



## TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED

CIN : L24119TN1971PLC006083

Registered Office : "SPIC House", 88, Mount Road, Guindy, Chennai - 600 032. Phone: 2235 2513, E-mail: info@tacfert.com

### EGM NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of Members of TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED will be held on Tuesday, 10<sup>th</sup> April, 2018 at 10.35 AM at "Rajah Annamalai Hall", Esplanade, Chennai 600 108 to transact the following items of Special Business:

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

"RESOLVED THAT pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Authorised Share Capital of the Company be increased from Rs. 39,00,00,000 (Rupees Thirty nine crores) divided into 1,50,00,000 (one crore fifty lakhs) Equity Shares of Rs. 10 (Rupees ten) each and 24,00,000 (twenty four lakhs) Redeemable Cumulative Preference Shares of Rs.100 (Rupees one hundred) each to Rs. 122,00,00,000 (Rupees One hundred and twenty two crores) divided into 12,20,00,000 (twelve crores twenty lakhs) Equity Shares of Rs.10 (Rupees Ten) each by the creation of additional capital of Rs. 83,00,00,000 (Rupees eighty three crores divided into 8,30,00,000 (eight Crores thirty lakhs) Equity Shares of Rs. 10 (Rupees Ten) each and the Clause "V" of the Memorandum of Association and Article "3" of the Article of Association of the Company be altered accordingly."

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent be and is hereby given to substitute

the Clause V of the Memorandum of Association of the Company by the following:

"V". "The Authorized Share Capital of the Company is Rs. 122,00,00,000 (Rupees one hundred and twenty two crores) divided into 12,20,00,000 (twelve crore twenty lakhs) equity shares of Rs. 10 (Rupees Ten), each with the power to the Board to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights, as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors or the Company in General Meeting, as applicable, in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or subdivide the shares and to issue shares of higher or lower denominations in such manner as may for the time being be provided by the Articles of Association of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), Article 3 of the Articles of Association of the Company be substituted by the following:

"3. "The Authorised Share Capital of the Company is Rs. 122,00,00,000 (Rupees one hundred and twenty

two crores) divided into 12,20,00,000 (twelve crore twenty lakhs) equity shares of Rs. 10 (Rupees Ten) each.”

**4. Issue of Equity Shares on Preferential basis**

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 Section 62(1)(c), other applicable provisions, if any, of the Companies Act 2013, read with the rules made thereunder (including any statutory modifications) or the re-enactment thereof for being in force (The Companies Act) to the extent notified and in effect the applicable provisions, if any, of the Companies Act 1956 as amended (without reference to the provisions there of that have ceased to have effect upon notification of sections Companies Act) and in accordance with the Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations, 2009, as amended (the “ICDR regulations”) and Securities and Exchange Board of India (Substantial acquisitions and takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) and Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations 2015, as amended (the “LODR Regulations”) and other rules, regulations, guidelines notifications and circulars issued there under from time to time by the Government of India, the Reserve Bank of India, Securities and Exchange Board of India (SEBI) and any other guidelines and clarifications issued by any other competent authority whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum and Articles of Association of the company, and subject to such approvals, concerns, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions 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 existing committees(s)/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution,

subject to any other alterations modifications, conditions, corrections and changes and variations that may be decided by the Board absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to issue and allot 8,40,40,000 (Eight crores forty lakhs forty thousand) Equity Shares by conversion of Unsecured Loan (details given in the Explanatory Statement) to Equity Shares, of face value of Rs 10 each at par on preferential to Promoter Group, in the manner as given in table A below:

| S I . No. | Name of the Proposed Allottees                        | Number of Equity shares to be allotted |
|-----------|---|--|
| 1.        | Southern Petrochemical Industries Corporation Limited | 2,68,50,000                            |
| 2.        | AMI Holdings Private Limited                          | 3,45,20,000                            |
| 3.        | Bengal Auto Parts Private Limited                     | 2,22,70,000                            |
| 4.        | South India Travels Private Limited                   | 4,00,000                               |
|           | Total Equity Shares                                   | 8,40,40,000                            |

“RESOLVED FURTHER THAT the Equity Shares to be allotted rank pari passu with the existing shares of the Company in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with the ICDR Regulations or other applicable laws as may be prevailing at the time.”

