



Alufluoride Limited

***Mulagada, Mindi,
Visakhapatnam-530 012***

NOTICE TO SHARE HOLDERS

NOTICE is hereby given that the Extraordinary General Meeting of the Company will be held at the Registered office, Mulagada, Mindi, Visakhapatnam 530 012 on Monday, the 12th January, 2015 at 11.00 AM to consider, and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution.

“RESOLVED THAT pursuant to Section 62 (1) (C) & Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the regulations/rules/guidelines issued by the Securities and Exchange Board of India (SEBI), Listing Agreement entered into with the Stock Exchanges and subject to such approvals, consents, permissions and sanctions of all other appropriate and / or concerned authorities and departments, if any, and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any Committee constituted/ to be constituted by the Board to exercise its powers conferred by this Resolution), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to offer, issue, allot and deliver 7,99,000 (Seven Lakhs Ninety Nine Thousand only) convertible warrants on preferential basis in one or more tranches, convertible into 7,99,000 (Seven Lakhs Ninety Nine Thousand only) equity shares (One Equity Share for one warrant issued) of the Company of the face value of Rs.10/- each to the

following categories of persons for cash which shall upon conversion rank pari-passu with the existing equity 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 SEBI (ICDR) Regulation, 2009 or other provisions of the law as may be prevailing at the time; provided that the minimum price of the warrants so issued shall not be less than the price arrived at in accordance with provisions of Chapter VII of SEBI (ICDR) Regulations, 2009.

Sl. No.	Name of the proposed Allottee	No. of Warrants to be issued
1	Promoters: I. Sri Venkat Akkineni II. Smt Jyothsana Akkineni III. Smt Sunitha Vemulapalli	3,50,000 2,37,000 1,46,000
2	Non Promoters: I. Dr Raj Naren Kotikalapudi II. Smt Padmalatha Grandhi III. Smt Snehalatha Devi Talluri	36,000 10,000 20,000
	Total	7,99,000

RESOLVED FURTHER THAT the ‘Relevant Date’ for the purpose of determining the issue price of warrants, in pursuance of SEBI (ICDR) Regulation, 2009, shall be 30 days prior to the date of the Extraordinary General Meeting (EGM) at which the approval of the shareholders in terms of Section 62(1)(C) & section 42 of the Companies Act, 2013 is obtained.

RESOLVED FURTHER THAT

- a) each warrant be convertible into one equity share can be exercised at any time within a period of 18 months from the date of issue of such Warrants and on such other terms and conditions, subject to SEBI (ICDR) Regulation, 2009, as may be applicable, from time to time.

- b) In accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, 25% of the consideration payable for the warrants (and the equity shares into which they are converted), shall be paid by the proposed allottees to the Company upon issue and allotment of the warrants.
- c) The amount paid on issue of warrants shall be forfeited if the warrants are not exercised within a period of 18 months from the date of issue of warrants.
- d) Equity Shares to be issued and allotted by the Company on exercising of the option against the warrants shall rank pari-passu in all respects with the then existing fully paid-up Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution and accept any alteration (s) or amendment (s) or corrections as they may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any questions, difficulties or doubts that may arise in regard to the offer, issue or allotment of the said securities and with a power to change the number of warrants hereby created, issued and offered to the person (s) referred above and within the limit mentioned above and also to seek listing of such securities at the Stock Exchanges where the existing securities are listed.

By order of the Board
For **ALUFLUORIDE LIMITED**

Hyderabad
16 December, 2014

VENKAT AKKINENI
Managing Director
DIN 00013996

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself/herself and such proxy or proxies need not be a member or members of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
2. Corporate Members/Trust/Society intending to send their authorized representatives for attending the EGM are requested to send to the Company a duly certified copy of the Board/ Managing Committee Resolution authorising their representatives to attend and vote on their behalf at the Annual General Meeting.
3. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, and Clause 35B of the Listing Agreement, the Company is providing the facility to Members to exercise their rights to vote by electronic means. The Company has engaged the Services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 12th December, 2014 (Cut -off date fixed for this purpose). The e-voting period will commence at 10.00 a.m. on Tuesday, 6th January, 2015 and will end at 5.00 p.m. on Thursday, 8th January, 2015. The Company has appointed Mr. G.M.V. Dhanunjaya Rao, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. Detailed instructions for availing e-voting facility are being sent separately as a part of this Notice.

