



## NOTICE FOR EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given (pursuant to Section 101 of the Companies Act, 2013 read with Article 43 of the Articles of Association of the Company) that the Extra-ordinary General Meeting ("EGM") of the members of Prabha Auto Products Private Limited (the "Company") is scheduled to be held on Tuesday, 03<sup>rd</sup> May 2023 at 10.00 AM at the Registered Office of the Company at No. 1825, 18th Main Road, Anna Nagar West, Chennai- 600040 to transact the following business:

### SPECIAL BUSINESS:

#### ITEM NO. 1: CONSOLIDATION OF SHARE CAPITAL AND CONSEQUENTIAL REDUCTION OF SHARE CAPITAL:

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

**"RESOLVED THAT** pursuant to Section 61(1)(b) and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), read with the Articles of Association of the Company, and any other approval, consent, permission, sanction etc. as may be required from Hon'ble National Company Law Tribunal ("NCLT"), any government or other authority, consent of the shareholders, be and is hereby accorded for consolidation of the entire authorised, issued, subscribed and paid-up equity shares in the share capital of the Company by increasing the nominal value of the equity shares from Rs. 10 (Rupees Ten) each to Rs. 5,00,000 (Rupees Five Lakh) each so that every 50,000 (fifty thousand) equity shares with nominal value of Rs. 10 (Rupees Ten) each held by a shareholder are consolidated and redesignated into 1 (one) equity share with nominal value of Rs. 5,00,000 (Rupees Five Lakh) each.

#### **RESOLVED FURTHER THAT**

- a) The existing share certificates issued to the holders of the equity shares of the Company be treated as cancelled from the Record Date to be determined for this purpose by the Board after the approval of the Hon'ble NCLT for the consolidation, and fresh share certificates be issued in respect of the eligible consolidated equity shares of the Company to such shareholders in accordance with the provisions of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014.
- b) No member will be issued any certificate for the resulting fraction of a share as a result of implementation of this resolution for consolidation of shares, but such fractional shares entitlement shall be reduced from the share capital in accordance with Section 66 of the Companies Act, 2013 together with rules framed thereunder by paying the shareholders a price per fractional share as determined by the Board in accordance with law.

An ISO 14001:2015, IATF16949:2016, ISO 3834-2 2005 Company

**RESOLVED FURTHER THAT** the consent of shareholders is hereby accorded under the provisions of Section 66 and other applicable provisions if any, of the Companies Act, 2013 read with NCLT (Procedure for reduction of share capital of Company) Rules 2016 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the confirmation by the Hon'ble NCLT, any government or other authority for reduction of capital of the Company, consequent to such consolidation of shares in respect of any fractions arising from such consolidation and the consideration to be paid to the shareholders entitled for such fractional equity shares so reduced has been determined at the rate of Rs. 40.35 (Rupees Forty and Thirty Five Paise) per share for each fractional share of Rs 10 (Rupees Ten) each as existed prior to consolidation and will be distributed to all the eligible fraction holders within 30 days of the record date to be determined for this purpose by the Board after the approval of the Hon'ble NCLT. Pursuant to the confirmation and payment by the Company, the shares of the Company held by such shareholders entitled to fractional shares, arising out of consolidation, shall be deemed to have been automatically surrendered and thereafter cancelled by the Company and be of no effect.

**RESOLVED FURTHER THAT** Mr. Subramania Pillai Kubher, Managing Director, and Mr. Vinod Kubher, Whole Time Director, be and are hereby authorized jointly and severally to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do after such acts, deeds and matters as they may in their absolute discretion deem necessary, expedient or desirable for completing the consolidation of shares of the Company and giving effect to the foregoing resolutions, including without limitation (a) payment for all fractional entitlements of shareholders of the Company on consolidation by reduction of capital and taking all other actions to facilitate the process of consolidation, (b) settlement of any questions difficulties or doubts with respect to the foregoing resolution and / or delegation of any of their powers to such person, committee etc., as may be authorized by the Board.”

