

Universal Prime Aluminium Ltd
[CIN: U28129MH1971PLC015207]
Regd. Office: Century Bhavan, 771, Dr Annie Besant Road, Worli,
Mumbai-400 025, Maharashtra

NOTICE

Notice is hereby given that an Extra-ordinary General Meeting of the Members of the Company will be held on Thursday, 10th March, 2022, at 11 A.M. through Video Conferencing with facility of remote e-voting to transact the following business:

Special Business:

1. To consider and if thought fit, to pass the following resolutions as a **Special Resolution:**

“Resolved that pursuant to the provisions of Clause 10 of the Articles of Association of the Company, Section 66 of the Companies Act, 2013, read with Section 52 of the Companies Act, 2013, the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, and other applicable provisions, if any, and subject to the confirmation/approval of the Hon’ble National Company Law Tribunal, and other competent authorities, if any, and such other approvals, consents, permissions and sanctions, as may be necessary to be obtained from any authority or person, the consent of the Members of the Company be and is hereby accorded to utilise the Securities Premium Account and to reduce the issued and paid-up share capital of the Company in the following manner (hereinafter referred to as the “Capital Reduction”):

- i. Debit balance of the Statement of Profit and Loss being the accumulated losses to the extent of ₹3,15,92,685 will be written off against the Securities Premium Account.
- ii. 34,99,169 Equity Shares of ₹10 each aggregating ₹3,49,91,690, constituting around 43.92% of the total Issued, Subscribed and Paid-up Equity Share Capital of the Company which are held by the Non-promoter/Public Category Shareholders shall be compulsorily paid consideration amount of ₹4.82 per Equity Share (“Capital Reduction Consideration”), determined on the basis of the Valuation Report of the IBBI Registered Valuer, and all of such Equity Shares shall be cancelled and extinguished without any further act or deed.
- iii. Upon the Capital Reduction become effective and operative, the Securities Premium Account of the Company shall be reduced by an amount of ₹3,15,92,685 being the amount of debit balance of the Statement of Profit and Loss written off.
- iv. Upon the Capital Reduction become effective and operative, the total Issued, Subscribed and Paid-up Equity Share Capital of the Company shall be reduced from ₹7,96,74,430 divided into 79,67,443 Equity Shares of ₹10 each fully paid-up, to ₹4,46,82,740 divided into 44,68,274 Equity Shares of ₹10 each fully paid-up.

Resolved further that the consent of the Members be and is hereby accorded that the requirement of using the words “and reduced” as part of the corporate name of the Company subsequent to the Capital Reduction be dispensed with subject to any order passed by the NCLT or any other competent authority, if any, in this regard.

Resolved further that the Board of Directors of the Company [hereinafter called the 'Board', which term shall be deemed to include any Committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such Committee(s) to exercise its powers including the powers conferred by this Resolution] be and is hereby authorized to take necessary steps to obtain necessary approval(s) for the aforesaid Capital Reduction and for effective implementation of the same, including but not limited to, to agree to such conditions or modifications (including the quantum and manner of Capital Reduction, etc.,) that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal, or any other competent authorities or that may otherwise be deemed fit or proper by the Board without being required to seek any further consent or approval of the Members to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Capital Reduction.

Resolved further that the Board of Directors of the Company be and is hereby authorised to delegate one or more of the powers conferred upon it by virtue of this resolution or otherwise to any Committee or any person.”

