



## TGV SRAAC LIMITED

(formerly known as Sree Rayalaseema Alkalies and Allied Chemicals Limited)

### NOTICE

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of **TGV SRAAC LIMITED (formerly Known as Sree Rayalaseema Alkalies and Allied Chemicals Limited)** (CIN:L24110AP1981PLC003077) will be held at the Registered Office of the Company at the Factory Premises, Gondiparla, Kurnool - 518 004 (A.P.) on **Wednesday, the 26<sup>th</sup> December, 2018 at 4.00 P.M.** to transact the following business :

#### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss for the year ended as on that date together with the Reports of Directors and the Auditors attached thereto.
- 2) To appoint a Director in place of Sri Gopal Krishan (DIN: 05342348), who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Smt V. Surekha (DIN: 06953161), who retires by rotation and being eligible offers herself for re-appointment.
- 4) **To take note and ratify the payment of two years outstanding dividend on Cumulative Redeemable Preference Shares (CRPS).**

“RESOLVED THAT the members hereby taken note of payment of 2 years outstanding dividend on Cumulative Redeemable Preference Shares (CRPS) @ 0.01 % per year for two years by the Company on declaration of the same by the Board in its meeting held on 06-06-2018 on consideration of Board Audit Committee recommendation and ratify the action taken by the Company for payment of CRPS dividend to CRP Shareholders before due date along with Second Redemption Installment.”

#### SPECIAL BUSINESS:

- 5) **Increase in Authorized Capital.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution.**

“RESOLVED THAT pursuant to Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013, the Authorized Share Capital of the Company be and is hereby increased from the existing

Rs.114,00,00,000/- (Rupees One Hundred and Fourteen Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lacs) of Equity Shares of Rs.10/- (Rupees Ten only) and 1,90,00,000 (One Crore Ninety lacs) of Preference Shares of Rs. 10/- (Rupees Ten only) to Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores only) divided into 11,10,00,000 (Eleven Crore Ten Lacs) of Equity Shares of Rs.10/- (Rupees Ten only) and 1,90,00,000 (One Crore Ninety lacs) of Preference Shares of Rs.10/- (Rupees Ten only) each, ranking pari passu with the existing Equity Shares of the Company.”

- 6) **Alteration of Capital Clause of Memorandum of Association.**

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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 Proviso i) Sub-clause (a) of Clause V of the Memorandum of Association of the company be hereafter substituted by the following Proviso i) Sub-Clause (a) of Clause V.

- V. a) The Authorized Share Capital of the Company is Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores only) comprising of:
  - i) Equity Share Capital of the Company is Rs.111,00,00,000/- (Rupees One Hundred and Eleven Crore only) divided into 11,10,00,000 (Eleven Crore Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.

- 7) **Alteration of Articles of Association.**

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

“RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, the existing Articles of Association of the Company, be altered by substituting the following proviso (I) of Article 7.

#### Article 7 :

The Authorized Share Capital of the Company is Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores only) comprising of:

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- i) Equity Share Capital of the Company is Rs.111,00,00,000/- (One Hundred and Eleven Crores only) divided into 11,10,00,000 (Eleven Crore Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.

**8) Appointment and Remuneration of Cost Auditor.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. Aruna Prasad & Co. (Regn. No. 100883) Proprietrix : Aruna Prasad as Cost Auditors of the Company by the Board of Directors of the Company in its meeting held on 05-05-2018 [upon the recommendation of Audit Committee in its meeting held on 05-05-18] on a remuneration of Rs.1,50,000/- plus GST and reimbursement of out of pocket expenses, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**9) Re-appointment of Dr. M. Asha Reddy as Independent Director for second term of 3 consecutive years.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) of re-enactment thereof for the time being in force) and Regulation 17 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Dr. M. Asha Reddy in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be

and is hereby re-appointed as an Independent Director of the Company to hold office for 3 (Three) consecutive years term from 27.09.2018.”

**10) Re-appointment of Sri J. Nagabushanam as Independent Director for second term of 3 consecutive years.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) of re-enactment thereof for the time being in force) and Regulation 17 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Sri J.Nagabushanam in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for 3 (Three) consecutive years term from 16.09.2018.”

**11) Re-appointment of Sri Gopal Krishan as Executive Director (Technical) and Fixation of Remuneration.**

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

**“RESOLVED THAT** pursuant to Section 196, 197 and 198 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and subject to required statutory approval as may be necessary, the Members of the Company hereby ratify the Board approval for Re-Appointment of Sri Gopal Krishan (DIN: 05342348) as Executive Director (Technical) on the following remuneration for a period of one year i.e., from 07.11.2017 to 06.11.2018 in its meeting held on 13.11.2017, upon the recommendation of Nomination and Remuneration Committee Meeting held on 13.11.2017 on the following remuneration.

**RESOLVED FURTHER THAT** Sri Gopal Krishan will be paid Rs.2,00,000/- per month as Consolidated salary + allowances, perquisites and other benefits as per the Rules of the Company. Perquisites shall be evaluated as per Income Tax Rules or at actual costs. However, the following will not be included in the above perquisites limit.



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| <p>a) Company's contribution to Provident Fund, Pension and Superannuation Fund will not be included in computation of the ceiling or perquisites to the extent of these either singly or put together are not taxable under the Income Tax Act.</p> <p>b) Use of Company Car for Official purpose and phone at residence/Cell phone for official purpose (including payment of local and long distance calls).</p> <p>c) Earned/privileged leave – on full pay and allowance as per Rules of Company. Leave accumulated and not availed during the tenure may be encashed as per Rules of the Company.</p> | <p>a) Company's contribution to Provident Fund, Pension and Superannuation Fund will not be included in computation of the ceiling or perquisites to the extent of these either singly or put together are not taxable under the Income Tax Act.</p> <p>b) Use of Company Car for Official purpose and phone at residence/Cell phone for official purpose (including payment of local and long distance calls).</p> <p>c) Earned/privileged leave – on full pay and allowance as per Rules of Company. Leave accumulated and not availed during the tenure may be encashed as per Rules of the Company.</p> |
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**RESOLVED FURTHER THAT** in the event of absence or inadequacy of Profits in any financial year the aforesaid remuneration shall be treated as minimum remuneration in pursuance to Schedule V of the Companies Act, 2013 and any amendment thereof from time to time."

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of Profits in any financial year the aforesaid remuneration shall be treated as minimum remuneration in pursuance to Schedule V of the Companies Act, 2013 and any amendment thereof from time to time."