“RESOLVED FURTHER THAT if the provisions of chapter VII and Regulation 71 of SEBI ICDR Regulations becomes applicable, the same will be adopted.”

“RESOLVED FURTHER THAT the said Equity Shares shall be issued and allotted by the Company to the allottee within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares shall be subject to following terms:

- 1) The Equity Shares to be so allotted shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

- II) The issue of Equity Shares arising Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- III) The Equity Shares allotted pursuant to exercise shall be subject to a lock-in for such period as specified under Chapter VII of ICDR Regulations.

“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 as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to issue and allotment of Equity Shares and listing thereof with the Stock Exchange as appropriate and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to committee of Directors/ any Directors/ Company Secretary / any Officers of the Company to give effect to the aforesaid resolution.”

#### 5. Conversion of Preference shares into Equity.

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 Section 62(1) (c), other applicable provisions, if any, of the Companies Act 2013, read with the rules made thereunder (including any statutory modifications) or the re-enactment thereof for being

in force (The Companies Act) to the extent notified and in effect the applicable provisions, if any, of the Companies Act 1956 as amended (without reference to the provisions there of that have ceased to have effect upon notification of sections Companies Act) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”) and Securities and Exchange Board of India (Substantial Acquisitions and Takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) and Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations 2015, as amended (the “LODR Regulations”) and other rules, regulations, guidelines notifications and circulars issued there under from time to time by the Government of India, the Reserve Bank of India, Securities and Exchange Board of India (SEBI) and any other guidelines and clarifications issued by any other competent authority whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, concerns, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions 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 existing committees(s)/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution, subject to any other alterations , modifications, conditions, corrections and changes and variations that may be decided by the Board absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to issue and allot 2,30,00,000 (Two crores thirty lakhs) Equity Shares by conversion or Redeemable Cumulative Preference Shares to Equity Shares, of face value of Rs 10 each at par on preferential basis to Promoter Group, in the manner as given below by converting:

- a) 3,00,000 (Three lakhs) 8% Redeemable Cumulative Preference Shares of Rs.100 each to 30,00,000 (Thirty Lakhs) equity shares of Rs.10 each to Twinshield Consultants Private Limited.

- b) 20,00,000 (Twenty lakhs) 5% Redeemable Cumulative Preference Shares of Rs.100 each to 2,00,00,000 (two crores) equity shares of Rs.10 each to Southern Petrochemical Industries Corporation Limited

“RESOLVED FURTHER THAT the Equity Shares to be allotted rank pari passu with the existing shares of the company in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with the ICDR Regulations or other applicable laws as may be prevailing at the time.”

“RESOLVED FURTHER THAT if the provisions of chapter VII and Regulation 71 Of SEBI ICDR Regulations becomes applicable the same will be adopted.”

“RESOLVED FURTHER THAT the said Equity Shares shall be issued and allotted by the Company to the allottee within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Equity Shares shall be subject to following terms:

- I) The Equity Shares to be so allotted shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.
- II) The issue of Equity Shares arising Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- III) The Equity Shares allotted pursuant to exercise shall be subject to a lock-in for such period as specified under Chapter VII of ICDR Regulations.

“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 as it may in its absolute

discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to issue and allotment of Equity Shares and listing thereof with the Stock Exchange as appropriate and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Directors/ Company Secretary / any Officers of the Company to give effect to the aforesaid resolution.”

Registered Office :  
No.88, Spic House  
Mount Road,  
Guindy,  
Chennai – 600032.