**For and on Behalf of the Board
For Universal Prime Aluminium Ltd**

**NAWAL KISHOR BAGRI
Director
DIN:08480264**

**Date: 10.02. 2022
Place: Mumbai**

Notes:

1. In view of COVID-19 pandemic, the present meeting is proposed to be convened through Video Conferencing in terms of the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013, if any. Facility of remote e-voting will be available during the prescribed period before the meeting; and through e-voting platform which will be available during the meeting.
2. Central Depository Services (India) Limited. (CDSL) was appointed to provide remote e-voting facility before the meeting and to provide e-voting platform during the meeting, in a secured manner; as well as to provide platform for convening the meeting through Video Conferencing.
3. Notice of the meeting will be sent through e-mail only to all such Equity Shareholders who have registered their e-mail ids with the Company.
4. Equity Shareholders who have not registered their e-mail id can get the same registered by sending the request to the Company at upalbby@gmail.com.
5. Please note that there would not be any physical dispatch of notice through post/courier.
6. Institutional/Corporate Equity Shareholders (i.e., other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation, etc., authorising its representative to attend the meeting and vote on its behalf. The said Resolution/Authorization may be sent to the Scrutinizer at: csharshhirenshah@gmail.com
7. Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.
8. Instructions for attending the meeting through Video Conferencing and voting through e-voting system are given at the end of this notice.
9. Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

| | |
|--|---|
| Commencement of remote e-voting | 7 th day of March,2022 at 9:00 A.M. IST |
| End of remote e-voting | 9 th day of March, 2022 at 5:00 P.M. IST |

10. All the Equity Shareholders will be entitled to attend the meeting through Video Conferencing. However, the Equity Shareholders who have already voted through the remote e-voting process before the meeting will not be entitled to vote at the meeting.
11. Equity Shareholders attending the meeting through video conferencing shall be counted for the purposes of reckoning the quorum.

12. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, and other applicable provisions, if any, relating to the special business to be transacted at the meeting is annexed hereto.
13. A copy of the Memorandum of Association and Articles of Association of the Company as amended from time to time and Valuation Report issued by the IBBI Registered Valuer and other relevant documents, if any, are available for inspection at the Registered Office of the Company during 11.00 AM to 5.00 PM on any working day till the date of the Meeting.
14. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following website:

| Particulars | Website |
|-------------------------------|---|
| Universal Prime Aluminium Ltd | http://www.universalprime.in |

Encl.: As above

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE MEETING ARE AS UNDER:

- (i) The voting period begins on Monday, 07th March, 2022 at 9 AM and ends on Wednesday, 9th March, 2022 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 03rd March, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iii)

Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting |

| | |
|---|--|
| | <p>service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> |
| <p>Individual Shareholders (holding</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once</p> |

| | |
|--|--|
| securities in demat mode) login through their Depository Participants | you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

(iv) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

| | For Shareholders holding shares in Demat Form other than individual and Physical Form |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant "Universal Prime Aluminium Ltd" on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Facility for Non - Individual Shareholders and Custodians -Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; upalbby@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at upalbby@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- Members are requested to directly register their email ID by visiting the link <http://mdpl.in/form> of the Company's Registrar and Share Transfer Agent M/s. Maheswari Datamatics Pvt. Ltd.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013, and other applicable provisions, if any)