**12) Re-appointment of Sri K. Karunakar Rao as Executive Director (Finance & Commercial) and Payment of Remuneration.**

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

**"RESOLVED THAT** pursuant to Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to required statutory approval as may be necessary, the Members of the Company hereby ratify the Board approval for Re-appointment of Sri K. Karunakar Rao (DIN:02031367) as Executive Director (F&C) on the following remuneration for a period of two years i.e., from 11.05.2018 to 10.05.2020 in its meeting held on 05-05-2018, upon the recommendation of Nomination and Remuneration Committee Meeting held on 05-05-2018 on the following remuneration.

**RESOLVED FURTHER THAT** Sri K. Karunakar Rao will be paid Rs.2,00,000/- per month as Consolidated salary + allowances, perquisites and other benefits as per the Rules of the Company. Perquisites shall be evaluated as per Income Tax Rules or at actual costs. However, the following will not be included in the above perquisites limit.

**13) Re-appointment of Sri N. Jesvanth Reddy as Executive Director (Technical) and Payment of Remuneration.**

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

**"RESOLVED THAT** pursuant to Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to required statutory approval as may be necessary, the Members of the Company hereby ratify the Board approval for Re-Appointment of Sri N. Jesvanth Reddy (DIN:03074131) as Executive Director (Technical) on the following remuneration for a period of two years i.e., from 11.05.2018 to 10.05.2020 in its meeting held on 05-05-2018 upon the recommendation of Nomination and Remuneration Committee Meeting held on 05-05-2018 on the following remuneration.

**RESOLVED FURTHER THAT** Sri N. Jesvanth Reddy will be paid Rs.2,00,000/- per month as Consolidated salary + allowances, perquisites and other benefits as per the Rules of the Company. Perquisites shall be evaluated as per Income Tax Rules or at actual costs. However, the following will not be included in the above perquisites limit.



- a) Company's contribution to Provident Fund, Pension and Superannuation Fund will not be included in computation of the ceiling or perquisites to the extent of these either singly or put together are not taxable under the Income Tax Act.
- b) Use of Company Car for Official purpose and phone at residence/Cell phone for official purpose (including payment of local and long distance calls).
- c) Earned/privileged leave – on full pay and allowance as per Rules of Company. Leave accumulated and not availed during the tenure may be encashed as per Rules of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of Profits in any financial year the aforesaid remuneration shall be treated as minimum remuneration in pursuance to Schedule-V of the Companies Act, 2013 and any amendment thereof from time to time."

**14) Continuation of Directorship by Sri P.N. Vedanarayanan as Non-Executive Independent Director for remaining period of existing term.**

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

**"RESOLVED THAT** pursuant to the Sub-Regulation 1A of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9<sup>th</sup> May, 2018, Sri P.N. Vedanarayanan, Non-Executive Independent Director (DIN:00982697) aged 85 years old be and hereby continue his Directorship for previously approved tenure of 5 (Five) consecutive years for a term up to the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company to be held in Calendar Year 2019 or 24<sup>th</sup> Sept' 2019 whichever is later."

**15) Continuation of Directorship by Sri G. Krishna Murthy as Non-Executive Independent Director for remaining period of existing term.**

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

**"RESOLVED THAT** pursuant to the Sub-Regulation 1A of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9<sup>th</sup> May, 2018, Sri G. Krishna Murthy, Non-Executive Independent Director (DIN:00134828) aged 77 years old be and hereby continue his Directorship for previously approved tenure of 5 (Five) consecutive years for a term up to the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company to be held in Calendar Year 2019 or 24<sup>th</sup> Sept' 2019 whichever is later."

**16) Creation of Security in favour of Indian Bank for Rs. 50.00 Cr. Term Loan.**

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

**"RESOLVED THAT** the consent of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 to create mortgage and /charge by the Board of Directors of the Company of all the fixed assets of the Company wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of Indian Bank for creation of pari passu first charge basis as under.

<b>ON PARI PASSU FIRST CHARGE BASIS</b>	<b>(Rs. in Crs )</b>
Indian Bank – Term Loan	50.00

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders under their Loan agreements in respect of the said term loans."

**17) Creation of Security in favour of Indian Bank for Rs.40.00 Cr. L.C. Facility.**

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

**"RESOLVED THAT** the consent of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 to create mortgage and /specific charge by the Board of Directors of the Company on the



imported capital goods (brought by availing the specific LC facility) of the Company wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of Indian Bank for creation of Specific charge basis as under.

<b>SPECIFIC CHARGE ON IMPORTED CAPITAL GOODS</b>	<b>(Rs. in Crs)</b>
Indian Bank – Specific L.C.	40.00

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders under their Loan agreements in respect of the said financial assistance.”

**18) Creation of Security in favour of Indian Bank for Rs.100.00 Cr. Specific L.C. Facility.**

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

“**RESOLVED THAT** the consent of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 to create mortgage and / specific charge by the Board of Directors of the Company on the imported capital goods (brought by availing the specific LC facility) of the Company wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of Indian Bank for creation of Specific charge basis as under.

<b>SPECIFIC CHARGE ON SPECIFIC LC</b>	<b>(Rs. in Crs)</b>
Indian Bank – Specific L.C.	100.00

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders under their Loan agreements in respect of the said financial assistance.”

**19) Creation of additional Security in favour of Banks and Financial Institutions for providing existing financial assistance to the Company.**

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

“**RESOLVED THAT** the consent of the members accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 to mortgage and / charge by the Board of Directors of the Company of all the movable and immovable properties of the Company with respect to Wind Mills at Village Ramagiri and Polepalli, Anantapur Dist. (A.P) wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of following for creation of first pari passu charge and second pari passu charge in favour of the following Banks and financial Institutions with respect to the existing financial assistance as mentioned in explanatory statement together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders (Indian Bank, South Indian Bank and United Bank of India) under their Loan agreements in respect of the said term loans.

“**RESOLVED FURTHER THAT** above security are provided pursuant to sanction letter of respective Banks.

**20) Approval for Material Related Party Transactions.**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/approve all existing contracts/ arrangements/ agreements/ transactions and to enter into new/further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto), in the ordinary course of



business and on arm's length basis with 'Related Parties' within the meaning of the Act and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and related parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution."

