



NOTICE

NOTICE is hereby given that the **35th Annual General Meeting** of the Members of **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 27th September, 2017 at 4.00 P.M.** to transact the following business :

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2017 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 K. Karunakar Rao (DIN:02031367), who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Sri N. Jesvanth Reddy (DIN:03074131), who retires by rotation and being eligible offers himself for re-appointment.
- 4) To ratify Auditors appointment and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and in terms of Audit Committee recommendation dt.23.08.2017, Board resolution dtd.23.08.2017, the appointment of M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad (Regn. No. 003109S) as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the Calendar year 2018 (5 consecutive years term-subject to Members’ ratification at each AGM) from this AGM be and is hereby appointed/ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2018 as may be determined by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS:

5) 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 29-04-2017 [upon the recommendation of Audit Committee in its meeting held on 29.04.17] on a remuneration of Rs.1,50,000/- + applicable 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, 2018, 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.”

6) Proposal for Change in name of the Company

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

“**RESOLVED THAT** pursuant to provisions of Section 13 and 14 of Companies Act, 2013 and Rules made there under and subject to the approval of Central Government, BSE and other statutory bodies as may be required the name of the Company be and is hereby proposed to Change **from Sree Rayalaseema Alkalies and Allied Chemicals Ltd to TGV SRAC LIMITED or any other name** as may be approved by MCA/ROC and other statutory bodies.”

RESOLVED FURTHER THAT the name clause being clause-I in Memorandum of Association of the Company be altered accordingly.



RESOLVED FURTHER THAT in terms of Section 14 of the Companies Act, 2013, the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting with the new name of the Company as explained above.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof Sri K. Karunakar Rao, Executive Director & CEO (DIN:02031367) or Smt V. Surekha, Director (DIN:06953161) is hereby authorized to accept any other name suggested/ approved by the relevant regulatory authorities, if required.”

7) Creation of Security in favour of M/s.Indian Bank.

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 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 second pari passu charge.

ON SECOND PARI PASSU BASIS (Rs.in Crs)

Indian Bank 78.32

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.”

8) Creation of Security in favour of M/s. United Bank of India.

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 (other than project assets of Chloromethanes, Fatty Acids and Potassium Hydroxide) 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 M/s United Bank of India for creation of first pari passu charge in place of existing second pari passu charge.

ON FIRST PARI PASSU BASIS (Rs.in Crs)

United Bank of India 16.77

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.”

9) Creation of Security in favour of M/s. IDBI Bank Ltd. and United Bank of India.

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



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 8 (Eight) days i.e. from 20.09.2017 to 27.09.2017 (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. Notice of Postal Ballot along with related documents are sent along with this Annual Report to enable the members to cast their votes. This is with respect to amend OBJECT Clause of Memorandum of the Company read instructions carefully.
7. Two (2) Business Envelopes are sent along with Annual Report to enable the Shareholders to send Postal Ballot for AGM and Postal Ballot for Object Clause alteration separately in each cover.
8. With respect to E-voting separate EVSN nos were given for (1) AGM Resolutions (2) Postal Ballot for Object Clause alteration resolution.
9. **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 35th Annual General Meeting of the Company dated

27th September, 2017. 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 19th September, 2017. The instructions for Members for voting electronically are as under:

- (i) The voting period begins on 23.09.2017 at 9.00 A.M. and ends on 26.09.2017 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 19.09.2017 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.
- (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 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 filed.

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).

- After entering these details appropriately, click on "SUBMIT" tab.
- 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.
- For Members holding shares in Physical Form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant SREE RAYALASEEMA ALKALIES AND ALLIED CHEMICALS LIMITED on which you choose to vote.
- 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.

- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 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 you vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 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.
- Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians re required to log on to 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.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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, under help section or write an email to helpdesk@cdslindia.com.



Sree Rayalaseema Alkalies and Allied Chemicals Limited

EXPLANATORY STATEMENT

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

ITEM NO. 4 :

The provisions of "Rotation of Auditors" contained in Section 139 of Companies Act, 2013 read with Company (Audit & Auditors) Rules, 2014 are applicable to your company. To comply with these provisions, the Audit Committee and the Board in their meetings held on 23-08-2017 have appointed M/s. K.S. Rao & Co., Hyderabad (Regn. No. 003109S) as Statutory Auditors subject to members ratification for five times at ensuing and future AGMs. M/s. K.S. Rao & Co., Chartered Accountants firm is having are 40 years of experience in the field of Audit, taxation and other allied services represented by eminent chartered accounts.

None of the Directors is deemed to be interested in the resolution.

Your Directors commend the resolution for your approval.

ITEM NO. 5

The Board of Directors after taking into account the recommendation of Audit Committee in its meeting held on 29-04-2017 has appointed M/s. Aruna Prasad & Co. (Regn.No.100883) Proprietrix: Aruna Prasad as Cost Auditor for the Financial year 2017-18 on a remuneration of Rs. 1,50,000/- + applicable GST and reimbursement of out of pocket expenses in its meeting held on 29-04-2017 to conduct Cost Audit of cost records of the Company in compliance of MCA 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 of the Company / their relatives are, in any way, concerned or interested in passing the Resolution set out in Item No.5 of the Notice.