Date : 05.03.2018  
Place: Chennai

By order of the Board  
For Tuticorin Alkali Chemicals  
and Fertilizers Limited  
G.Ramachandran  
Managing Director  
Din: 00051999

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **A proxy form for the EGM is enclosed. The instrument of Proxy, in order to be effective, must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the**

**Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single proxy and such proxy shall not act as a proxy for any other person or shareholder.**

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
5. The Members are requested to notify immediately any change of address to M/s. Cameo Corporate Service Ltd or to the Company.
6. M/s. Cameo Corporate Services Ltd., 'Subramanian Building', 5th Floor, No: 1, Club House Road, Chennai - 600 002. Phone: 044 - 2846 0390 to 2846 0395 is the Company's Registrar and Share Transfer Agent (RTA) for physical transfer of shares and all correspondence may be addressed directly to them. In respect of shares held in Dematerialized form, members may send requests or correspond through their respective Depository Participants.
7. Members / proxies / authorized representatives are requested to bring the duly filled attendance slip enclosed herewith to attend the meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Members are informed that the Company is sending Notice of Extra-ordinary General Meeting through e-mail to those members who have registered their e-mail ID with the Company/ RTA of the Company. The Members

may also note that the Notice of Extra-ordinary General Meeting will also be available on the Company's website <http://www.tacfert.in/> for their download.

#### **VOTING THROUGH ELECTRONIC MEANS**

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the Members to exercise their votes electronically through the electronic voting service provided by the Central Depository Services (India) Limited. Once a vote on the resolution is cast, the member shall not be allowed to change it subsequently

The facility for voting through ballot paper will also be made available at the EGM and members attending the EGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the EGM through ballot paper. Members who have cast their votes by remote e-voting prior to the EGM may attend the EGM but shall not be entitled to cast their votes once again.

The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date(record date) of 03.04.2018 and accordingly, members as on the cut-off date as mentioned above only shall be entitled to avail the facility of remote e-voting or ballot paper.

A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the EGM and prior to the Cut off Date i.e 03.04.2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through Poll at the EGM by the following instructions mentioned in this part.

The instructions for shareholders voting electronically are as under :

The voting period begins on 07.04.2018 at 09.00 AM and ends on 09.04.2018 at 05.00 PM. 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 03.04.2018) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



### In case of member receiving e-mail:

|    |   |
|----|---|
| 1. | Log on to the e-voting website <a href="http://www.evotingindia.com">www.evotingindia.com</a> during the voting period.   |
| 2. | Click on "Shareholders".  |
| 3. | Now, select "Tuticorin Alkali Chemicals and Fertilizers Limited" from the drop down menu and click on "SUBMIT".   |
| 4. | 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 the Folio Number registered with the Company   |
| 5. | Next enter the Image Verification as displayed and Click on Login.  |
| 6  | If you are holding shares in demat form and had logged on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier voting of any company, then your existing password is to be used. |

### If you are a first time user follow the steps given below:

|                       |   |
|-----------------------|---|
| PAN                   | For Members holding shares in Demat Form and Physical Form<br>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company/Depository Participant are requested to enter their name in CAPITAL followed by the last 8 digits of the demat account / folio number in the PAN field.<br><br>In case the folio 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 Folio No. 1 then enter RA00000001 in the PAN field. |
| Date of Birth         | Enter the date of birth as recorded in your demat account or in the Company records for the said demat account of folio in dd/mm/yyyy format.   |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the date of birth or dividend bank details in order to login. If the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.   |

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then reach directly the EVSN(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 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 remote e-voting on the resolutions contained in this Notice.

Click on the Electronic Voting Sequence Number(EVSN)along with " Tuticorin Alkali Chemicals and Fertilizers Limited " from the drop down menu and click on "SUBMIT" 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. Enter the number of shares (which represents number of votes) under "YES/ NO" or alternatively you may partially enter any number in "YES" and partially in "NO", but the total number in "YES" and "NO" taken together should not exceed your total shareholding

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Notice/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.

Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

### Note for Non - Individual Members (Institutional Shareholders) and Custodians:

Institutional shareholders (i.e. other than Individuals, HUFs, NRI etc.,) and Custodians are required to log on to <https://www.evotingindia.co.in> 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 scan copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy, please follow all steps as above to cast vote.

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). On the alternative, they may also contact CDSL on Toll free Number 1800-200-5533.

**The Company has appointed Mr.R.Kannan, Practicing Company Secretary, Chennai (C.P.NO. 3363) to act as scrutinizer for conducting the electronic voting process in a fair and transparent manner.**

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**Statement to the Notice setting out the material facts concerning each item of special business pursuant to section 102 of Companies act, 2013 and Regulation 73 of the SEBI (ICDR) Regulations, 2009.**

**Item No. 1, 2 & 3**

Increase in Authorized Share Capital and the consequent Alteration of Memorandum and Articles of Association.

The Sick Industrial Companies (Special Provisions) Act, 1985 was repealed effective from 1st December, 2016 and hence the Draft Rehabilitation Scheme filed with BIFR through Operating Agency IDBI Bank Limited need to be placed with NCLT, Chennai for further course of action..

NCLT has vide its order dated July, 2017 has directed the Company to obtain the directions of BSE for the issue of shares.

To enable the issue of fresh shares by converting the unsecured loans and assistance received from the Promoter and Promoter group to complete the settlements offered by the Banks and Institution, the Preferential issue capital committee of the Board at its meeting held on 05.03.2018 accorded its approval to increase of Authorised capital from Rs.39 crores to Rs.122 crores subject to your approval. This supersedes the earlier approval obtained from you in July, 2017 for similar amount, but a mixture of equity and preference capital. Detailed break up of the proposed Authorised Capital is mentioned in the Resolution Nos. 1 and 2 of this Notice.

For effecting the increase in Article of Association vide, Clause "V" - Capital Clause - of the Memorandum of Association and Article 3 of the Articles of Association, are proposed to be altered by passing an Ordinary and a Special Resolutions respectively.

The Board also commends the above referred Ordinary

The scrutinizer shall, immediately after the conclusion of voting at the EGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through e-voting in the presence of two witnesses not in the employment of the Company and make, not later than three working days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the Chairman or a person authorized by him in writing who shall counter-sign the same. Thereafter, the Chairman or the person authorized by him in writing shall declare the result of the voting forthwith.

The results declared along with the scrutinizer's report will be placed on the Company's web-site <http://www.tacfert.in/> and on the web-site of CDSL immediately after the result is declared by the Chairman/ Authorized person and the results will also be communicated to the Stock Exchange where the shares of the Company are listed.

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Resolution for amending the existing Clause "V" of the Memorandum of Association and Special Resolution for the amending the Article "3" of the Articles of Association.

Memorandum of Interest

None of the Directors and Key Management Personnel of the Company or their relatives are concerned or interested in the said Ordinary and Special Resolutions.

Inspection of Documents

All related documents in respect of Item Nos. are available for inspection by the Members at the Registered Office of the Company on any working day between 11.00 am to 2.00 pm upto the date of this Extraordinary General Meeting.

**Item No.4 & 5**

Preferential Issue Capital Committee of the Board at its meeting held on 05.03.2018, have approved issue of Equity Shares on Preferential Basis at par to the Promoters and Promoter group. Names of the proposed allottees are:

1. Southern Petrochemicals Industries Corporation Limited – Promoter;

Promoter Group

2. AMI Holdings Private Limited ;
3. Bengal Auto Parts Private Limited;
4. South India Travels Private Limited.
5. Twinshield Consultants Private Limited

("herein after collectively referred as Proposed Allottees");

In respect of item No.5 the proposed allotment is by conversion of Redeemable Cumulative Preference shares to Equity Shares to Southern Petrochemicals Industries Corporation Limited and Twinshield Consultants Private Limited.