**21) Preferential Allotment of Convertible Share Warrants to Promoters/Promoter Group Companies.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 42 and 62 and all other applicable provisions, if any, of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with enabling provisions of the Memorandum and Articles of Association of the Company and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of Guidelines for Preferential issues contained in Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (referred as "SEBI (ICDR) Regulations, 2018) and other applicable provisions of SEBI including any amendment(s) to or re-enactment thereof and subject to the approvals, consents, permissions and/or sanctions, as may be required from any appropriate authority, institution or body (hereinafter collectively referred to as "the appropriate authorities") and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/or sanctions (hereinafter referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall

be deemed to include any Committee duly constituted by the Board) or any Committee which the Board may have constituted or hereafter constitute, to exercise one or more of its powers including the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board/ Committee to offer, issue and allot 1,52,73,682 Convertible share warrants of face value of Rs.10/- each at an issue of price of Rs.37.01 per convertible share warrant (including a premium of Rs.27.01 per warrant) as computed in accordance with SEBI (ICDR) Regulations, 2018 to (i) M/s. Brilliant Industries Pvt. Ltd., - 1,01,86,917 (4832427+5354490) convertible share warrants (ii) Sri T.G.Venkatesh – 50,86,765 convertible Share Warrants being Promoter/ Promoter Group Company on preferential basis and convertible in equal number of equity shares in Three (3) Tranches within a period not exceeding 18 months from the date of allotment of convertible share warrants.

**RESOLVED FURTHER THAT** each of the aforesaid share warrants be converted at the option of the holder at anytime within 18 months from the date of issue, into one fully paid-up Equity Share at an issue price of Rs.37.01 divided into Rs.10/- for Capital and Rs. 27.01 for premium per share, determined in accordance with the prevailing regulation for Preferential issue contained in Chapter V of the SEBI (Issue of Capital and Disclosure Requirements), Regulation, 2018.

**RESOLVED FURTHER THAT** the "Relevant Date" for above mentioned preferential issue as per Rule 161 of SEBI (ICDR) Regulations, 2018 for the determination of applicable price for Equity Shares is November 26, 2018 being the date 30 days prior to the date of passing of this Special Resolution.

**RESOLVED FURTHER THAT** the Equity Shares to be issued on conversion of convertible share warrants and allotted in terms of this resolution shall rank pari passu in all respects (including dividend) with the existing equity shares of the Company and be listed on stock exchange where the equity shares of the Company are listed.

**RESOLVED FURTHER THAT** the Company do apply for listing of the new Equity Shares to be issued upon conversion of share warrants (in the ratio of 1:1) with BSE Ltd.





**RESOLVED FURTHER THAT** the Company do make an application to the Depositories (NSDL and CDSL) for admission of new Equity Shares.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board (including its committee) be and is hereby authorised on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue of Share warrants, conversion of warrants into Equity shares, allotment of aforesaid Equity shares and listing thereof with the Stock Exchanges as appropriate and to resolve and settle all questions and matters that may arise in the proposed issue, offer and allotment of the securities, utilisation of the issue proceeds and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board / Committee, in its absolute discretion, may deem necessary expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard for the purpose of giving effect to the resolution in the interest of the company at any stage without requiring the Board to seek any further consent or approval of the Members.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other Director(s) or the Company Secretary or executive(s) / officer(s) of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings etc. as may be necessary to give effect to the aforesaid resolution."

By order of the Board

Sd/-

Place : Kurnool

**CS V.RADHAKRISHNA MURTHY**

Date : 26<sup>th</sup> November, 2018

**COMPANY SECRETARY**

**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more Proxies to attend and vote on a poll on his behalf and such proxy need not be a member of the Company. A proxy form is enclosed. Proxy Form in order to be effective duly completed, must be received by the company at the Registered Office of the company not less than 48 hours before the scheduled time of the Annual General Meeting.
2. Explanatory Statement pursuant Section 102 (1) of the Companies Act, 2013 is annexed hereto in respect to Special Business.
3. Member/Proxies are requested to produce the attendance Slip at the entrance of the Registered Office duly completed and signed for admission to the meeting hall.
4. Pursuant to Sec.91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for 7 (Seven) days i.e. from 20-12-2018 to 26-12-2018 (both days inclusive).
5. Non-resident Indian Shareholders are requested to inform us immediately :
  - a) the change in Residential Status on return to India for permanent settlement.
  - b) the particulars of Bank/NRE Account, if not furnished earlier.
6. Business Envelop cover will be sent along with Annual Report to enable the Shareholders to send Postal Ballot Form for AGM.
  - (a) Members are hereby requested to up-date Bank Mandate particulars (by submitting one cancelled cheque) and PAN details to comply with SEBI Notification No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dt.20.04.2018 & SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dt.16.07.2018.
  - (b) Members are hereby requested to note SEBI Notification dtd.08.06.2018 and BSE Circular LIST/COMP/15/2018-19 dt.05.07.2018 instructing Listed Companies to **"reject transfer of shares in physical form to be effective from 05-12-2018."** In view of this members are requested to dematerialize their shares by opening a demat account with a Depository Participant (DP) for dematerializing Company's shares.



## 7. E-Voting:

The Company is pleased to provide E-Voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 36<sup>th</sup> Annual General Meeting of the Company dated 26<sup>th</sup> December, 2018. The Company has appointed Mr. M. Nirmal Kumar Reddy, B.Com., F.C.A., I.S.A, I.R.M., Practicing Chartered Accountant as the Scrutinizer for conducting the E-voting process in a fair and transparent manner. E-voting is optional.

The E-voting rights of the Shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 19<sup>th</sup> September, 2018. The instructions for Members for voting electronically are as under:

- (i) The voting period begins on 22-12-2018 at 9.00 A.M. and ends on 25-12-2018 at 5.00 P.M. During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19-12-2018 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.
- (iii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

## For Members holding shares in Demat Form and Physical Form

**PAN\*** Enter your 10digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).

- Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field. In case of difficulty call Phone No.040-23313842/27638111.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

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.

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).

- i) After entering these details appropriately, click on "SUBMIT" tab.
  - ii) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 filed. Kindly note that his 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 take utmost care to keep your password confidential.
  - iii) For Members holding shares in Physical Form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - iv) Click on the EVSN for the relevant TGV SRAAC LIMITED (formerly Known as Sree Rayalaseema Alkalies and Allied Chemicals Limited) on which you choose to vote.
  - v) 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.





- vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- vii) 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 you vote, click on “CANCEL” and accordingly modify your vote.
- viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- x) 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.
- xi) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.
- xii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk@cdslindia.com](mailto:helpdesk@cdslindia.com).

By order of the Board

Sd/-

Place : Kurnool

**CS V. RADHAKRISHNA MURTHY**

Date : 26<sup>th</sup> November, 2018

**COMPANY SECRETARY**

### **EXPLANATORY STATEMENT**

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

#### **ITEM NO. 5, 6 & 7 :**

#### **Alteration of Capital Clause of Memorandum of Association and Articles of Association.**

The Company has proposed to increase the Authorised Share Capital from the existing Rs.114,00,00,000 (Rupees One Hundred and Fourteen Crores only) to Rs.130,00,00,000 (One hundred and Thirty Crores only) by increasing Equity Share Capital of the Company by Rs.16,00,00,000 divided into 1,60,00,000 Equity Shares with a face value of Rs.10/- each. There is no change in the Preference Share Capital.