Item No. 1

1. Background of the Company

- 1.1 Universal Prime Aluminium Ltd** [Corporate Identification No. (CIN): U 28129 MH 1971 PLC 015207; Income Tax Permanent Account No. (PAN): AAA CU 3632 M] (hereinafter referred to as “the Applicant Company/the Company”) was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as ‘Sudarshan Engineering Pvt Ltd’ vide Certificate of Incorporation dated 5th July, 1971 issued by the Registrar of Companies, Maharashtra, Mumbai. The Company was converted into a public limited company and name of the Company was changed to ‘Sudarshan Engineering Ltd’ vide Fresh Certificate of Incorporation dated 1st May, 1974 issued by the Registrar of Companies, Maharashtra, Mumbai. Name of the Company was changed to ‘Universal Cans and Containers Ltd’ vide Fresh Certificate of Incorporation dated 1st May, 1974, issued by the Registrar of Companies, Maharashtra, Mumbai. Name of the Company was changed to its present name ‘Universal Prime Aluminium Ltd’ vide Fresh Certificate of Incorporation dated 7th August, 1996 issued by the Registrar of Companies, Maharashtra, Mumbai.
- 1.2** Presently, the Registered Office of the Company is situated at Century Bhavan, 771, Dr Annie Besant Road, Worli, Mumbai-400 025, Maharashtra; e-mail: upalbby@gmail.com.
- 1.3** The Company has been engaged in manufacturing and marketing of Aluminium Collapsible Tubes and Tin Containers; and other related activities. Due to considerable fall in the demand for Aluminium Collapsible Tubes with the introduction of Plastic Laminated Tubes and Oval Tin Containers, the Company was forced to discontinue its manufacturing activities a few years back. With the approval of its Members, the Company had also disposed off the plant and machinery. The Company is exploring to start new activities.
- 1.4** Present Authorised Share Capital of the Company is ₹25,00,00,000 divided into 2,47,50,000 Equity Shares of ₹10 each aggregating ₹24,75,00,000; and 25,000 Redeemable Preference Shares of ₹100 each aggregating ₹25,00,000. The Present Issued, Subscribed and Paid-up Capital of the Company is ₹7,96,74,430 divided into 79,67,443 Equity Shares of ₹10 each.
- 1.5** Initially, Equity Shares of the Company were listed on BSE Ltd (Bombay Stock Exchange/BSE). The Promoters of the Company proposed for voluntary delisting of the Company and accordingly had provided an exit opportunity (“Delisting Offer”) to the Public Shareholders of the Company in terms of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“the Delisting Regulations”) and other applicable provisions, if any. The Final Exit Price, in respect of the Delisting Offer of the Company was finalized at ₹3.50 per Equity Share. Accordingly, all the Public

Shareholders of the Company who had tendered their Equity Shares were paid the consideration at the Exit Price. The Company had thereafter applied for delisting of its Equity Shares from the BSE, the only stock exchange where its Equity Shares were listed. Consequent to the same, the Company got delisted from BSE with effect from 21st June, 2021. Presently, the Company is an un-listed public limited company.

- 1.6 Due to adverse business conditions, the Company has incurred substantial losses. The financial position of the Company, as at 30th September, 2021, is as follows:

| Particulars | Amount ₹ |
|-------------------------------|---------------|
| Paid-up Share Capital | 7,96,74,430 |
| Securities Premium Account | 3,15,92,685 |
| Capital Reserves | 3,125 |
| Profit & Loss (Debit) Balance | (5,20,75,007) |
| Net worth | (2,04,79,197) |

- 1.7 It may be seen from the above that the Company has a negative net worth.

- 1.8 As on 31st December, 2021, the Shareholding Pattern of the Company is as follows:

| Category | No. of | | % of total paid-up Capital |
|-----------------------------------|--------------|-------------|----------------------------|
| | Shareholders | Shares held | |
| Promoter Shareholders | 1 | 44,68,274 | 56.08% |
| Non-promoters/Public Shareholders | 27,938 | 34,99,169 | 43.92% |

- 1.9 Despite the Exit Opportunity given to the Public Shareholders, the Company still has large number of Non-promoter/Public Shareholders. Most of these Public Shareholders have very small shareholding of up to ₹5,000. As on 31st December, 2021, out of total 27,938 Non-promoter/Public Shareholders, around 27,318 Shareholders (constituting around 97.78% of total number of Public Shareholders) were holding up to 500 Equity Shares of ₹10 each.

- 1.10 Post-delisting of the Company from BSE, there has been no trading platform available to these public shareholders due to which such shares lost their marketability. Consequently, Public Shareholders are not able to monetize their investments in the open market to realize return on their investments.

2. Progressive approach

The Promoters of the Company are making serious efforts to revive the Company and after detailed deliberation with the Board of Directors of the Company, following prime objectives were laid keeping the interest of the Company and all the stakeholders particularly, the Public Shareholders of paramount importance:

- i. To write off the accumulated losses to the extent of ₹3,15,92,685 against the Securities Premium Account in order to re-align the relation between capital & assets; and to accurately and fairly reflect the liabilities & assets of the

Company in its books of accounts; and for better presentation of the financial position of the Company.