The Indian Accounting Standard, 2016 which is mandatory effective from 1<sup>st</sup> April, 2017, the Preference Share will be treated as an liability as against a capital as per earlier Accounting Standards. Hence it is proposed to convert all the loans & advances and existing Redeemable Cumulative Preference shares in to equity only.

The following details of the proposed preferential issue are disclosed in accordance with the provisions of the Act and the ICDR Regulations:

a) The objects of the preferential issue :

The object(s) of the issue through preferential allotment is to augment the resources of the Company for general corporate purposes and purposes permitted by applicable laws.

The objects for the proposed issue is as follows:

#### Background

The Company became sick and referred to BIFR in 2009 and was assigned Registration Number 09/2009. Under the guidance of BIFR, the Company was taking several steps to restructure and turnaround. Though the production was re-established in October 2010, after a long period of shutdown of 42 months, production could not be stepped up due to various reasons like machinery breakdown, structural failure, raw material shortage and water shortage. The production had to be suspended for a couple of months, couple of times due to the above problems and once there was shutdown for 4 months due to closure of operations necessitated due to labour unrest, which was triggered by a shutdown due to water shortage. The negative net worth further built up since restart.

As per the directions of BIFR, a preliminary Draft Rehabilitation Scheme (DRS) was prepared and submitted in the year 2011 and had to be modified couple of times based on the discussions with BIFR. The Company, between the years 2012 & 2015, with the help of promoter's funding have settled the outstanding dues to the Financial Institutions and the term lending banks. The final draft with the incorporation of an independent CO2 Plant to recover the vital raw material from the boiler flue gas and infusion of money to clear the arrears of creditors, etc., was resubmitted in 2015. This was further improved by IDBI and, subsequent to their site visit, was sent to BIFR with their recommendations for adoption in 2016 after the mandatory lenders' meeting. The Scheme was based on the directions of the BIFR. However, before it could be taken up for directions, the SICA Act was repealed.

#### SICA REPEAL / NCLT

Hence, the Company has to approach NCLT. An application was filed in the month of March 2017 within the permitted 180 days for approaching NCLT, after the repeal of SICA. At the time of repeal of SICA, the Company did not owe any money to any Financial Institutions or term lending institutions, except the standard working capital borrowings. Hence, the Company has

to file the application to NCLT seeking directions for converting the money that was brought in by Promoters into appropriate shares meeting all the regulations and not for direction under the Bankruptcy Code. Hence NCLT Tribunal directed the Company to take it up with BSE Limited (BSE) for further action.

#### SEBI

The response from BSE was delayed as they have sought the decision of SEBI in this matter. Subsequently the ICDR itself was amended by Government of India to include the decision of BIFR / NCLT also, we again filed an application with NCLT in January 2018 with a prayer to convert all the loans in to Equity Shares. NCLT after two hearings by its Interim Order dated 6<sup>th</sup> February, 2018 directed Securities and Exchange Board of India, (SEBI) to dispose off the Company's application within a month. The Company has submitted a application to SEBI for this allotment and to seek their approval for exemption under SAST, LODR & ICDR. This EGM and your approval here are however subject to approval of SEBI.

#### The Details of the Share Issue

The application was made to SEBI on 9<sup>th</sup> February, 2018 for converting part of the funds brought in by the promoters and their associates for the issue of Equity Shares at par which will increase the holding of Promoter and their Group from the current 45.15% to 93.34%. The Promoters and their group have proposed to bring down their stake to 75% either in the permitted time frame of SEBI, or time Specified by them to restore the minimum public shareholding (MPS) at 25%.