This will facilitate the company to issue Equity Shares under preferential issue to the promoters after fulfillment of formalities for conversion of Share Warrants into Equity. This proposal requires alterations in the Memorandum of Association and Articles of Association as set out in item Nos. 5, 6 & 7 of the agenda accompanying the notice.

The related provisions of the Companies Act, 2013 require the Company to seek approval of the Members for increase in the Authorized Share Capital and for alteration of Capital Clause of Memorandum of Association and Articles of Association of the Company.

The Memorandum and Articles of Association of the company together with the proposed amendments are available for inspection by the Members at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m. prior to the date of the Annual General meeting.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives are, in any way, concerned or interested in passing the Resolution set out in Item No.5, 6, & 7 of the Notice.

The Board of Directors accordingly commend the Special Resolutions as set out in Item No.5, 6 & 7 for your approval.

#### **ITEM NO. 8**

The Board of Directors after taking into account the recommendation of Audit Committee in its meeting held on 05-05-2018 has appointed M/s.Aruna Prasad & Co. (Regn.No.100883) Proprietrix: Aruna Prasad as Cost Auditor for the Financial year 2018-19 on a remuneration of Rs.1,50,000/- plus GST and reimbursement of out of pocket expenses in its meeting held on 05-05-2018 to conduct Cost Audit of cost records of the Company in compliance of MCA

# TGV SRAAC LIMITED

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Notification Ref. No. 52/56/CAB-2010, Dated 06-11-2012. As per the provisions of Section 148 of the Act, payment of remuneration and appointment of Cost Auditors requires Members ratification for the action taken by the Board as explained above.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives are, in any way, concerned or interested in passing the Resolution set out in Item No.8 of the Notice.

The Board of Directors placed the Resolution set forth in Item No.8 for your approval / ratification.

## ITEM NO. 9

Dr M. Asha Reddy was appointed as INDEPENDENT DIRECTOR by the members in the AGM held on 27.09.2016 for a term of two consecutive years. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Dr. M. Asha Reddy for the office of Independent Director for a second term of three consecutive years to be effective from 27.09.2018 of the Company. The company has received from Dr M. Asha Reddy (i) Consent in writing to act as Director in Form DIR-2 (ii) Intimation in Form DIR-8 to the effect that she is not disqualified under Sub-section (2) of Sec. 164 of the Companies Act, 2013 (iii) A declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board members (excluding the proposed candidate), Dr M. Asha Reddy, the Independent Director proposed to be appointed for a second term, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is independent of the management.

No Director, Key Managerial Personnel (KMP) or their relatives, except Dr M. Asha Reddy, to whom the resolution relates, are interested or concerned in the resolution.

Your Directors commend the Special Resolution set forth in item no.9 for your approval.

## ITEM NO. 10

Sri J. Nagabhushanam was appointed as INDEPENDENT DIRECTOR by the members in the AGM held on 16.09.2015 for a term of three consecutive years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Sri J. Nagabhushanam

for the office of Independent Director for a term of 3 consecutive years to be effective from 27.09.2018. The Company has received from Sri J. Nagabhushanam (i) consent in writing to act as Director in Form DIR-2 (ii) intimation in Form DIR-8 to the effect that he is not disqualified under Sub-section (2) 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board members (excluding proposed candidate) Sri J. Nagabhushanam, the Independent Director proposed to be appointed for second term, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management.

No Director, Key Managerial personnel (KMP) or their relatives, except Sri J. Nagabhushanam, to whom the Resolution relates, are interested or concerned in the Resolution.

The Board recommends the Special Resolution set forth in Item no.10 for the approval of the Members.

## ITEM NO. 11

Shareholders may be aware that earlier approval for appointment of Sri Gopal Krishan (DIN: 05342348) as Executive Director (Technical) in the Annual General Meeting held on 16.09.2015 has expired on 07.11.2017. In view of the increased operations of the Company and implementation of future plans, and on consideration of Nomination and Remuneration Committee recommendation dtd. 13.11.2017, the Board has re-appointed Sri Gopal Krishan as Executive Director (Technical) for one year to be effective from 07.11.2017 in its meeting held on 13.11.2017 subject to Shareholders' ratification in the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Sri Gopal Krishan to whom the resolution relates, are interested or concerned in this special Resolution.

Your Directors commend the Special Resolution set forth in Item No.11 for your approval and ratification.

## ITEM NO. 12

Shareholders may be aware that earlier approval for Re-appointment of Sri K. Karunakar Rao as Executive Director (Fin. & Coml.) in the Annual General Meeting held on 27.09.2016 has expired on 10.05.2018. In view of the increased operations of the Company and implementation of future plans, and on consideration of Nomination and



Remuneration Committee recommendation, dated 05-05-2018, the Board has re-appointed Sri K. Karunakar Rao as Executive Director (Fin. & Comml.) in its meeting held on 05.05.2018 for two years to be effective from 11.05.2018 subject to Shareholders' approval in the Annual General Meeting on remuneration as explained in the Resolution.

None of the Directors/Key Managerial Personnel (KMP)/ their relatives except Sri K. Karunakar Rao interested or concerned in this special Resolution.

Your Directors commend the Special Resolution set forth in Item No.12 for your approval and ratification.

#### **ITEM NO. 13**

Share holders may be aware that earlier approval for Re-appointment of Sri N. Jesvanth Reddy as Executive Director (Technical) in the Annual General Meeting held on 27.09.2016 has expired on 10.05.2018. In view of the increased operations of the Company and implementation of future plans and on consideration of Nomination and Remuneration Committee recommendation dated 05-05-2018, the Board has re-appointed Sri N. Jesvanth Reddy as Executive Director (Technical) in its meeting held on 05-05-2018 for two years to be effective from 11.05.2018 subject to Shareholders' approvals in the Annual General Meeting on remuneration as explained in the Resolution.

None of the Directors/Key Managerial Personnel (KMP)/ their relatives except Sri N. Jesvanth Reddy interested or concerned in this special Resolution.

Your Directors commend the Special Resolution set forth in Item No.13 for your approval and ratification.

