of Special Resolution	No. of Equity Shares held by me/ us	I/We assent to the Resolution (FOR)	I/We dissent from the Resolution (AGAINST)
1.	Approval for Voluntary Delisting of the Equity Shares of the Company from BSE Limited and National Stock Exchange of India Limited and withdrawal of "Permitted to Trade" status on the Metropolitan Stock Exchange of India Limited.			

Place :

Date :

Signature of the Shareholder

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Electronic Voting Particulars

EVEN (E- Voting Event Number)	USER ID	PASSWORD/PIN

If you have forgotten your existing password, please click on "Forgot Password " on <https://evoting.karvy.com> home page or contact toll free no. 1 800 3454 001.

Note:

1. Kindly read the instructions overleaf before exercising your vote.
2. Last date for receipt of Postal Ballot Forms by Scrutinizer is Monday, October 14, 2019

INSTRUCTIONS FOR VOTING

1. A shareholder entitled to vote and desirous of exercising his/her vote by postal ballot may complete and sign this postal ballot form and send it to the scrutinizer in the attached postage prepaid self-addressed envelope. The postal ballot forms deposited in person or sent by post or courier at the expense of the shareholder will also be accepted. However, it is clarified that the shareholders desiring to exercise their vote from outside India, such shareholders will have to arrange for postage from the country where the postal ballot forms are sent to the scrutinizer.
2. A shareholder may convey his/her/its assent/dissent in this postal ballot form. The assent or dissent received in any other form shall not be considered valid. The consent of the shareholder must be accorded by recording the assent in the column "FOR" and dissent in the column "AGAINST" by placing a tick mark in the appropriate column. The assent and dissent received in any other manner will not be considered valid.
3. The voting rights in this postal ballot form cannot be exercised by a proxy. In case of joint holding, this postal ballot form should be completed and signed by the first named shareholder and in his absence by the next named shareholder (as per the specimen signature registered with the Company/ depository participant).
4. It is important to note that the unsigned, incomplete, defaced, overwritten, improperly, incorrectly ticked postal ballot forms or postal ballot forms with signature mismatch will be rejected.
5. The voting right shall be reckoned on the paid-up value of shares registered in the name of member as at the close of business on Tuesday, September 10, 2019 ('cut-off date').
6. In case of corporate shareholders, the postal ballot form has to be supported with the certified copy of the resolution, in which case an attested true copy of the power of attorney should be attached to the postal ballot.
7. The Scrutinizer's decision on the validity of the postal ballot will be final.
8. In case of any shareholder opts for remote e-voting, then such shareholder is requested to refer to the remote e-voting instructions mentioned in the Notice.
9. Please note that the duly completed postal ballot form should reach the Scrutinizer on or before Monday, October 14, 2019 till 5:00 pm (IST) at Mr. Alpeshkumar J. Panchal, Partner of KJB & Co., LLP, the Scrutinizer, Unit: Prabhat Dairy Limited, c/o Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500032 India, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the shareholder.
10. For other instructions, kindly refer the Notice.