- ii. Provide a permanent liquidity option to Public Shareholders for illiquid Shares of the Company.
- iii. Exceptional opportunity to Public Shareholders to realize fair market value of investments held in the Equity Shares of the Company.
- iv. Making efficient and simplification of corporate governance in terms of convening the meeting of Shareholders and compliances required to be undertaken for a company.
- v. Effective and focused management through single handed control.
- vi. Attracting strategic partners/investors which requires narrow shareholder base.
- vii. The interest of the public shareholders is of paramount importance and thus it is proposed to provide a permanent liquidity option for illiquid shares, paying off the paid-up capital in excess of the Company's requirements and the operational and administrative flexibilities for the Company.

3. Proposed Transactions

3.1 After detailed deliberations, the Board of Directors of the Company was of the view that in order to achieve the abovementioned objectives, it is in the interest of the Company and all its stakeholders that the following steps are taken:

- a. Debit balance of the Statement of Profit and Loss being the accumulated losses to the extent of ₹3,15,92,685 is written off against the Securities Premium Account; and
- b. 34,99,169 Equity Shares of ₹10 each aggregating ₹3,49,91,690 held by the Non-promoter/Public Category Shareholders is compulsorily paid off consideration amount of ₹4.82 per Equity Share, determined on the basis of the Valuation Report of the Independent IBBI Registered Valuer, and all of such Equity Shares be cancelled and extinguished without any further act or deed.

3.2 Thus, subject to the receipt of the requisite approval of the Shareholders of the Company; confirmation/approval by the Hon'ble National Company Law Tribunal and such other approvals as may be required, the Securities Premium Account of the Company amounting to ₹3,15,92,685 shall be utilised to write off debit balance of the Statement of Profit and Loss by an equivalent amount; and the total Issued, Subscribed and Paid-up Equity Share Capital of the Company shall be reduced from ₹7,96,74,430 divided into 79,67,443 Equity Shares of ₹10 each fully paid-up, to ₹4,46,82,740 divided into 44,68,274 Equity Shares of ₹10 each fully paid-up.

- 3.3** In terms of the provisions of Clause 10 of the Articles of Association of the Company, Section 66 of the Companies Act, 2013, read with Section 52 of the Companies Act, 2013, the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, and other applicable provisions, if any, prior approval of shareholders by way of special resolution and confirmation/approval of the Hon'ble National Company Law Tribunal, is required to be obtained for the proposed Capital Reduction.

4. Fair value of consideration

To maintain fairness and transparency, Mr Sanjay Jhajharia, a Chartered Accountant and the Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/06/2019/11595, was appointed to undertake an independent and fair valuation of the Equity Shares of the Company and to issue the Valuation Report, to assist the Board of Directors of the Company in determining the fair value of the Equity Shares of the Company for the purposes of the proposed Capital Reduction.

The Report on Valuation of Equity Shares issued by the Independent Registered Valuer has been received, considered and taken on record by the Board of Directors of the Company. The Board has undertaken detailed deliberations in relation to the valuations determined and provided in the Valuation Report (including on the valuation methodologies considered and other relevant aspects). After due consideration in relation to the above, the Board was of the view that the valuation mentioned in the Valuation Report issued by the Registered Valuer, i.e., ₹4.82 per Equity Share of the Company represents the fair value of the equity shares of the Company.

5. Effective Date and operational terms

5.1 Upon the Capital Reduction being confirmed by the Hon'ble National Company Law Tribunal and/or the receipt of such other approvals as may be required, the Board of Directors shall fix a date for determination of the Non-promoters/Public Category Shareholders ("Record Date") who shall be entitled to receive the Capital Reduction Consideration.