#### **ITEM NO. 14**

Members of the company in the AGM held on 25.09.2014 has given approval for appointment of Sri P.N. Vedanarayanan as Independent Director for a period of 5 consecutive years. Pursuant to recently notified sub-regulation 1A of Regulation 17 of SEBI (LODR) Regulations, 2015 (notified Ref.No.SEBI/LAD-NRO/GN/2018/10 dtd.09.05.2018), members approval by way of Special Resolution is required in case where the age of existing non-executive director crossed 75 years of age on 01.04.2019. Considering long association of the Director with the company his qualifications and his contributions to the company's performance and growth, the Board has recommended the Special Resolution for your approval for his continuation in the existing position after 01.04.2018 upto the end of the term.

None of the Directors/Key Managerial Personnel (KMP)/ their relatives except Sri P.N. Vedanarayanan interested in the special resolution.

Your Directors commend the Special Resolution set forth in Item No.14 for your approval and ratification.

#### **ITEM NO. 15**

Members of the company in the AGM held on 25.09.2014 has given approval for appointment of Sri G. Krishna Murthy as Independent Director for a period of 5 consecutive years. Pursuant to recently notified sub-regulation 1A of Regulation 17 of SEBI (LODR) Regulations, 2015 (notified Ref.No.SEBI/LAD-NRO/GN/2018/10 dtd.09.05.2018), members approval by way of Special Resolution is required in case where the age of existing non-executive director crossed 75 years of age on 01.04.2019. Considering long association of the Director with the company his qualifications and his contributions to the company's performance and growth, the Board has recommended the Special Resolution for your approval for his continuation in the existing position after 01.04.2018 upto the end of the term.

None of the Directors/Key Managerial Personnel (KMP)/ their relatives except Sri G. Krishna Murthy interested in the special resolution.

Your Directors commend the Special Resolution set forth in Item No.15 for your approval and ratification.

#### **ITEM NO. 16**

The company has availed term Loan financial assistance of Rs.50.00 Crores sanctioned by M/s. Indian Bank vide their sanction letter Ref.No. CO/CDN/G2/2433/2017-18 dtd.12.01.2018 with the Board approval dt.23.08.2017. In terms of the said sanction letter the company has to create collateral security of "Pari passu First Charge on the existing fixed assets of the Company" for which appropriate special resolution is placed seeking members approval to comply with terms and conditions of sanction letter of the Bank.

Your Directors recommended the Special Resolution as set out in the Notice for your approval.

None of the Directors/Key Managerial Personnel (KMP)/ their relatives is deemed to be interest in the Special Resolution.

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## ITEM NO. 17

The company has availed Specific LC financial assistance of Rs.40.00 Crores sanctioned by M/s. Indian Bank vide their sanction letter Ref.No.CO/CDN/G2/2433/2017-18 dtd.12.01.2018 with the Board approval dt.23.08.2017. In terms of the said sanction letter the company has to create collateral security of "Specific charge on imported capital goods (brought by availing the said financial assistance) of the Company" for which appropriate resolution is placed seeking members approval to comply with terms and conditions of sanction letter of the Bank.

Your Directors recommended the Special Resolution as set out in the Notice for your approval.

None of the Directors/Key Managerial Personnel (KMP)/their relatives is deemed to be interest in the Special Resolution.

## ITEM NO. 18

The company has availed Specific LC financial assistance of Rs.100.00 Crores sanctioned by M/s. Indian Bank vide their sanction letter dtd.23.10.2018 with the Board approval dt.27.10.2018. In terms of the said sanction letter the company has to create collateral security of "Specific charge on imported capital goods (brought by availing the said financial assistance) of the Company" for which appropriate resolution is placed seeking members approval to comply with terms and conditions of sanction letter of the Bank.

Your Directors recommended the Special Resolution as set out in the Notice for your approval.

None of the Directors/Key Managerial Personnel (KMP)/their relatives is deemed to be interest in the Special Resolution.

## ITEM NO. 19

As per the sanction letter of Financial Institutions and Banks with respect to existing term loan and other financial assistance the company has to extent security of First/Second pari passu charge basis on the Wind Mill Assets of the Company (which were earlier charged exclusively in favour of IREDA. After payment of loans with respect to Wind Mill the said assets have been released by IREDA and the title deeds have been deposited with IDBI Bank the lead Institution. For ceding charge on these assets in favour of existing lenders for following financial assistance, shareholders approval by way of Special Resolution is required.

secure due repayment, discharge and redemption by the Company :

I.	<u>ON FIRST CHARGE BASIS TO:</u>	Amount
A)	<b>IDBI of its:</b> 1. Working Capital Term Loan (WCTL)	Rs.22,00,00,000/-
B)	<b>IFCI of its:</b> 1. Corporate Term Loan 2. Corporate Term Loan	Rs.100 Crore Rs.45 crore
C)	<b>Federal Bank of its</b> 1. Term Loan 1 & 2	Rs.122 lakhs & Rs.305 lakhs
D)	<b>South Indian Bank of its</b> 1. Corporate Term Loan 1 & 2	Rs.215 lakhs & Rs.539 Lakhs
E)	<b>United Bank of India</b> 1. United Bank of India of its Soft Loan 1 & 2 aggregating to	Rs.479 lakhs & Rs. 1198 Lakhs
F)	Indian Bank for the Soft Loan	Rs 5000 lakhs



II.	ON SECOND CHARGE BASIS TO:-	Amount
1.	Indian Bank of its working capital facilities totally aggregating to	Rs.7588 lakh
2.	United Bank of India of its working capital facilities totally aggregating to	Rs.4331 lakh
3.	The South Indian Bank Ltd of its working capital facilities totally aggregating to	Rs.1947 lakh
4.	Canbank Factors Ltd. of its working capital facilities totally aggregating to	Rs.1350 lakh
5.	The Federal Bank Ltd. of its working capital facilities totally aggregating to	Rs.1154 lakhs
6.	IDBI Bank Ltd. of its working capital facilities totally aggregating to	Rs.3055 Lakh
7.	Indian Bank of its Term Loans for Chloromethanes Project aggregating to (Since Paid)	Rs. 3600 lakhs
8.	United Bank of India of its Term Loans for Chloromethanes Project aggregating to (Since Paid)	Rs. 3100 lakhs
9.	Indian Bank of its Additional Term Loan for Chloromethane Project aggregating to (Since Paid)	Rs.2446 lakhs
10.	South Indian Bank of its Additional Term Loan for Chloromethane Project aggregating to (Since Paid)	Rs.340 lakhs
11.	Indian Bank of its additional Working Capital Facilities totally aggregating to	Rs.1247 lakh
12.	Indian Bank of its Letter of credit facilities (III) for procurement of capital goods totally aggregating to	Rs. 3000 lakhs
13.	Indian Bank of its Letter of credit facilities (IV) for procurement of capital goods totally aggregating to	Rs. 3000 lakhs

None of the Directors are deemed to be interested in the Resolution.