EXPLANATORY STATEMENT

Your Company plans to issue convertible warrants to increase the Equity base of the Company for meeting the Bank's norms in terms of Debt-equity ratios etc and to augment the required funds for the proposed future projects of the Company. In view of this, it is proposed to create, offer, issue and allot 7,99,000 (Seven Lakhs Ninety Nine Thousand only) warrants and each warrant convertible into one Equity share of Rs.10/- each fully paid to the following persons on preferential allotment basis:

Sl. No.	Name of the proposed Allottee	No. of Warrants to be issued
1	Promoters:	
	I. Sri Venkat Akkineni	3,50,000
	II. Smt Jyothsana Akkineni	2,37,000
	III. Smt Sunitha Vemulapalli	1,46,000
2	Non Promoters:	
	I. Dr Raj Naren Kotikalapudi	36,000
	II. Smt Padmalatha Grandhi	10,000
	III. Smt Snehalatha Devi Talluri	20,000
	Total	7,99,000

The details of the issue and other particulars as required in terms of the Chapter VII of the SEBI (ICDR) Regulations, 2009 in relation to the above said Special Resolution are given as under.

a) Object of Issue

The object of the proposed preferential offer is to increase the Equity base of the Company for meeting the Bank's norms in terms of Debt-equity ratios etc and to augment the required funds for the proposed future projects of the Company.

b) Intention of the Promoters/Directors/Key Management persons to subscribe to the offer: Sri Venkat Akkineni, Smt Jyothsana Akkineni & Smt Sunitha Vemulapalli Promoters of the Company are intending to subscribe for the warrants to be converted into equity shares within 18 months in one or more tranches as per SEBI Guidelines, Rules and Regulations from the date of issue.

c) Shareholding pattern before and after issue of warrants to be converted into equity shares within 18 months from the date of the allotment of the warrants.

Sl.No	Category	Pre – Issue		Post – Issue (Assuming all warrants converted into Equity Shares)	
		No. of shares Held	% of Holding	No. of shares Held	% of Holding
A	Shareholding of Promoters & Promoter Group				
1	Indian Promoters	3701070	52.87	4434070	56.85
2	Foreign Promoters	—	—	—	—
	Sub-Total (A)	3701070	52.87	4434070	56.85
B	Public Shareholding Institutions				
3	Financial Institutions / Banks	100100	1.43	100100	1.28
a	Mutual Funds & UTI	—	—	—	—
b	Venture Capital Funds	—	—	—	—
c	FII's	—	—	—	—
d	Foreign Venture Capital Investors	—	—	—	—
e					
	Sub-Total (B1)	100100	1.43	100100	1.28
4	Non-Institutions				
a	Private Corporate Bodies	397120	5.67	397120	5.09
b	Indian Public	2501668	35.74	2567668	32.93
c	NRIs	298682	4.27	298682	3.83
d	Clearing Members	1760	0.02	1760	0.02
e	Others(Trusts)	—	—	—	—
	Sub-Total (B2)	3199230	45.70	3265230	41.87
	Sub-Total (B = B1+B2)	3299330	47.13	3365330	43.15
C	Shares held by Custodians and against Depository Receipts, FCCBs etc.,	—	—	—	—
	Grand Total (A+B+C)	7000400	100	7799400	100.00

Notes:

- i) The above table has been prepared on the basis of the shareholding pattern as on 12.12.2014.
- ii) The Post-issue shareholding pattern in the above table has been prepared on the basis that the proposed allottees would have subscribed to and been allotted 7,99,000 warrants to be converted into equity shares within 18 months from the date of the allotment of the warrants of the Company. In the event for any reason, they does not or are unable to subscribe to and/or is not allotted the warrants, the shareholding pattern in the above table would undergo corresponding changes.

d) Proposed time within which the allotment shall be completed

The Allotment of the warrants shall be completed within 15 days from the date of the Extraordinary General Meeting provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

e) Identity of proposed allottee(s) of warrants and the percentage of the post issue capital that may be held by him / her on conversion of the warrants into shares

Sl No.	Name & Address of the proposed Allottee	Ultimate Beneficial owner(s) of the shares	Relation, if any, with the promoters or person in control of the Company	Percentage of the post issue capital that may be held by him / her on conversion of the warrants into shares
1	Sri Venkat Akkineni 8-2-120/84/1/1A Road No.2 Banjara Hills Hyderabad - 500 034	Not Applicable	Promoter	4.49
2	Smt Jyothsana Akkineni 8-2-120/84/1/1A Road No.2 Banjara Hills Hyderabad - 500 034	Not Applicable	Promoter	3.69
3	Smt Sunitha Vemulapalli 12A, Park View Enclave, Road No.2, Banjara Hills Hyderabad - 500034	Not Applicable	Promoter	19.99
4	Dr.Raj Naren Kotikalapudi 55-8-35, Seethammadhara, Visakhapatnam - 530013	Not Applicable	Relative of Sri K. Purushotham Naidu, Director Finance	0.46
5	Smt Padmalatha Grandhi Flat No. 403, Sagar Heights, Water tank lane, Prakash Nagar, Hyderabad – 500003	Not Applicable	Relative of Sri G.Sreeramakrishna, Director	0.13
6	Smt Snehalatha Devi Talluri Flat No.305, Mythri Residency, TPT Colony, Seethammadhara, Visakhapatnam - 530013	Not Applicable	Relative of Sri A.V.V.S.S.Ch.B Sekhar Babu, Director	0.26

f) Change in the Composition of the Board of Directors and Control of the Company

There will not be any change in the composition of the Board of Directors and control of the Company on account of the proposed preferential allotment but there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the preferential allotment.

g) Undertaking:

- the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

h) Non transferability of the Securities

The securities issued and allotted on a preferential basis hereunder will be subject to lock-in as specified under Chapter VII of the SEBI (ICDR) Regulations, 2009.

i) Price at which allotment is proposed

The pricing of the warrants shall not be lower than the price determined in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009. The proposed allottees of the warrants have agreed to pay the price determined in accordance with these Regulations. A copy of the certificate from CS/CA for pricing of warrant as per the SEBI Regulations shall be placed before the shareholders at the meeting.

The Relevant Date for the purpose of determining the issue price of the warrants shall be 30 days prior to the date of the Extraordinary General Meeting i.e December 13, 2014.

As per Section 62(1)(C) of the Companies Act, 2013, approval of the shareholders in the General Meeting is required for the issue of the shares by way of preferential allotment as stated in the resolution. Hence consent of the shareholders by way of special resolution is being sought for the issue of such warrants on preferential basis.

j) Certificate from the statutory auditor

A copy of the certificate obtained from the statutory auditor, certifying that the issue is being made in accordance with the requirements of these regulations will be placed before the EGM.

The Board recommends the resolution for approval by way of Special Resolution. All the Directors except Dr.T.R.Ramachandran is concerned or interested in the resolution.

By order of the Board
For **ALUFLUORIDE LIMITED**

Hyderabad
16 December, 2014

VENKAT AKKINENI
Managing Director
DIN 00013996



ALUFLUORIDE LIMITED

Regd. Office: Mulagada, Mindi, Visakhapatnam - 530 012, Andhra Pradesh.
Tel. : +91 891 2548567, 2577077 • E-mail Id : contact@alufluoride.com; Website: www.alufluoride.com
CIN No. : L24110AP1984PLC005096

ATTENDANCE SLIP

Extraordinary General Meeting on 12th January, 2015 at 11.00 A.M.
at Mulagada, Mindi, Visakhapatnam – 530 012 (A.P.).