**ITEM NO. 2: ALTERATION OF CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to Section 13, Section 61 and other applicable provisions if any, of the Companies Act, 2013 and the rules, regulations, orders and notifications issued there under (including any statutory modification or re-enactment thereof, for the time being in force), read with the Articles of Association of the Company, the existing Clause V of the Memorandum of Association of the Company be deleted and substituted by the following:

*“V. The Authorized Share Capital of the Company is Rs.7,00,00,000/- (Rupees Seven Crore Only) divided into 140 (One Hundred and Forty) Equity Shares of face value of Rs,5,00,000/- (Rupees Five Lacs) each.”*

**RESOLVED FURTHER THAT** the amendment to the Memorandum of Association as aforesaid shall take effect upon and simultaneous with, consolidation of the issued, subscribed and paid-up equity shares in the share capital of the Company by way of increase in the nominal value of each equity share from Rs.10/- (Rupees Ten only) per share to Rs. 5,00,000/- (Rupees Five Lakh only) per share.

**RESOLVED FURTHER THAT** Mr. Subramania Pillai Kubher, Managing Director, and Mr. Vinod Kubher, Whole Time Director, be and are hereby authorized jointly and severally to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

By order of the Board,  
for **PRABHA AUTO PRODUCTS PRIVATE LIMITED**

Place: Chennai  
Date : 27/04/2023

  
**SUBRAMANIA PILLAI KUBHER**  
**MANAGING DIRECTOR**

**DIN 01124611**  
**G-84, New No. 5, 10th Street, Anna Nagar**  
**East, Chennai - 600102**

**Note:**

(a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON BEHALF OF HIMSELF / HERSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

(b) **An extract of the text of Article 43 of the Articles of Association is given below for the reference of the members:**

*At least One day's notice specifying the place, the day and the hour of any General Meeting including Extra-ordinary and Annual General Meeting shall be given to the members.*

(c) **The instrument appointing the proxy(ies) in order to be effective should be completed and deposited at the Registered Office of the Company not less than 12 hours before the commencement of the meeting either in person or through post/courier.**

(d) **A person appointed as proxy, shall act as a proxy for not more than 50 Members and holding in aggregate not more than 10% of the total paid up share capital of the**

Company carrying voting rights. A Member holding more than 10% of the paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person appointed cannot act as proxy for any other Member.

- (e) An explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the special business to be transacted at the meeting is annexed hereto.
- (f) Mrs. Akila Manikandan, Practicing Company Secretary, ACS No. 19224 has been appointed as Scrutinizer for conducting the poll voting process in a fair and transparent manner.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.1: CONSOLIDATION OF SHARE CAPITAL AND CONSEQUENTIAL REDUCTION OF SHARE CAPITAL:**

The Board of Directors in their meeting held on 26/04/2023 had considered and approved the proposal to consolidate the authorised, issued, subscribed and paid-up share capital of the Company as per Section 61(1)(b) by increasing the face value of equity shares from Rs. 10/- (Rupees Ten only) each to Rs. 5,00,000/- (Rupees Five Lakh only) each and the pre consolidation and post consolidation capital structure of the Company is as follows:

	<b>Pre-consolidation Structure</b>	<b>Post-consolidation Structure</b>
<b>Total Authorized Share Capital (INR)</b>	INR 7,00,00,000 (Indian Rupees Seven Crore)	INR 7,00,00,000 (Indian Rupees Seven Crore)
<b>Nominal value of shares (INR)</b>	INR 10 (Indian Rupees Ten)	INR 5,00,000 (Indian Rupees Five Lakh)
<b>No. of shares (Authorized Share Capital)</b>	70,00,000 shares	140 shares
<b>Total paid-up capital (INR)</b>	INR 6,30,15,400 (Indian Rupees Six Crore Thirty Lakh Fifteen Thousand Four Hundred)	INR 6,15,00,000 (Indian Rupees Six Crore Fifteen Lakh)
<b>Nominal value of shares (INR)</b>	INR 10 (Indian Rupees Ten)	INR 5,00,000 (Indian Rupees Five Lakh)
<b>No. of shares (Paid up capital)</b>	63,01,540 shares	123 shares

Further, the Board of Directors considers the proposed consolidation of authorised, issued, subscribed and paid-up share capital for the following reasons:

- The proposed share consolidation will rationalize the share capital of the Company by reducing the number of shares outstanding. As a result of the proposed share consolidation, there would be an immediate reduction in the number of shares. Hence, the Company shall benefit from easier management of a smaller number of shares.
- The proposed share consolidation will generally be beneficial to its remaining shareholders as it may serve to reduce the fluctuation in magnitude of the Company's market capitalization. This may, in turn, increase market interest in the shares and generally make the shares more attractive to future / potential investors.