The Board of Directors placed the Resolution for your approval / ratification.

ITEM NO. 6

The Board in its meeting held on 27.01.2017 has proposed the change in the name of the Company subject to regulatory and members approvals. The existing name of the company is very long and difficult to handle. Since incorporation, the company is recognized as TGV Group Company in the commercial world. The Company has grown many folds to present level under the TGV Group umbrella. Now, it is time

to properly structure the name i.e. to represent Group and to shorten. The Board has proposed to change the Company's name to **TGV SRAAC LIMITED**. After members approval necessary steps will be taken to give effect to the change of the name of the company. After filing Form INC-1 vide SRN:G49761398 dt.04.08.2017 MCA has given approval for name availability.

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

The Board of Directors placed the Resolution for your approval.

ITEM NO. 7

The company has availed Import / Inland LC facilities sanctioned by M/s Indian Bank vide their sanction letter Ref.No.CO/CDN/Group-2/104/2017-18 Dt.15.04.2017 and other earlier sanction letters. In terms of these sanctions, the company is now seeking members approval for providing security as clearly mentioned in the resolution for availing the following facilities sanctioned by Indian Bank.

S. No.	Particulars	Rs. in crores
01	Inland / Import LC	12.47
02	Specific LC No.II (Sanctioned 30 Crores)	5.85
03	Specific LC No.III	30.00
04	Specific LC No.IV	30.00
	Total	78.32

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

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

ITEM NO. 8

The Company has availed Rs.16.77 Crs Soft Term Loan facility to meet its working capital needs sanctioned by M/s. United Bank of India vide their letter Ref.No.UBI/HYD/ADV/SRAACL/412/2015-16 dated 24.06.2015. For this facility the company has earlier created second pari passu charge in favour of M/s. United Bank of India. Subsequently, M/s United Bank of India vide their letter Ref.No.UBI/HYD/ADV/SRAACL / 2016 dt.11.11.2016 has requested the company for change of the security from second pari passu to first pari passu on assets of the company as clearly mentioned in the Resolution. To give effect to the change in security coverage



Sree Royalaseema Alkalies and Allied Chemicals Limited

shareholder's approval by way of Special Resolution is required pursuant to Section 180 (1) (a) of the Companies Act, 2013.

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

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

ITEM NO. 9

The Company has availed financial assistance to meet its requirement from M/s. IDBI Bank Ltd., Rs.30 Cr vide their sanction letters (1) Ref.No.514/MCG/SRAACL/2016-17 dt.10.08.2016, (2) Amendment letter Ref.No.525/MCG/SRAACL/2016-17 dt.10.08.2016 and (3) Amendment letter Ref.No.634/MCG/SRAACL/2016-17 dt.29.09.2016 and M/s. United Bank of India Rs.30 Cr vide their sanction letter Ref.No. UBI/HYD/ADV/SRAACL/1120/2016-16 DT.05.12.2015 by means of Specific LC limits for procurement of Capital Goods. Similar to Indian Bank security arrangements it is proposed to extend second pari passu charge.

To meet this end the Resolution is seeking Shareholder's approval by way of Special Resolution to enable the company to provide security in favour of above said Banks.

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

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

ITEM NO. 10

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 financial year 2016-17, total Related Party transactions value comes to Rs.109.15 Cr. whereas 10% of previous year audited turnover comes to Rs.86.56 Cr. This means total value of Related Party transactions is excess by Rs.22.59 Cr 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. Eventhough 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 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 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 2017-18 will be around Rs.157.00 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 2016-17 (audited).

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 2016-17 (Actual)					For the year 2017-18 (Estimated)
		Sales	Purchases	Services Availed / Rendered	Lease Rent Paid/ Received & Others	Total	
1	Sree Royalaseema Hi-Strength Hypo Ltd	78.47	25.48	0	0.04	103.99	150.00
2	Other Related Parties	0.38	1.56	1.58	1.64	5.16	7.00
	TOTAL	78.85	27.04	1.58	1.68	109.15	157.00



Sree Rayalaseema Alkalies and Allied Chemicals Limited

Sri T.G. Venkatesh, Chairman and Smt V. Surekha, Director are deemed to be interested Director in the Resolution.

The Board commends the Ordinary Resolution as set out in Item No.10 of this Notice for your approval.

REQUEST TO THE MEMBERS :

1. 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.

2. Members are requested to quote Folio No. / Client ID No. In all correspondence.
3. 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 and CRPS ISIN No. INE284B04014.
4. Members are requested to note the following "e-mail Id" for any clarification on shares and other related matters "sralkalies@tgvmil.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 Kamisetty Karunakar Rao	Sri Nalla 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 42 years in the field of Finance in Chemical Industries.	More than 37 years 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 : 23rd August, 2017

CS RADHAKRISHNA MURTHY. V
COMPANY SECRETARY