5.2 In case the KYC details have not been submitted yet or there is any change in it, you are requested to send it to the Company at its Registered Office and/or to the Registrar & Share Transfer Agent of the Company along with details of your Bank Account (including IFSC code), PAN, complete postal address, e-mail id and self-attested proofs, to the extent applicable/required at the following address:

The Company Secretary
Universal Prime Aluminium Ltd
Century Bhavan
771, Dr Annie Besant Road
Worli, Mumbai-400 025
e-mail: upalbby@gmail.com

Mr. S.K. CHAUBEY
Maheshwari Datamatics Pvt. Ltd.
5th Floor, 23, R.N. Mukherjee Road,
Kolkata 700 001
Phone No.: +91 33 2248 2248
e-mail ID: mdpldc@yahoo.com

5.3 Pursuant to the provisions of Section 66 of the Companies Act, 2013, and other applicable provisions, if any, the Capital Reduction will be effective from the date of filing of the certified copy of the Order passed by the Hon'ble National Company Law Tribunal approving the Capital Reduction, Minutes approved by the NCLT and other documents, if any, with the concerned Registrar of Companies ("Effective Date").

5.4 Within fifteen (15) business days of the Effective Date, the Company shall (a) deposit the amount of Capital Reduction Consideration in a separate bank account ("Special Bank Account"); and (b) send the requisition form at the mailing address of each of the Non-promoters/Public Category Shareholders registered in the records of the Company as on the Record Date with return request for furnishing relevant information/ documents in respect of proof of residential status, permanent account number, bank account details, original share certificates and other relevant details within thirty days (30) business days of receipt of requisition form.

5.5 The amount of Capital Reduction Consideration shall be remitted through RTGS, NEFT or account payee cheque based on the details furnished in response to the requisition issued above within thirty (30) business days of the receipt of all requisite information by the Company.

- 5.6 The payment of Capital Reduction Consideration shall be subject to deduction of applicable taxes, if applicable and receipt of prescribed regulatory approvals as may be applicable on any of the Non-promoters/ Public Category Shareholders in their individual capacity. It is hereby clarified that it shall be the obligation of such Non-promoters/ Public Category Shareholders to obtain and furnish such regulatory approvals as may be applicable to them individually so as to enable the Company to process the due payment.
- 5.7 In case, there is any amount that remains unpaid in the Special Bank Account designated for the purpose of payment of Capital Reduction Consideration to the Non-promoters/ Public Category Shareholders after the expiry of requisite period provided under the Companies Act, 2013 [presently seven (7) years] from the Effective Date, the Company shall transfer such unpaid balance (along with interest accrued thereon, if any) in the said account to the Government of India under Investor Education and Protection Fund or similar account, in accordance with applicable laws prevailing then, and subsequently the Company shall not be liable to any of the claims of Non-promoters/Public Category Shareholders.
- 5.8 Entire 34,99,169 Equity Shares held by the Non-promoters/Public category Shareholders whether held in physical form or in demat form, as well as all the relevant share certificates, shall without any further application, act, instrument, deed, be deemed to have been automatically cancelled, extinguished and rendered invalid and be of no effect on and from the date of deposit of Capital Reduction Consideration into Special Bank Account.
- 5.9 The Company shall pass necessary entries to update the list of registered members/beneficial owners in its records & registers; shall execute necessary corporate action with the Depositories to give effect to the Capital Reduction; and to take such other steps that may be required to give effect to the Capital Reduction and other related matters.

It is, however, clarified that the procedure and steps given above are indicative in nature. The Company will be free to take such steps as may be required for effective implementation of the Capital Reduction and other matters connected therewith.

6. Tax & Regulatory

6.1 Income Tax on dividend income

- 6.1.1 As per the provisions of Section 2(22)(d) of the Income-tax Act, 1961 ("IT Act"), any distribution to the shareholders of a company on account of capital reduction is treated as dividend to the extent of accumulated profits. For said purposes, the term "accumulated profits" has been defined to include all the profits of the company up to the date of payment to shareholders.

