

NOTICE IS HEREBY GIVEN THAT AN EXTRA ORDINARY MEETING OF THE MEMBERS OF THE ARYA VAIDYA PHARMACY (COIMBATORE) LIMITED WILL BE HELD AT 11.00.HRS ON MONDAY THE 24TH DAY OF AUGUST 2020 BY VIDEO CONFERENCING [VC] OR OTHER AUDIO VISUAL MEANS [OAVM] TO TRANSACT THE FOLLOWING BUSINESS MENTIONED BELOW

SPECIAL BUSINESS:

1. **To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution.**

INCREASE OF AUTHORISED SHARE CAPITAL:

“**RESOLVED THAT** pursuant to the provisions of Section 61 and 64 of the Companies Act, 2013 read with the Rules, the consent of the members be and hereby accorded for increasing the existing Authorised Share Capital from Rs. 60,000,000/- [Rupees Six Crores Only] comprising of 60,00,000 [Sixty Lakhs] Equity Shares of Rs.10/- [Ten Each] to 10,00,00,000/- [Rupees Ten Crore Only] divided into 1,00,00,000 [One Crore] Equity Shares of Rs.10 Each and such new Equity Shares shall rank pari passu in all respects with the existing Equity Shares of the Company.”

2. **To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution.**

Alteration of Capital Clause of Memorandum of Association:

“**RESOLVED** that pursuant to the provisions of Section 13 and any other applicable provisions of the Companies Act, 2013 read with Rules thereunder including any statutory modifications or re-enactment thereof from time to time and subject to the approval of members of the Company, the consent of the Board of Directors of the Company is be and hereby accorded altering the existing Clause V of the Memorandum of Association of the Company shall be substituted by the following new Clause:

“V: The Authorized Share Capital of the Company is 10,00,00,000/-[Rupees Ten Crore Only] divided into 1,00,00,000 [One Crore] Equity Shares of Rs.10 Each with the rights, privileges and conditions attaching thereto as are provided by the Companies Act, 2013 and the rules thereunder for the time being in force with powers to increase and reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively preferential, privileges or conditions in accordance with the applicable provisions of the Companies Act, 2013 and the rules thereunder.”

3. **To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution.**

FURTHER ISSUE OF EQUITY SHARES TO PHI CAPITAL TRUST:

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

“**RESOLVED** that on the strength of Article 4 of the Articles of Association of the Company and in accordance with Section 62(1) (c) of the Companies Act, 2013 (the Act) read with Rule 13 of Companies (Share Capital and Debentures) Rules 2014 and Section 42 of the Companies Act, read with read Rule 14 of Companies (Prospectus and Allotment of Securities) Rules

2014 and other applicable provisions of the Act, the Board of Directors of the company be and is hereby authorised to issue 3361345 Equity Shares of Rs.10/- each at a premium of Rs.109/- per share amounting to Rs 40,00,00,055/- (Rupees Forty crores and Fifty Five Only) to Phi Capital Trust - Phi Capital Growth Fund - I on Preferential basis”.

“RESOLVED FURTHER THAT the monies to be received by the Company from the Proposed Allottee towards application for subscribing to the Equity Shares pursuant to this Preferential Allotment shall be kept by the Company in a separate bank account opened by the Company and shall be utilised by the Company in accordance with Section 42 of the Companies Act.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to the Chairman and Managing Director and / or Whole Time Director of the Board, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Preferential Allotment and settle any questions or difficulties that may arise in regard to the Preferential Allotment.”

Date : 25/07/2020
Place : Coimbatore

For and on behalf of the Board of Directors

Sd/-
P.R.Krishnakumar
Chairman and Managing Director
[DIN. 00011464]

NOTES:

1. EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No.22/2020 dated 15/06/2020.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes. Since the meeting is to be held by VC/OAVM, attendance slip and route map is not annexed to this Notice.
3. Statement of Material facts pursuant to Section 102 of the Companies Act, 2013.
4. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No.14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the EGM venue is not required. Hence, Members have to attend and participate in the ensuing EGM through VC/OAVM.
5. Those Shareholders whose email IDs are not registered, are requested to register their email-ID at cs@avpayurveda.in by providing their Name as registered with the R&STA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.
6. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for all the members since the total members are below 500 which will include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Investors, Directors, Key Managerial Personnel.
7. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at avpfinances@gmail.com
9. In line with the Ministry of Corporate Affairs (MCA) General Circular No. 14/2020 dated April 08, 2020, the Notice calling the EGM has been uploaded on the website of the Company at www.avpayurveda.com
10. **In line with** the Ministry of Corporate Affairs (MCA) General Circular No. 14/2020 dated April 08, 2020 and 17/2020 dated 13th, April 2020, notice of the meeting to be sent by e-mail to the shareholders of the Company. However, your Company is also sending physical copy of the Notice of the Meeting to all the members to their address available with the Company whose name is appearing in the Register of Members as on 25/07/2020.

11. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

- i. Members whose email ID's are already registered with the Company and who are desirous to attend the EGM through VC/OAVM can apply at **cs@avpayurveda.in** requesting for participation in the EGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID
- ii. Members who are desirous of attending the EGM through VC/OAVM and whose email ID not registered with the company, may get their email IDs registered by sending email to **cs@avpayurveda.in**, with the following credentials: i. Name registered as per the records of the company ii. DPID-Client ID/ Folio Number iii. Email ID to be registered for attending the Meeting
- iii. Members may send the above mentioned request at point no (i) & (ii) latest by 20.08.2020 In case of joint holding, the credentials of the first named holder shall be accepted
- iv. On successful registration with the company, the invitation to join the EGM will be sent to the Members on their registered email IDs latest by 22.08.2020.
- v. Members may attend the EGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting Id/ Password/ Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
- vi. In case of Android / iPhone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store
- vii. 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
- viii. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
- ix. **Only those members of the company** who are holding shares either in physical form or in dematerialized form, as on the cut-off date [20.08.2020] to attend and vote at the meeting upon sending the request and registering their e-mail IDs to attend as per the procedure referred in Note No.10 above.
- x. Members may note HELPLINE NUMBER 8668097041 of company available to contact for any clarification regarding registering email ID or for other clarification in this regard

12. **VOTING AT THE EGM**

i. In compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 read with MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No.22/2020 dated 15/06/2020 if the members present and attending the meeting is less than 50, the Chairman of the meeting shall pass the voting of resolution by show of hands unless a demand for poll is made by a member in accordance with Section 109 of the Act.

ii. **VOTING BY POLL:**

- a. Chairman of the meeting shall appoint scrutinizer in terms of Section 109 of the Companies Act, 2013 read with rule 21 of the Companies (Management and Administration) Rule, 2014 for the purpose of counting and reporting the voting to the Chairman of the Meeting.;
- b. Members who are registered and attending the meeting will be eligible to vote for poll. Members may convey their assent or dissent by sending e-mail to vote@avpayurveda.com email-ID designated for this purpose. The opening and closing of the voting time for receiving voting by e-mail will be informed at the time by the Chairman and any vote received after the time fixed for receiving voting by e-mail will not be counted for voting.
- c. The voting in this email ID will be facilitated only when a poll is demanded, otherwise the designated email ID will not be activated or any voting made by a member in the designated email-id will not be counted for voting. If poll is demanded for only one resolution, facility to vote by e-mail will be made available for that resolution (s) alone.
- d. The Scrutinizer will count the votes and submit the report to the Chairman for declaring the results. The result for item (s) will be declared at the end of the meeting after considering all items of business in the notice for which poll is not demanded. If required the meeting will be adjourned and called later to declare the results.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.1 and 2:

Your Company has proposal for further investment of Rs.40 crores Phi Capital Trust - Phi Capital Growth Fund - I in the capital of the Company for the growth of the company. For this purpose it requires to issues shares and their by the paid up capital will increase. Your Company needs to increase the authorised share capital of the Company for the purpose of increasing of the paid up capital. The amending of capital clause of the Memorandum of Association is required for increasing of the authorised share capital. As per Section 61 of the Companies Act, 2013 approval of members is required for increasing the authorised share capital of the company and altering relevant capital clause of the memorandum of association. Hence the resolution under item no.1 and 2 is placed for approval by way of ordinary resolutions.

None of the directors are either concerned or interested in the above resolution.

A copy of the amended Memorandum of Association will be made available for inspection at the request of the members by electronic means.