- The application for consolidation of equity share capital shall not compromise or absolve the Company from making any payments to its creditors and the Company will continue to make the payment to its creditors in the ordinary course of business and the creditors will continue to remain unaffected.
- Also, the application for consolidation of equity share capital does not in any manner absolve the Company from any payments towards statutory dues including income tax, as applicable to the Company, and it will be bound to pay its statutory dues, in accordance with and subject to applicable law.
- The consolidation of equity share capital would not affect the employees / workers of the Company in any manner and they would continue to enjoy the same benefits as they used to receive the before the consolidation of equity share capital.
- In addition to the above, due to various other reasons and based on the information received by the Management, the Board is in view of proceeding with the consolidation cum consequential reduction of share capital to protect the interest of the Company's business as well as the value and interest of the shareholders.

As a result of the proposed consolidation of share capital, there would be an immediate reduction in the number of paid-up equity shares. In respect of any fractions arising from the proposed consolidation of share capital, the consideration to be paid to the shareholders entitled for such fractional shares so reduced has been determined at the rate of Rs. 40.35 (Rupees Forty and Thirty Five Paise) per share for each fractional share of Rs. 10 (Rupees Ten) each as existed prior to consolidation.

The said value has been determined based on the valuation report given by the Registered Valuer. The Board of Directors had engaged the services of Mr. S. Poosaidurai, Chartered Accountant and Registered Valuer having Registration no. IBBI/RV/06/2018/10489, to arrive at the value of the shares for this purpose. The registered valuer has arrived at the fair value of each share of face value Rs 10 (Rupees Ten) at Rs 39.62 per share (Rupees Thirty Nine and Sixty Two Paise). The Board of Directors had also engaged the services of Mr. Vishesh Unni Raghunathan, a SEBI-registered Category – I merchant banker, to affirm the aforesaid fair value and has confirmed the fairness of the valuation arrived at by the registered valuer by arriving at the fair value of each share of face value Rs 10 (Rupees Ten) at Rs 40.35 (Rupees Forty and Thirty Five Paise). The Board of Directors of the Company has decided to fix the higher value per share determined as above as the fair value of each share of face value Rs 10 (Rupees Ten) at Rs 40.35 (Rupees Forty and Thirty Five Paise) and the same has then been accepted and taken on record by the Board of Directors. It is pertinent to note that neither Section 61 or 66 of the Companies Act, 2013 or the relevant Rules mandate valuation by Registered Valuer as per

Section 247 of the Companies Act, 2013. However, the Board of Directors in all fairness and also in the interest of the shareholders has obtained the valuation reports from the said valuers. Considering the above, it is proposed to consolidate the entire authorized, issued, subscribed and paid-up share capital of the Company pursuant to section 61 (1) (b) of the Companies Act, 2013, by increasing the nominal value of the equity shares from Rs. 10/- (Rupees Ten only) each to Rs. 5,00,000/- (Rupees Five Lakh only) such that every 50,000 (fifty thousand) shares with nominal value Rs 10 (Rupees Ten only) each held by a shareholder are consolidated and re-designated into 1 (one) share with nominal value of Rs. 5,00,000 (Rupees Five Lakh only) each. Accordingly, the Board of Director recommends the Special Resolution set out at Item No. 1 of the Notice for the approval of the members.