Your Directors commend the Special Resolution for your approval.

#### ITEM NO. 20

Shareholder's attention is brought to Regulation 23 of SEBI (LODR) Regulations, 2015 which requires Shareholder's approval by way of Ordinary Resolution in case where total value of Related Party Transactions exceeds 10% of audited turnover of immediately preceding year.

This approval is required for all types of Related Party transactions whether they are in arms length or not whether they are done in the ordinary course of business or not.

For the current financial year 2017-18, total Related Party transactions value comes to Rs.171.28 Cr whereas 10% of previous year audited turnover comes to Rs.100.51 Cr. Shareholders approval in the previous AGM held on 27.09.2017 for estimated related party transactions is for 157.00 Crores. This means total value of Related Party transactions is excess by Rs.14.28 Cr when compared to previous AGM approval for which your approval by way of ratification is sought by the Resolution.

Further, it may kindly be noted that all the Related Party transactions are at arms length basis and done in the ordinary course of business and hence it does not require shareholders approval pursuant to provisions of Section 188 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014. Even though all the transactions are having prior approval of the Audit Committee and Board, the Resolution is placed before the Shareholder's to comply with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further it may kindly be noted that all Related Party transactions are subject to Transfer Price Audit.

Further, it may kindly be noted that around 95% of total Related Party Transactions value is between two (2) Listed Companies (i.e. between TGV SRAACL and SRHHL). Business transactions between them and other Related Parties are mutually beneficial. All Related Party transactions are mostly in the nature of day to day business transactions which are beneficial to the Company.

Basing on the estimation total value of Related Party Transactions for the financial year 2018-19 will be around Rs.200.00 Cr. In view of this Shareholder's prior approval is required for the future Related Party transactions (in excess of 10% of turnover), since it may exceed 10% of turnover of 2017-18 (audited).

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The particulars of the contract / arrangement with related parties are as under:

(Rs. In Crs.)

S No.	Name of the Related Party	For the financial year 2017-18 (Actual)					For the year 2018-19 (Estimated)
		Sales	Purchases	Services Availd / Rendered	Lease Rent Paid/ Received & Others	Total	
1	Sree Rayalaseema Hi-Strength Hypo Ltd (SRHHL)	109.65	52.15	1.65	0.05	163.50	190.00
2	Other Related Parties	0.38	2.83	2.86	1.71	5.78	10.00
	<b>TOTAL</b>	<b>110.03</b>	<b>54.98</b>	<b>4.51</b>	<b>1.76</b>	<b>171.28</b>	<b>200.00</b>

Sri T.G. Venkatesh, Chairman and Smt V. Surekha, Director (in case of SRHHL) are deemed to be interested Directors in the Resolution.

The Board commends the Ordinary Resolution as set out in Item No.20 of this Notice for your approval.

## ITEM NO. 21

As per the disclosure norms contained in Part III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (referred as 'SEBI (ICDR) Regulations, 2018'), the following disclosures were made for the purpose of passing of the said Special Resolution by the Shareholders at the ensuing Annual General Meeting.

### 1. Objects of the preferential issue and Board approval :

The main purpose and objective of the proposed preferential issue is to meet the working capital requirements and capital expenditure requirements of the Company. The Board in its meeting held on 26-11-2018 has given required approval for the private placement of warrants to Promoters.

### 2. Proposal of the Promoters / Promoters Group to subscribe :

The preferential issue of share warrants would be made to (i) M/s. Brilliant Industries Pvt. Ltd., Promoter Group Company (ii) Sri T.G. Venkatesh being the main promoter through issue of Share warrants convertible into Equity Shares at the price to be computed in accordance with Regulation 164(1) of SEBI (ICDR) Regulations, 2018 at an issue price of Rs.37.01 per Convertible Share Warrant, the share warrants are convertible into equal number of Equity Shares of Rs.10/- each fully paid up with a premium of Rs. 27.01 per share at a price at which warrants are issued and conversion shall be made in tranches within overall period of 18 (Eighteen) months from the date of issue of warrants. The proposal is to issue 1,52,73,682 Share Warrants convertible into equity shares with a premium of Rs. 27.01 per share in three tranches within 18 months from the date of issue of warrants during three financial years i.e., 2018-19, 2019-20 and 2020-21 subject to a maximum of 5% of the post-issue capital per financial year as per stipulation in Regulation 11(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The above allottee(s) proposed have given letter dt. 22-11-2018 undertaking to subscribe to the preferential issue of Convertible Share Warrants and to comply with other conditions stipulated in SEBI (ICDR) Regulations, 2018 including applicable lock-in of their pre-preferential holdings of equity shares and proposed preferential allotment of Equity shares with a premium of Rs.27.01 per share upon conversion of share warrants.

### 3. The shareholding Pattern of the Company before and after the Preferential issue in three tranches is as under:

The shareholding pattern of the company before the preferential issue of Convertible Share Warrants and post conversion of warrants into equity shares after each of the three tranches are given below :





# TGV SRAAC LIMITED

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Category	Pre-Issue	
	No. of Shares	% of holding
<b>Promoters Group</b>		
<b>Individuals</b>		
Sri T.G. Venkatesh	303848	0.33
Others	558289	0.61
<b>Bodies Corporate</b>		
M/s. Brilliant Industries Private Ltd.	16327313	17.78
Others	35194040	38.33
<b>Sub-total (A)</b>	<b>52383490</b>	<b>57.05</b>
Non-Promoters		
Mutual Funds / UTI	17887	0.02
NRIs	1356128	1.48
Bodies Corporate	3236717	3.53
Financial Institutions / Banks	850	0.00
Insurance Companies	563985	0.61
General Public / Others	34257061	37.31
<b>Sub-total (B)</b>	<b>39432628</b>	<b>42.95</b>
<b>Total (A + B)</b>	<b>91816118</b>	<b>100.00</b>

Note: The above table has been prepared on the basis of the shareholding pattern as on 02.11.2018.