It may be noted that with effect from April 1, 2020, the burden of taxation on dividend income has been shifted from the remitting company to the recipient shareholders.

Further, as per the provisions of Section 194 of the IT Act, if the Company being payer of income in the nature of dividend is obligated to deduct tax at the rate of 10% if the amount payable exceeds ₹5,000 (Rupees five thousand only) in a financial year.

- 6.1.2 Based on the Audited Financial Statements for the period ended on 30th September, 2021, the Company has incurred losses and does not have any accumulated profits.

Thus, in the absence of any accumulated profits, there may not be any requirement to withhold income tax from the amount of Capital Reduction Consideration payable to the Non-promoters/Public Category Shareholders.

However, it may be noted that the abovementioned tax implications is required to be re-examined at the time of making actual payment or on account of any changes made in the provisions of the IT Act, as the case may be.

6.2 Income Tax on capital gains

- 6.2.1 In the situation where the payer company has no accumulated profits or an amount in excess of the accumulated profits of the company is proposed to be paid, capital gain tax implications may arise in the hands of the recipient shareholder.

In the aforementioned case, the Non-promoters/Public Category Shareholders are requested to evaluate their own tax position in consultation with their tax advisors, if required, and pay appropriate tax (as may be applicable) on the amount received from the Company.

- 6.2.2 Without prejudice to above, it may be noted that where the recipient is a foreigner or non-resident Non-promoters/Public Category Shareholders, the Company would withhold applicable taxes. In this regard, the Company would call for necessary details/documents to determine appropriate withholding tax amount. If any of the necessary documents are not submitted at the time of processing of payment of Capital Reduction Consideration, then the Company shall be entitled to withhold the consideration in the Separate Bank Account.

6.3 Regulatory approvals

- 6.3.1 The Non-promoters/Public Category Shareholders, being non-resident for the purposes of the Foreign Exchange Management Act, 1999, shall be required to obtain and furnish to the Company necessary approvals in relation to Capital Reduction, as may be applicable, and:

- a. If the Equity Shares of the Company are held on repatriation basis, the Non-promoters/Public Category Shareholders may be required to obtain a letter from his/her/its authorized dealer/ bank confirming that at the time of acquisition of such shares, payment for the same was made by the

Non-promoters/Public Category Shareholders from the appropriate account (e.g., NRE a/c) as specified by the Reserve Bank of India; or

- b. If the non-resident Public Shareholder is not in a position to produce the letter referred to in paragraph 'a' above, his/her/its shares will be deemed to have been acquired on a non-repatriation basis and in that case, the non-resident shareholder shall submit a consent letter addressed to the Company or its RTA for allowing the Company to make the payment on a non-repatriation basis.

6.3.2 In the absence of furnishing the requisite documents as mentioned above at the time of processing of payment of Capital Reduction Consideration, the Company shall hold the consideration under Separate Bank Account.

7. General

The proposed Capital Reduction will not be prejudicial to any of the creditors of the Company. The creditors (secured or un-secured) of the Company are in no way affected by the proposed Capital Reduction, as there is no reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honor its commitment or to pay its debts in the ordinary course of business.

A copy of the Memorandum and Articles of Association of the Company as amended from time to time, Valuation Report issued by the Independent Registered Valuer and other relevant documents, as the case may be, are available for inspection at the Registered Office of the Company during 11.00 AM to 5.00 PM on any working day till the date of the Meeting.

The Board of Directors of the Company is of the view that this resolution is in the best interests of the Company, its shareholders and therefore, recommends the passing of the Special Resolution as set out in the notice.

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

The Board of Directors recommends the resolution for approval of the Shareholders of the Company as a Special Resolution.

**For and on Behalf of the Board
For Universal Prime Aluminium Ltd**

**NAWAL KISHOR BAGRI
Director
DIN:08480264**

**Date: 10.02. 2022
Place: Mumbai**