Payment of consideration:

- The Company shall upon the receipt of the order of the Hon'ble NCLT, and after the Board taking further action to record the order, deposit the whole of the consideration payable in a special bank account to be opened for the purpose of making payment to the holders of fractional shares resulting from consolidation of share capital and consequential reduction of share capital. Such consideration will be deposited in a special bank account out of funds already available with the Company and therefore there will not be any increase in debt or liability.
- The consideration for the fractional shares arising out of consolidation of share capital and consequential reduction of share capital shall be discharged by issue of cheque / draft / pay order / electronic transfer of funds /NEFT / RTGS / IMPS (in accordance with the bank mandate available) to the registered holder of the relevant fractional shares, whose names appear as members as on the record date to be determined for this purpose by the Board after the approval of the Hon'ble NCLT for the consolidation within 30 (thirty) days to the last known addresses of such shareholder, as available with the Company.
- Where the consideration has not been received and / or accepted by the relevant holders of fractional shares, on account of cheques returned and / or undelivered / cheques not deposited, or for any other reason, the Company shall retain such consideration in the special bank account along with interest, if any, accrued from time to time for a period of 7 (seven) years. The amount outstanding in the special bank account after the said period shall be utilized in a manner as may be permitted under any law then in force or transferred to the Investor Education and Protection Fund as per as per Section 125 of the Act.

The Board recommends the passing of the said resolution as set out in Item no. 1 of the Notice.

The Directors, or their relatives are concerned or interested financially or otherwise in the resolution only to the extent of the number of shares held by them in the Company.

Item No. 2

In furtherance of the matters stated in Item no. 1, your Directors are seeking the consent of the members to consolidate the existing authorised, issued, subscribed and paid up share capital of

the Company and thereby increasing the face value of the existing equity shares from Rs.10 /- each to Rs. 5,00,000/- each.

The aforesaid consolidation would require substitution of existing Capital Clause V of the Memorandum of Association of the Company by Clause V detailed in the resolution.


Accordingly, the Board recommends the resolution as set out in item no. 2 for approval of the shareholders as a Special Resolution.

The Board recommends the passing of the said resolution as set out in Item no. 2 of the Notice.

The Directors or their relatives are concerned or interested financially or otherwise in the resolution only to the extent of the number of shares held by them in the Company.

Place: Chennai  
Date : 27/04/2023

By order of the Board,  
for PRABHA AUTO PRODUCTS PRIVATE LIMITED

  
**SUBRAMANIA PILLAI KUBHER**  
**MANAGING DIRECTOR**  
**DIN 01124611**  
**G-84, New No. 5, 10th Street, Anna Nagar**  
**East, Chennai - 600102**



**ATTENDANCE SLIP**

**Extra Ordinary General Meeting – 03<sup>rd</sup> May 2023**

<b>NAME (IN BLOCK LETTERS)</b>	
<b>ADDRESS</b>	
<b>REGISTERED FOLIO NO.</b>	
<b>SHAREHOLDER / PROXY/ AUTHORISED REPRESENTATIVE:</b>	

I/We hereby record my/our presence at the Extra Ordinary General Meeting of the Company being held on Tuesday, the 03<sup>rd</sup> day of May 2023 at 10:00 AM at the Registered Office of the Company at No. 1825, 18th Main Road, Anna Nagar West, Chennai- 600040.

**Signature of Shareholder / Proxy / Authorised Representative:**

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

## Route Map to the Venue of the EGM



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]*

CIN: U35999TN1994PTC027349

Name of the Company: PRABHA AUTO PRODUCTS PRIVATE LIMITED

Registered office: No. 1825, 18th Main road, Anna Nagar West, Chennai – 600040

Name of the Member(s):

Registered address:

I/ We being the member of PRABHA AUTO PRODUCTS PRIVATE LIMITED, holding \_\_\_\_\_ shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of members of the Company, to be held on Tuesday, 03<sup>rd</sup> May 2023 at 10.00 AM at the Registered Office of the Company at No. 1825, 18th Main Road, Anna Nagar West, Chennai- 600040 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.1 Consolidation of Share Capital and consequential reduction of Share Capital

Item No.2 Alteration of capital Clause of Memorandum of Association of the Company

Signed this ..... day of April 2023

Signature of Shareholder

Signature of Proxy holder

Affix  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.**