

33rd Annual Report 2014-15



**Sree Rayalaseema Alkalies
and Allied Chemicals Limited**

Sree Rayalaseema Alkalies And Allied Chemicals Limited



BOARD OF DIRECTORS

Sri T.G. Venkatesh
Chairman and Managing Director

Sri G. Krishna Murthy

Ms. Shalini Soni
(Nominee of IFCL upto 10.07.2015)

Smt. S. Usha
(Nominee of IFCL upto 30.07.2014)

Sri B. Srinivasa Rao
(Nominee of IDBI from 07.11.2014)

Sri K. Davidson
(Nominee of IDBI upto 07.11.2014)

Sri P.N. Vedanarayanan
Sri O.D. Reddy
Sri K. Karunakar Rao
Executive Director & CEO

Sri N. Jesvanth Reddy
Executive Director (Technical)

Sri Gopal Krishan
Executive Director (Technical from 07.11.2014)

Smt. V. Surekha
(from 25.09.2014)

Sri J. Nagabhushanam
(from 10.07.2015)

CHIEF GENERAL MANAGER & COMPANY SECRETARY

Sri V. Radhakrishna Murthy

BANKERS

Indian Bank

United Bank of India

The South Indian Bank Ltd.

IDBI Bank Ltd.

Canbank Factors Ltd.

SECRETARIAL AUDITOR

Sri N. Rama Swamy
Flat No. 101C, Shourya Apts.,
3-6-159, Urdu Hall Lane
Himayath Nagar, Hyderabad-500 029

AUDITORS

Brahmayya & Co.
Chartered Accountants
21/142-6, S.K.D. Colony Extn.
Adoni – 518 301 (A.P.)

REGISTERED OFFICE & FACTORY

Gondiparla, Kurnool-518 004 (A.P.)

CORPORATE OFFICE

40-304, 2nd Floor, Krishna Jyothsna Complex
Bhagyanagar, Kurnool-518 004 (A.P.)

REGISTRAR & SHARE TRANSFER AGENT

Aarathi Consultants Private Limited
Regd. Office: 1-2-285, Domalguda
Hyderabad-500 029 (Telangana State)
Tel. No. 040-27638111 / 4445
Fax No. 040-27632184
E-mail: infor@aarthiconsultants.com

CONTENTS

	Page Nos.
Notice	1
Directors' Report	15
Auditors' Report	43
Balance Sheet	48
Statement of Profit & Loss	49
Cash Flow Statement	50
Notes to Balance Sheet "1" to "16"	51-59
Notes to Profit & Loss "17" to "23"	59-64
Notes to Accounts "24"	65-72
Proxy Form and Attendance Slip	

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## NOTICE

**NOTICE** is hereby given that the **33<sup>rd</sup> Annual General Meeting** of the Members (Equity & CRP Shareholders) 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 16<sup>th</sup> September, 2015 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, 2015 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, who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Sri N. Jesvanth Reddy, 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.30-07-2014, Board recommendation dated 30-07-2014 and also pursuant to the Resolution passed by the Members at the AGM held on September 25, 2014, the appointment of M/s. Brahmayya & Co, Chartered Accountants as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the Calendar year 2017 (3 consecutive years term-subject to Members’ ratification at each AGM) be and is hereby 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, 2016 as may be determined by the Audit Committee in consultation with the Auditors.

### SPECIAL BUSINESS:

- 5) **Increase in Authorized Capital**

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

“RESOLVED that pursuant to Section 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. 100,00,00,000 (Rupees Hundred Crores only) divided into 8,10,00,000 (Eight 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) to 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) 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 an **Special Resolution**.

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

- V. (a) The Authorized Share Capital of the Company is Rs.1,14,00,00,000 (Rupees One Hundred and Fourteen Crores only) comprising of :
  - i) Equity Share Capital of the Company is Rs.95,00,00,000 (Rupees Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.
  - ii) Preference Share Capital of Rs. 19,00,00,000 (Rupees Nineteen Crores only) divided into 1,90,00,000 (One Crore Ninety Lacs) Preference Shares of Rs.10/- (Rupees Ten only) each, having a coupon rate of 0.01% redeemable after 15 years.



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 and the Articles of Association of the Company, the existing Articles of Association of the Company, be altered by substituting the following proviso (I) of Article 7.

The Authorized Share Capital of the Company is Rs. 114,00,00,000 (Rupees One Hundred and Fourteen Crores only) comprising of :

- i) Equity Share Capital of the Company is Rs.95,00,00,000 (Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.
- ii) Preference Share Capital of Rs. 19,00,00,000 (Rupees Nineteen Crores only) divided into 1,90,00,000 (Rupees One Crore Ninety Lacs) Preference Shares of Rs.10/- (Rupees Ten only) each, having a coupon rate of 0.01% redeemable after 15 years.