#### Preferential Issue of Equity Shares

The Promoter and their Associates have brought in the funding in addition to the unsecured loan extended by SPIC in the year 2004 and the accumulated outstanding to SPIC towards supply of CO<sub>2</sub>. The details are as under:

| Sl. No. | Details of Funding   | Amount (Rs. in Cr.) |
|---------|--|---------------------|
| 1.      | Unsecured Loan (2004) and CO <sub>2</sub> Supply from SPIC | 26.85               |
| 2.      | Advance from AMI Holdings                                  | 34.52               |
| 3.      | Advance from Bengal Auto                                   | 22.27               |
| 4.      | Advance from South India Travels                           | 0.40                |
|         | TOTAL  | 84.04               |

It is proposed that the Company will issue Equity Shares equivalent to the amount of money lent by it. The details of the current shareholding and the proposed shareholdings are as per the shareholding pattern.

As per the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (SAST Regulations) the Promoter Group can acquire only up to 5% of the paid up capital of the Company. But as per the recommendations of IDBI Bank Limited, "Operating Agency appointed by BIFR", the Company



could have converted all the unsecured loan into Equity Shares as per the then existing rules prior to 1st December, 2016 as per SAST Regulations. As per the petition made to NCLT, it was proposed to proceed with allotment as per the application to BIFR.

**Proposal of the promoters, directors or key management personnel of the Company to subscribe to the offer:**

None of the Directors or Key Management Personnel of the Company are subscribing to this offer. As mentioned above the Equity Shares will be allotted to the Promoters and their Associates.

b) Relevant Date : The Relevant Date for the purpose of determining the pricing of Equity shares, if arising in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, is 30 days prior to the date of this Extraordinary General Meeting.

c) Pricing : "The Equity Shares are proposed to be issued at Par. The valuation of the shares was done by Mr. Labdagiri Jayaraman, FCA, Chartered Accountant and Mrs. J Bhuvanawari, Practising Company Secretary. As per the above reports the Company's Net Worth is fully eroded and the Book Value of the shares is not worthwhile computing in view of huge negative Net Worth. The shares are frequently traded. The issue of Equity Shares by way of this conversion is also been recommended by IDBI (Operating Agency) to BIFR.

d) Shareholding Pattern : pre and post issue of Equity Capital the Preferential Basis: The Shareholding pattern giving the present position as also considering allotment of Equity Shares to Promoters and their Associates as per Resolution of the Notice is given below:

| Particulars  | Shareholding before the proposed acquisition |               | Proposed Transaction |               | After the proposed acquisition |               |
|--|--|---------------|----------------------|---------------|--------------------------------|---------------|
|  | No. of shares                                | % holding     | No. of shares        | % holding     | No. of shares                  | % holding     |
| <b>Promoters &amp; Promoter Group other than Acquirers</b> |  |               |                      |               |                                |               |
| Nil  |  |               |                      |               |                                |               |
| <b>Promoters &amp; Promoter Group - Acquirers and PAC</b>  |  |               |                      |               |                                |               |
| Southern Petrochemical Industries Corporation Limited      | 66,80,113                                    | 45.15         | 4,68,50,000          | 43.77         | 5,35,30,113                    | 43.94         |
| AMI Holdings Private Limited                               | -  | -             | 3,45,20,000          | 32.25         | 3,45,20,000                    | 28.33         |
| Bengal Auto Parts Private Limited                          | -  | -             | 2,22,70,000          | 20.81         | 2,22,70,000                    | 18.28         |
| South India Travels Private Limited                        | -  | -             | 4,00,000             | 0.37          | 4,00,000                       | 0.33          |
| Twin Shield Consultants Private Limited                    | -  | -             | 30,00,000            | 2.80          | 30,00,000                      | 2.46          |
| Sub Total  | 66,80,113                                    | 45.15         | 10,70,40,000         | 100.00        | 11,37,20,113                   | 93.34         |
| <b>Public</b>  |  |               |                      |               |                                |               |
| Mutual Funds / FI / Bank                                   | 4,164  | 0.03          | -                    | -             | 4,164                          | 0.00          |
| FII / NRI / Trust  | 22,94,866                                    | 15.51         | -                    | -             | 22,94,866                      | 1.88          |
| Public   | 58,16,687                                    | 39.31         | -                    | -             | 58,16,687                      | 4.78          |
| Sub Total  | 81,15,717                                    | 54.85         | -                    | -             | 81,15,717                      | 6.66          |
| <b>Grand Total</b>   | <b>1,47,95,830</b>                           | <b>100.00</b> | <b>10,70,40,000</b>  | <b>100.00</b> | <b>12,18,35,830</b>            | <b>100.00</b> |