Name of the Shareholder: Folio No.

- A member/proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.
 - If you intend to appoint a proxy, please complete the Proxy Form below and deposit it at the Company's Registered Office 48 hours before the meeting. Please ensure that the proxy brings this Attendance Slip with him for the meeting.
- I hereby record my presence at the Extraordinary General Meeting of the Company held at Mulagada, Mindi, Visakhapatnam 530 012, on 12th January, 2015.

Name of the Proxy (if any) in Block Letters Signature of the Member/Proxy

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company : **Alufluoride Limited** (CIN: L24110AP1984PLC005096)

Registered office: Mulagada, Mindi, Viskhapatnam-530 012

Name of the Member(s) :

Registered Address:

E-mail ID :

Folio No. / DP ID - Client ID :

I/We, being the member(s) holding equity shares of the above named company, hereby appoint

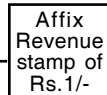
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Address:
E-mail Id:
Signature: or failing him/her
- Name:
Address:
E-mail Id:
Signature: or failing him/her
- Name:
Address:
E-mail Id:
Signature:

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 the Monday, 12th day of January, 2015 at 11.00 a.m. at the Registered Office of the Company and at any adjournment there of in respect of such resolutions as are indicated below:

Resolution No.	Subject matter of the Resolution
1	Issue of Share Warrants to Promoters & Non-Promoters

Signed this.....day of.....2014 /2015

Signature of shareholder _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

INSTRUCTIONS ON ELECTRONIC VOTING

The procedure and instructions for Members for e-voting are as under:-

- i) Log on to the e-voting website www.evotingindia.com
- ii) Click on "Shareholders" tab
- iii) Now, select the Company name "ALUFLUORIDE LIMITED" from the drop down menu and click on "SUBMIT".
- iv) Now enter your User ID :-
 - a) For CDSL – 16 digits beneficiary ID,
 - b) For NSDL – 8 Characters DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Captcha Code (Image Verification Code) as displayed and Click on Login.
- vi) 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.
- vii) If you are a first time user follow the steps given below (Applicable for both demat shareholders as well as physical shareholders).
- viii) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in 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)	
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.	

* 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 sequence number (available in the Address Label pasted in the cover and/or in the e-mail sent to Members) in the PAN field. 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. Eg. If your name is Ramanathan with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company, please enter the Member ID / folio number in the Dividend Bank details field.

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) Members holding shares in physical form will then reach directly the Company selection screen.
- xi) 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.
- xii) You can also update your mobile number and E-mail ID in the user profile details of the folio, which may be used for future Communication(s).
- xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this EGM Notice.
- xiv) Click on the EVSN (Electronic Voting Sequence Number) of "ALUFLUORIDE LIMITED" to vote.
- xv) 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.
- xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions
- xvii) 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.



- xviii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xix) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xx) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code (Image Verification Code) and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a User ID to able to link the account(s) which they wish to vote and then cast their vote on
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xxi) Once the vote on the Resolution is cast by the Shareholders, they shall not be allowed to change it subsequently.
- xxii) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman/Director of the Company. The Results on Resolutions shall be declared on or after the EGM of the Company by the Chairman of the Company or by any other persons duly authorized in this regard. The Resolutions will be deemed to be passed on the date of EGM subject to receipt of the requisite number of votes. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.alufluoride.com and on the website of CDSL within two (2) days of passing of the resolutions at the EGM of the Company and communicated to the Stock Exchanges.

PRINTED MATTER

To

If undelivered, Please return to :

ALUFLUORIDE LIMITED

MULAGADA, MINDI

VISAKHAPATNAM 530 012, INDIA

Phone : (91 891) 2577077, 2548567

Email : contact@alufluoride.com

Web : www.alufluoride.com