8) **Appointment of Sri Gopal Krishan as Rotational Director to pass the following as an Ordinary Resolution.**

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Sri Gopal Krishan, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 07-11-2014 and holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri Gopal Krishan as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director whose position is liable to retire by rotation.

9) **Appointment of Sri J. Nagabushanam as Independent Director**

To appoint Sri J. Nagabushanam as an Independent

Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to the provisions of Sections 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 modifications(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri J.Nagabushanam, who was appointed as additional Director in the Board Meeting held on 10-07-2015 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 appointed as an Independent Director of the Company to hold office for 3 (Three) consecutive years for a term up to the conclusion of the 35<sup>th</sup> Annual General Meeting of the Company in Calendar year 2018.”

10) **Payment of Remuneration to Sri Gopal Krishan, Executive Director (Technical):**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution which is proposed 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 approvals as may be necessary, the members of the company hereby ratify the Board approval to the Company, for payment of the following remuneration to Sri Gopal Krishan (with DIN: 05342348) as Executive Director (Technical) from 07-11-2014 in its meeting held on 07.11.2014 upon the recommendation of Remuneration Committee Meeting held on 06-10-2014 and further noted that this remuneration will be payable for a period of three years from 07-11-2014.”

“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.



- a) Company's contribution to Provident Fund, Pension and Superannuation Fund will not be included in computation of the ceiling on 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/privilege 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."

**11) Upward Revision of Remuneration to (1) Sri K. Karunakar Rao, Executive Director (F&C) & CEO and (2) Sri N. Jesvanth Reddy, Executive Director (Technical)**

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

"RESOLVED THAT the approval of members hereby accorded for Board approval dated 07-11-2014 upon the consideration of recommendation of Nomination and Remuneration Committee meeting dt.06-10-2014 for increase in consolidated salary payable to Sri K. Karunakar Rao, Executive Director (F&C) & CEO and Sri N. Jesvanth Reddy, Executive Director (Technical) from the existing Rs.1,50,000/- to Rs. 2,00,000/- per month to be effective from 07-11-2014 upto the expiry of their term i.e. upto 07-08-2016

RESOLVED FURTHER THAT there is no change in other terms and conditions approved by the Members in AGM held on 07-08-13 with respect to approval for payment of remuneration."

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

"RESOLVED THAT pursuant to the provisions of Sections 42 and 62 and all other applicable provision, 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 the Listing Agreement entered into by the Company with the Stock exchange where the securities of the Company are listed (BSE) and in accordance with the provisions of Guidelines for Preferential Issues contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (referred as 'SEBI (ICDR) Regulations, 2009') 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 "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 1,30,95,272 (4143202 + 4361265 + 4590805) convertible share warrants of face value of Rs.10/- each upon conversion of Promoters (Allottee) Un-secured loans/money into share warrants at an issue price of Rs.17.02 per, convertible Share Warrant (including a premium of Rs. 7.02 per warrant) as computed in accordance with SEBI (ICDR) Regulations, 2009 to M/s. Brilliant Industries Pvt. Ltd., Promoters group of the 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 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.17.02 divided into Rs.10/- for Capital and Rs.7.02 for premium per share, determined in accordance with the prevailing regulation for Preferential Issue contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements), Regulation, 2009."

"RESOLVED FURTHER THAT the 'Relevant Date' for above mentioned preferential issue as per SEBI (ICDR) Regulations, 2009 for the determination of applicable price for Equity Shares is August 17, 2015 being the date 30 days prior to the date of passing of this 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 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."

"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 authorized 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, utilization 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 this 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."

### 13) Creation of Security in favour of Bank and Financial Institutions

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 situated at Gondiparla Kurnool except assets of KOH plant Fatty acids plant assets of Chloromethane plant and assets of Power Plants at Bellary 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 Banks for creation of first pari passu charge and second pari passu charge

#### ON FIRST PARI PASSU BASIS

|                    | (Rs.in Crores) |
|--------------------|----------------|
| 1. IDBI Bank Ltd., | 22.00          |
| 2. Federal Bank    | 4.27           |

#### ON SECOND PARI PASSU BASIS.

|                         |       |
|-------------------------|-------|
| 3. United Bank of India | 16.77 |
| 4. South Indian Bank    | 7.54  |

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.

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

### 14) Creation of Security in favour of Bank and Financial Institutions for providing financial assistance to Chloromethanes Project



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 Chloromethanes Project at Gondiparla, Kurnool 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

**ON FIRST PARI PASSU BASIS TO THE FOLLOWING BANKS.**

|                            | (Rs.in Crores ) |
|----------------------------|-----------------|
| Indian Bank                | 24.46           |
| The South Indian Bank Ltd. | 3.40            |

**ON SECOND PARI PASSU BASIS.**

|                            |      |
|----------------------------|------|
| Indian Bank                | 7.64 |
| The South Indian Bank Ltd. | 1.07 |
| United Bank of India       | 6.57 |

Further out of the above, for the following working capital assists 2nd pari passu charge on the existing fixed assets (Except fixed assets of Chloromethanes plant and Bellary plant) has collateral security.

|                            |      |
|----------------------------|------|
| Indian Bank                | 7.64 |
| The South Indian Bank Ltd. | 1.07 |
| United Bank of India       | 6.57 |

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.