e) Proposed time within which the allotment shall be completed:

In terms of Regulation 74(1) of SEBI (ICDR) Regulations, 2009, Equity Shares shall be allotted within a period of 15 days from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be

completed within a period of 15 days from the date of such approval.

f) Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees; the percentage of post preferential issue that may be held by them and change in control, if any, in the Company, consequent to the preferential issue is as follows:

| Name of the proposed allottee                         | Category              | Pre issue share holding | %     | Number of Equity Shares proposed to be allotted | Post Issue share-holding | %     | Identity of Natural person |
|---|-----------------------|-------------------------|-------|---|--------------------------|-------|----------------------------|
| Southern Petrochemical Industries Corporation Limited | Promoter              | 66,80,113               | 45.15 | 4,68,50,000                                     | 53,530,113               | 43.94 | Mr. Ashwin C Muthiah       |
| AMI Holdings Private Limited                          | Associate of Promoter | Nil                     | Nil   | 3,45,20,000                                     | 3,45,20,000              | 28.33 | DO                         |
| Bengal Auto Parts Private Limited                     | Associate of Promoter | Nil                     | Nil   | 2,22,70,000                                     | 2,22,70,000              | 18.28 | DO                         |
| South India Travels Private Limited                   | Associate of Promoter | Nil                     | Nil   | 4,00,000  | 4,00,000                 | 0.33  | DO                         |
| Twin Shield Consultants Private Limited               | Associate of Promoter | Nil                     | Nil   | 30,00,000                                       | 30,00,000                | 2.46  | DO                         |

- g) Lock in: The Equity Shares allotted will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 78 and 79 of the SEBI (ICDR) Regulations, 2009. The entire pre preferential allotment shareholding of the Proposed Allottee, if any, shall be locked-in from the relevant date up to a period of six months from the date of the trading approval.
- h) Auditor's Certificate: A copy of the Company's Statutory Auditors certifying that the issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations, 2009 shall be placed before the Shareholders at the Extraordinary General Meeting of the Company and the same shall be open for inspection at the registered office of the Company between 11:00 a.m. and 2:00 p.m. on all working days till the date of the Extraordinary General Meeting.
- i) Consequential Changes in the Voting Rights: Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.
- j) Change in Management/ Control. The issue of Equity into equivalent number of equity shares will not result in any change in the management or control of the Company.

Post 1st April, 2017 and up to the date of this Notice, the Company has not issued any shares.

As it is proposed to issue and allot the aforesaid Equity Shares on preferential basis, Special Resolution is required to be passed by members pursuant to the provisions of Section 62 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009.

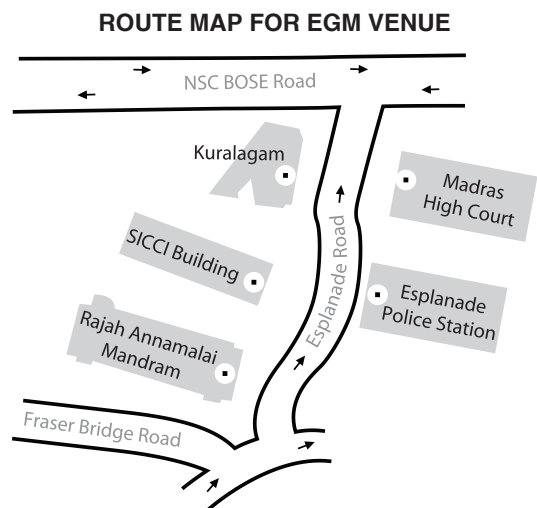
The Directors accordingly recommend the resolution at set out in Item No. 4&5 for your approval as a Special resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4&5 of the Notice except to the extent of their individual shareholding in the Company.