Category	Post-issue Shareholdings					
	After 1 <sup>st</sup> Tranche of Conversion on or before 31 <sup>st</sup> March, 2019		After 2 <sup>nd</sup> Tranche of Conversion on or before 31 <sup>st</sup> March, 2020		After 3 <sup>rd</sup> Tranche of Conversion on or before 31 <sup>st</sup> March, 2021	
	(I Year)		(II Year)		(III Year)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoters' Group</b>						
<b>Individuals</b>						
Sri T.G. Venkatesh	303848	0.31	5390613	5.30	5390613	5.03
Others	558289	0.58	558289	0.55	558289	0.52
<b>Bodies Corporate</b>						
M/s. Brilliant Industries Private Ltd.	21159740	21.89	21159740	20.80	26514230	24.76
Others	35194040	36.41	35194040	34.59	35194040	32.86
<b>Sub-total (A)</b>	<b>57215917</b>	<b>59.20</b>	<b>62302682</b>	<b>61.24</b>	<b>67657172</b>	<b>63.18</b>
<b>Non-Promoters</b>						
Mutual Funds / UTI	17887	0.02	17887	0.02	17887	0.02
NRIs	1356128	1.40	1356128	1.33	1356128	1.27
Bodies Corporate	3236717	3.35	3236717	3.18	3236717	3.02
Financial Institutions / Banks	850	0.00	850	0.00	850	0.00
Insurance Companies	563985	0.58	563985	0.55	563985	0.53
General Public / Others	34257061	35.44	34257061	33.67	34257061	31.99
<b>Sub-total (B)</b>	<b>39432628</b>	<b>40.80</b>	<b>39432628</b>	<b>38.76</b>	<b>39432628</b>	<b>36.82</b>
<b>Grand Total (A + B)</b>	<b>96648545</b>	<b>100.00</b>	<b>101735310</b>	<b>100.00</b>	<b>107089800</b>	<b>100.00</b>

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on account of proposed preferential issue and allotment of 1,52,73,682 Convertible Share Warrants at Rs.37.01 per share warrant of the company to the proposed allottee(s) as set out in the resolution, and upon conversion of share warrants into equal number of shares with a premium of Rs.27.01 per share, the shareholding of the proposed allottee(s) (i) M/s. Brilliant Industries Private Ltd., and (ii) Sri T.G. Venkatesh are as per following details:

Particulars (Promoter/Promoter Group)	Pre-Preferential Issue Capital		Post-Preferential Issue Capital	
	Shares	%	Shares	%
M/s. Brilliant Industries Private Ltd	16327313	17.78	26514230	24.76
Sri T.G. Venkatesh	303848	0.33	5390613	5.03
Total	16631161	18.11	31904843	29.79

## 4. Proposed time within which the preferential allotment shall be completed :

The allotment of share warrants shall be completed within a period of 15 days from the date of passing of resolution by the shareholders as per SEBI (ICDR) Regulations, 2018. Where the allotment is pending on account of pendency of any approvals from any regulatory authority or the Central Government, the allotment shall be completed by the company within a period of 15 days from the date of such approvals. An amount, as may be decided by the Board of Directors, not being less than 25% of the issue price shall be payable on the date of allotment of the share warrants. The warrants would be allotted on the following terms.

- The holder of warrants will have an option to apply for and be allotted 1 (one) equity share with a premium of Rs.27.01 per share of the Company per warrant, any time after the date of allotment but on or before the expiry of 18 months from the date of allotment in one or more tranches.
- Upon receipt of the payment from allottees into convertible warrants as mentioned above, and also upon exercising the option by the allottees within 18 months, the Board/Committee shall allot one equity share (with a premium of Rs.27.01 per share) per Warrant by appropriating Rs.10/- towards equity share capital.
- If the entitlement against the warrants to apply for the equity shares is not exercised within the period specified, the entitlement of the warrant holder to apply for Equity shares of the company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- The warrant holder shall also be entitled to any future bonus/rights issue(s) of equity shares or other securities convertible into equity shares by the company, in the same proportion and manner as any other shareholders of the company for the time being.

- The warrants by itself do not give to the holders thereof any rights of the shareholders of the Company.
- The maximum no. of convertible share warrants to be issued under this preferential issue to promoters are 1,52,73,682. These warrants will be converted into Equity shares in the ratio of 1:1 in 18 months from the date of allotment.

## 5. The identity of the proposed allottee(s) and the percentage of post preferential issue capital change in control consequent to the issue:

### Identity of the proposed allottee(s) :

The shareholding of the acquirers (i) M/s. Brilliant Industries Pvt. Ltd. would increase from 16327313 Equity Shares to 26514230 Equity Shares and (ii) Sri T.G. Venkatesh would increase from 303848 Equity Shares to 5390613 Equity Shares in 3 Financial Years and that of the total Promoters Group holding will increase from 52383490 to 67657172 Equity shares and percentage from 57.05 % to 63.18 %.

Further identity of the proposed allottees is furnished hereunder:

S.No.	Name of the Allottee(s)	Nature of Business
1.	M/s. Brilliant Industries Private Ltd. (CIN:U55101TG1988PTC008262) Regd. Off : 6-2-1012, 5 <sup>th</sup> Floor TGV Mansion, Khairatabad Hyderabad - 500 004 (T.S)	Real Estate & Infrastructure
2.	Sri T.G. Venkatesh H.No. 43/262, New Sankalbagh N.R. Peta Kurnool - 518 004 (A.P)	Industrialist



It may kindly be noted that Sri T.G.Venkatesh, main Promoter is the ultimate beneficial and natural person behind the proposed corporate allottee M/s.Brilliant Industries Pvt Ltd. (Regulation 163 (1) (f) of SEBI (Issue of Capital Disclosure Requirements) Regulations, 2018.

- 5A The provision relating to disclosure of particulars of will full defaulters as mentioned in Regulation 163 (1) (i) read with regulation 2 (1) (iii) of SEBI (ICDR) Regulation, 2018 are not applicable to the company, its promoters and Directors since they are not will full defaulters as defined under regulation or by RBI.

None of the promoter or Director of the Company (Issuer) is a fugitive economic offender as defined under Regulation 2 (1) (P) of SEBI (ICDR) Regulation, 2018.

The proposed preferential allotment of resultant equity shares upon conversion of convertible share warrants to the proposed allottees would not result in change in control and management of the company. Voting right shall change according to the change in shareholding pattern as mentioned above.

#### **6. Undertaking to Recompute the Issue Price :**

The Board of Directors of the target company had recommended the Preferential Issue of equity shares under section 42 and 62 of the Companies Act, 2013 and seek the approval of the shareholders by means of a Special Resolution at their ensuing Annual General Meeting for the proposed allotment of 1,52,73,682 convertible Share warrants of the target company at a price worked out as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. In the event where it is required to do so in terms of the SEBI (ICDR) Regulations, 2018, the company has undertaken that the issue price would be recomputed for the proposed preferential issue.

#### **7. Undertaking to pay the amount due on recomputation of price :**

An Undertaking was executed by the Promoters (Proposed allottees ) i.e. (i) M/s. Brilliant Industries Private Ltd., and (ii) Sri T.G. Venkatesh to effect that if the amount payable on account of the re-computation of price of the preferential issue was not paid in time as stipulated in the SEBI (ICDR) Regulations, 2018, the Equity shares and convertible share warrants allotted to the said Promoter shall continue to be locked in till the time such amount was paid by the Promoters.