**15) To provide security in favour of M/s. IFCI Limited**

To consider and if thought fit, to pass with or without modification(s) 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 immovable properties of the Company (except Assets of Chloromethanes Plant) subject to the condition that the Charge/Mortgage on the assets Fatty Acid and KOH Plant at Gondiparla and on the assets of Bellary Power Plant will be effective from March, 2016 (i.e. after repayment of Loans) 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. IFCI Limited for creation of first pari passu charge for their Corporate Term Loan of Rs. 100 crores 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 monies payable by the Company to the Lenders under their Loan Agreement in respect of the said Term Loans."

**16) Appointment and Remuneration of Cost Auditor :**

To approve the appointment and remuneration payable to the Cost Auditors for the financial year ending March 31, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolutions a 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) as Cost Auditors of the Company by the Board of Directors of the Company in its meeting held on 07-05-2015 on a remuneration of Rs.1,25,000/- + Service Tax 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, 2016, 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."

By Order of the Board

Sd/-

Place : Hyderabad

**CS V. RADHAKRISHNA MURTHY**

Date : 17<sup>th</sup> August, 2015

**G.C.M.&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 schedule 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 Clause-16 of the Listing Agreement, the Register of Members and Share Transfer Books of the Company will remain closed for 9 (Nine) days i.e. from 08-09-2015 to 16-09-2015 (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.
  - c) Equity & CRP (Cumulative Redeemable Reference) shareholders are provided voting rights to cast their votes on all resolutions placed in the Notice.

**6. 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 33<sup>rd</sup> Annual General Meeting of the Company dated 16<sup>th</sup> September, 2015. 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 are CRP shares held by them as on Tuesday, the 8<sup>th</sup> September, 2015. The instructions for Members for voting electronically are as under:

- (i) The voting period begins on 12.09.2015 at 10.00 A.M. and ends on 15.09.2015 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 08.09.2015 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 10 digit 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 the 8 digits of the sequence number in the PAN field. In case of no PAN then use Separate sequence numbers for equity and CRP shares which are printed on address slip. 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).

- 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 field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 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 your vote, click on "CANCEL" and accordingly modify your 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 Custodian 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.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## EXPLANATORY STATEMENT :

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

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

To meet the Capital requirements with respect to implementation of Chloromethanes Project being implemented, the Company has proposed to increase the Authorised Share Capital from the existing Rs.100,00,00,000 (Rupees One hundred crores only) to Rs.114,00,00,000 (One hundred and Fourteen Crores only) by increasing Equity Share Capital of the Company by Rs.14,00,00,000 divided into 1,40,00,000 Equity Shares with a face value of Rs.10/- each.

This will facilitate the company to issue Equity Shares under preferential issue to the promoters after fulfillment of formalities and by conversion of unsecured loans into share warrants. 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 Board of Directors accordingly commend the Resolutions as set out at the item No. 5, 6 & 7 for your approval.

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 meeting.

None of the Directors of the Company is, in any way, concerned or interested in this Resolution.

### Item No.8

The Board of Directors of the Company had appointed Sri Gopal Krishan as an Additional Director of the Company with effect from 07.11.2014 upon the recommendation of Nomination and Remuneration Committee in its meeting held on 06-10-2014. In terms of Section 161(1) of the Act, Sri Gopal Krishan would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member alongwith the deposit of

requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Sri Gopal Krishan for the office of Director of the Company. Sri Gopal Krishan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and given his consent to act as a Director.

The Board commends the Resolution for approval by Members. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested in this Resolution.

None of the Directors except Sri Gopal Krishan deemed to be interested in the Resolution.

Your Directors commend the Resolution for your approval

### ITEM NO. 9

The Board of Directors, at its meeting held on 10-07-2015 upon the recommendation of Nomination and Remuneration committee in its meeting held on 23-06-2015 appointed Sri J. Nagabhushanam as an Additional Director of the Company with effect from 10-07-2015 pursuant to Section 161 of the Companies Act, 2013.

Sri J. Nagabhushanam will hold office upto the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, alongwith a deposit of requisite amount, proposing the candidature of Sri J. Nagabhushanam for the office of Independent Director for a term of 3 (Three) consecutive years. 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, Sri J. Nagabhushanam, the Independent Director proposed to be appointed, 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 or their relatives, except Sri J. Nagabhushanam, to whom the Resolution relates, are interested or concerned in the Resolution.

The Board recommends the Resolution set forth in Item no.9 for the approval of the Members.