Registered Office :  
SPIC House  
88, Mount Road, Guindy,  
Chennai – 600032.

Date : 05.03.2018  
Place : Chennai

By order of the Board  
For Tuticorin Alkali Chemicals  
and Fertilizers Limited  
G. Ramachandran  
Managing Director  
DIN: 00051999



**TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED**  
**ATTENDANCE SLIP**

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF "RAJAH ANNAMALAI HALL", ESPLANADE, CHENNAI-600 108.

|                   |  |
|-------------------|--|
| <b>Folio No:</b>  |  |
| <b>DP. ID*</b>    |  |
| <b>Client ID*</b> |  |

\* Applicable to investors holding shares in electronic form

**NAME & ADDRESS OF THE SHAREHOLDER** -----

I hereby record my presence at the Extraordinary General Meeting at "Rajah Annamalai Hall", Esplanade, Chennai - 600 108 on Tuesday, the 10th April, 2018 at 10.35 a.m.

Note : 1. The Company is offering electronic voting facility to its members in respect of the special business to be transacted at the ensuing EGM, pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014.

**FORM NO. MGT 11**

**PROXY FORM**

**TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED**

CIN : L24119TN1971PLC006083

**Registered Office:** "SPIC House", 88, Mount Road, Guindy, Chennai - 600 032. Phone: 2235 2513, E-mail: info@tafert.com

|                         |  |
|-------------------------|--|
| Name of the shareholder |  |
| Folio No :              |  |
| Registered Address      |  |
| Email Id                |  |

I/We being the member(s) holding \_\_\_\_\_ shares of the above named Company hereby appoint

- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E.Mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him/her
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E.Mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him/her
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E.Mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Extraordinary General Meeting of the Company, to be held on Tuesday, the 10<sup>th</sup> April, 2018 at 10.35 a.m. at "Rajah Annamalai Hall" Esplanade, Chennai – 600 108 and at any adjournment thereof in respect of such Resolutions, in the manner as indicated below:

| Resolution No | Description   | Type of Resolution | Optional |         |
|---------------|---|--------------------|----------|---------|
|               |   |                    | For      | Against |
|               | Special Business  |                    |          |         |
| 1             | Increase in Authorised Share Capital  | Ordinary           |          |         |
| 2             | Amendment Clause "V" of the Memorandum of Association   | Special            |          |         |
| 3             | Amendment Article 3 of the Articles of Association  | Special            |          |         |
| 4             | Issue of Equity Shares on Preferential basis to Promoter by conversion of Unsecured Loan                          | Special            |          |         |
| 5             | Issue of Equity Shares on Preferential basis to Promoter by conversion of Redeemable cumulative Preference Shares | Special            |          |         |

Signed this \_\_\_\_\_ day of March / April, 2018.

Signature of Proxy holder : .....

Signature of Shareholder : .....

Note:

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered and Principal Office of the Company at SPIC House, 88, Mount Road, Guindy, Chennai – 600 032 not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Note, please refer to the Notice of the EGM.
- It is optional to put (TICK) in the appropriate column against the Resolution indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.
- Members may note that a person shall not act as a Proxy for more than 50 members and holding in aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

|   |
|---|
| Affix<br>revenue<br>stamp<br>not less than<br>Re.0.15 |
|---|

TO

*If undelivered, please return to:*

**Tuticorin Alkali Chemicals and Fertilizers Limited**  
"SPIC House",  
88, Mount Road,  
Guindy,  
Chennai - 600 032.  
Tamilnadu, India