#### **8. Certificate of Statutory Auditors :**

The Certificate from M/s. K S Rao & Co., Chartered Accountants, Statutory Auditors of the Company as to pricing of the issue and that this preferential issue of shares is being made in accordance with the requirements of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Auditors' certificate will be available for inspection at the Registered office of the company by members during 11.00 AM to 1.00 PM on all working days upto the date of Annual General Meeting and will be placed before the Meeting.

#### **9. Pricing of Equity Shares :**

The issue price of Convertible Share Warrants shall be at a price not less than higher of the following:

- (a) The average of the weekly high and low of (volume weighted average price) the Company's shares quoted on the Stock Exchanges (BSE Ltd) during six months preceding the "Relevant date."
- (b) The average of the weekly high and low of (volume weighted average price) the Company's shares quoted on the Stock Exchange (BSE Ltd) during the two weeks preceding the "Relevant date".

#### **10. Lock-in period of shares :**

In accordance with the Regulation 167(1) of the SEBI (ICDR) Regulations, 2018, the new Equity Shares to be allotted on preferential basis to the Promoters viz. (i) M/s. Brilliant Industries Private Ltd., and (ii) Sri T.G. Venkatesh shall be subject to a lock in period of three years from the date of the trading approval given by M/s. BSE Limited. In the event of price re-computation and additional price payable by the allottees and delay in payment of additional price, the lock-in of Equity shares allotted under preferential issue shall continue till payment of additional price.

#### **11. Approvals :**

Section 42 and 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, etc., such further shares shall be offered to the existing shareholders of the company in the manner laid down in Section 42 and 62 unless the shareholders in general meeting decide otherwise by passing a special resolution.

Hence, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 and 62 and all other applicable provisions of the Companies Act, 2013, and in terms of the provisions

# TGV SRAAC LIMITED

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of the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and BSE Ltd., where company's shares are listed.

The company is taking necessary steps to obtain the required approvals from the stock exchanges, or any other regulatory agency as may be applicable for the proposed preferential issue of convertible share warrants and allotment of equity shares upon conversion of the share warrants.

The promoters of the company are allowed to increase their stake/holding by 5% of post issue capital every year to a certain limit. If allottee as part of Promoters increases its holding by more than 5% of post-issue capital in a year, then provisions of Regulation 11 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 will become applicable.

## 12. Other conditions :

- The entire shareholding of the proposed allottees in the Company are held in dematerialized form.
- The entire pre-preferential shareholdings of such allottees shall be under lock-in from the relevant date upto a period of six months from the date of trading approval with respect to the equity shares issued on conversion of convertible share warrants.
- The proposed allottees have complied with all conditions to be eligible for the preferential allotment.

## 13. Documents :

The relevant documents will be available for inspection at the Registered Office of the company by members during 11.00 A.M. to 1.00 P.M. on all working days upto the date of Annual General Meeting and during the Meeting.

## 14. Interest of Directors :

None of the Directors except Sri T.G. Venkatesh, Chairman is concerned or interested in the Resolution.

Your Directors commend the Special Resolution as set out in Item No.21 for approval of the members in pursuance to Sec. 42 and 62 of the Companies Act, 2013.

## REQUEST TO THE MEMBERS :

- Queries, if any, on Annual Accounts may please be forwarded to the Registered Office of the Company atleast 7 days before the date of the Annual General Meeting to enable us to prepare the answers well in advance.
- Members are requested to quote Folio No. / Client ID No. In all correspondence.
- Since the company's shares are permitted for trading under compulsory demat mode, shareholders holding shares in physical form are requested to dematerialize the same immediately to avoid any inconvenience in future. Company's Equity Shares ISIN No. INE284B01028.
- Members are requested to note the following "e-mail Id" for any clarification on shares and other related matters "sralkalies@tgvmal.net".

## Details of Directors seeking Appointment/Re-Appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015)

Sl.No.	Name of the Director	Sri Gopal Krishan	Smt V.Surekha
1.	Date of Birth	February 01, 1950	April 16, 1970
2.	Date of Appointment	November 07, 2014	September 25, 2014
3.	Experience in Specific areas	More than 43 years of experience in fields of chlor-Alkali, Petro Chemicals, Power Plants & Allied Chemicals.	More than 20 years experience as Company Secretary of listed companies. At present she is working as Company Secretary of M/s. Sree Rayalaseema Hi- Strength Hypo Ltd., (SRHHL)
4.	Qualifications	B.E. (Technical)	B.Com., A.C.S
5.	Shareholding in the Company	Nil	Nil
6.	Directorships in other public Ltd. Companies	Nil	Nil
7.	Membership in other public Ltd. Company committees	Nil	Nil



## TGV SRAAC LIMITED

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### Details of Directors seeking Appointment/Re-Appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015)

Sl.No.	Name of the Director	Sri P.N. Vedanarayanan	Sri G. Krishna Murthy
1.	Date of Birth	June 4, 1933	September 17, 1941
2.	Date of Appointment	April 1, 1994	November 30, 1996
3.	Experience in Specific areas	More than 50 years experience at very senior level in public sector units. Ex-Chairman and Managing Director of NTC Mills Ltd.	More than 50 years experience in Industrial and Business fields as Promoter and entrepreneur. He is an eminent personality having interest in the field of social services and human relations.
4.	Qualifications	I.A.S. (Retd.)	Graduate of MILT
5.	Shareholding in the Company	Nil	Nil
6.	Directorships in other public Ltd. Companies	Nil	Nil
7.	Membership in other public Ltd. Company committees	Nil	Nil

Sl.No.	Name of the Director	Sri K. Karunakar Rao	Sri N. Jesvanth Reddy
1.	Date of Birth	June 14, 1950	June 11, 1954
2.	Date of Appointment	May 11, 2010	May 11, 2010
3.	Experience in Specific areas	More than 43 experience years in the field of Finance in Chemical Industries.	More than 38 years experience in Paper and Chemical Industries
4.	Qualifications	B.Com., ACA	B.E. (Mech)
5.	Shareholding in the Company	50 Equity Shares	Nil
6.	Directorships in other public Ltd. Companies	Nil	Nil
7.	Membership in other public Ltd. Company committees	Nil	Nil

By order of the Board

Sd/-

Place: Kurnool

Date : 26<sup>th</sup> November, 2018

**CS V. RADHAKRISHNA MURTHY**  
COMPANY SECRETARY