Item No.3:

Your company has already received investment of Rs.5 crores from Phi Capital Trust - Phi Capital Growth Fund - I [Existing Investor] which is currently 20.53% of the total paid up capital. For the future expansion and growth of the Company further infusion of the share capital is necessary. The Existing Investor has agreed to make further investment in the capital of the Company a sum of Rs. 40,00,00,055/- towards this the Company has entered into an AMENDED AND RESTATED INVESTMENT AGREEMENT with the Existing Investor which will supersede the agreement already entered. The equity shares of Company are valued as Rs.119/- per share and that the Company will allot 3361345 Equity Shares of Rs.10/- each at a premium of Rs.109/- per share to the since the proposed issue of equity share capital is to one of the existing shareholders who is the Existing Investor, approval of shareholders by way of special resolution is required in accordance with Section 62 (1) (c) of the Companies Act, 2013 read with Rule 13 of Companies (Share Capital and Debentures) Rules 2014 and Section 42 of the Companies Act, read with read Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014 and other applicable provisions of the Act. Hence the resolution under Item No.3 is placed for approval by way of Special Resolution.

None of the Directors are either interested or concerned in the proposed resolution except to the extent that Mr.Haresh deemed to be interested being the director appointed in the Company as nominee director representing the Existing Investor.

A copy of the AMENDED AND RESTATED INVESTMENT AGREEMENT will be made available for checking at the request of members by electronic means.

Following are the disclosures that are made as per Section per Section 62 1 (c) with Rule 13 of Companies (Share Capital and Debentures) Rules 2014 and Section 42 of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014.

i. the objects of the issue:

For the future expansion and growth of the Company further infusion of the share capital is necessary.

ii. the total number of equity shares to be issued:

33,61,345 Equity Shares of Rs.10/- each at a premium of Rs.109/- per share amounting to Rs 40,00,00,055/- (Rupees Forty crores and Fifty Five Only) .

iii. the price or price band at/within which the allotment is proposed and basis on which the price has been arrived at along with report of the registered valuer:

There price has been fixed at Rs.119/- based on the valuation carried out by Ms.CS.B.Veena, Registered Valuer No.BBI/ RV/06/ 2019/ 10799, Coimbatore. There is no price band fixed and hence the same is not applicable. A copy of the Valuation Report is made available at the website of the company at www.avpayurveda.com and will also be made available at the meeting

iv. relevant date with reference to which the price has been arrived at:

The relevant date for the purpose of valuation per share is on 08/07/2020.

v. the class or classes of persons to whom the allotment is proposed to be made:

The shares are proposed to be issued only to the existing member of the company.

vi. intention of promoters, directors or key managerial personnel to subscribe to the offer:

The issue of shares is not made to any promoter, director or key managerial personnel of the company.

vii. the proposed time within which the allotment shall be completed:

The allotment is proposed to be completed within the time prescribed under the Act.

viii. the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them

Sl. No	Name of the Proposed allottees	% of the post preferential issue*
1	Phi Capital Trust - Phi Capital Growth Fund - I	52.98%

ix. the change in control, if any, in the company that would occur consequent to the preferential offer:

Upon issue of shares Phi Capital Trust - Phi Capital Growth Fund - I will hold 52.98% thereby they will hold more than 50% of the paid - up capital of the company and to the extent the control will exist.

- x. the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

NIL

- xi. the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable.

- xii. The pre issue and post issue shareholding pattern of the company in the following format-

Sl. No	Category	Pre Issue		Post Issue **	
		No. of Shares held	% of share holding	No. of shares held	% of share holding
A	Promoters' holding:	--	--	--	--
	Indian :	--	--	--	--
	Individual	2626725	53.92	2626725	31.91
	Bodies Corporate	--	--	--	--
	Sub Total	--	--	--	--
	Foreign Promoters	--	--	--	--
	Individual				
	Body Corporate				
	Sub Total (A)	2626725	53.92	2626725	31.91
B	Non-Promoters' holding :				
	Institutional Investors	--	--	--	--
	Non-Institution :	--	--	--	--
	Private Corporate Bodies	341950	7.02	341950	4.15
	Phi Capital Trust	1000000	20.53	4361345	52.98
	Directors and Relatives	--	--	--	--
	Indian Public	--	--	--	--
	Others (Including NRIs)	902487	18.53	902487	10.96
	Sub Total(B)	2244437	46.08	4605782	68.09
GRAND TOTAL	4871162	100	8232507	100	

As per the amendment to the Rule 13 Issue of shares on preferential basis under Companies (Share Capital and Debentures) Rules, 2014 the requirement of preparing and issue of Form No.PAS - 4 and the filing of the same with the Registrar of Companies has been exempted if made to the existing members of the company. The proposed preferential offer of equity shares made only to the existing member of the company and hence the requirement of issue of same with Registrar of companies does not arise.

Date : 25/07/2020
Place : Coimbatore

For and on behalf of the Board of Directors

Sd/-
P.R.Krishnakumar
Chairman and Managing Director
[DIN. 00011464]