

BGR ENERGY SYSTEMS LIMITED

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018 INDIA TEL: 91 44 24301000 FAX: 91 44 24360576 E-mail: compliance@bgrenergy.com Web site: www.bgrcorp.com

BeSec/2019 January 09, 2019

Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400051 Department of Corporate Services BSE Limited P.J. Towers, Dalal Street Mumbai - 400 001

NSE Symbol: BGRENERGY BSE Scrip Code: 532930

Dear Sirs,

Sub: Notice of Extra-Ordinary General Meeting of the Company

Further to our letter dated January 02, 2019 intimating the date of Extra-Ordinary General Meeting, we are pleased to forward the Notice of the Extra-Ordinary General Meeting of the Company to be held at 12.15 p.m. at the Registered Office of the company on Friday, February 15, 2019.

We request you to kindly take the above document on record.

Thanking you,

Yours faithfully, for BGR Energy Systems Limited

President – Corporate & Secretary



BGR ENERGY SYSTEMS LIMITED

Notice to the Members of

BGR ENERGY SYSTEMS LIMITED

Notice is hereby given that an Extra-Ordinary General Meeting of the Members of BGR Energy Systems Limited will be held at the Registered Office at A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, Nellore District, Andhra Pradesh – 524 401 at 12.15 p.m. on Friday, February 15, 2019 to transact the following business:

 Appointment of Mr. A. Swaminathan as Wholetime Director – Engineering & Construction Business (E & C) of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including statutory modification thereof for the time being in force, the Company hereby approves the appointment of Mr.A.Swaminathan (DIN 00673790) to the office of Wholetime Director for a period of one year from October 01, 2018 on the terms and conditions as set out below and that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the said appointment and remuneration within the overall limits as prescribed in Schedule V of the Companies Act, 2013, as may be amended from time to time."

a. <u>Designation</u>: Director - Engineering & Construction Business (E & C)

b. Remuneration

(i) Salary : Rs.5,00,000/- per month

(ii) Special pay: Rs.5,00,000/- per month

(iii) Perquisites & Reimbursements

In addition to the salary and special pay, the Appointee shall be entitled to perquisites and reimbursements subject to a ceiling of Rs.60,00,000/- per annum. The value of perquisites shall be valued as per the Income Tax Act, 1961 and in the absence of such rules the actual cost incurred by the company in providing such perquisites.

- (iv) In addition to the salary, special pay and perquisites, the appointee shall be entitled to use of company's car in accordance with the rules of the company.
- (v) Contribution to provident fund and gratuity would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (vi) Encashment of earned leave at the end of the tenure as per rules of the company shall not be included in the computation of ceiling on remuneration.
- (vii) Provision of car for use on company's business, telephone and other communication facilities at residence would not be considered as perquisites.

c. Performance linked Incentive

The Appointee shall be entitled to performance linked incentive of Rs.1,00,00,000/- (Rupees One Crore only) per annum.

The performance linked incentive shall be based on the standards set out below;

- a) Order booking, Execution of contracts as per customer contracts, Turnover, Contribution, in conformity with Board or CoD approved E&C business budget and project budgets.
- b) Achievement of respective project milestones.
- c) Collection of debts as per contractual terms, including completed projects.

d. Annual increment : Not applicable.

e. Minimum remuneration

During the term of the appointment, where in any financial year the company has no profits or the profits are inadequate, Mr.Swaminathan shall be entitled to such remuneration not exceeding the limits specified under section II of part II of Schedule V to the Companies Act, 2013, as applicable or such remuneration as may be approved by the shareholders by a special resolution. The remuneration and perquisites as set out hereinabove shall be further subject to the overall maximum remuneration payable to all managerial personnel of the company in accordance with the provisions of Section 196 and 197 of the Companies Act, 2013.

Mr.A.Swaminathan, shall continue to hold the office of Director – Engineering & Construction Business (E & C) for a period of one year from October 01, 2018 or up to the date of Annual General Meeting of the Company in the year 2019 whichever is earlier.

The retirement/superannuation benefits of the appointee accrued prior to this appointment shall continue to accrue with continuity of service and shall be reckoned accordingly. The performance linked incentive will be payable 3 months after expiry of the term of appointment.

Re-appointment of Mr. M. Gopalakrishna as an independent director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, and 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr.M.Gopalakrishna (DIN: 00088454), who was appointed as an Independent Director and who holds office of Independent Director up to March 31, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years from April 01, 2019 on the Board of the Company."

3. Re-Appointment of Mr. S.A. Bohra as an independent director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr.S.A.Bohra (DIN: 00791861), who was appointed as an Independent Director and who holds office of Independent Director up to March 31, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years from April 01, 2019 on the Board of the Company."

4. Re-appointment of Mr. S.R. Tagat as an independent director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr.S.R.Tagat (DIN: 01632756), who was appointed as an Independent Director and who holds office of Independent Director up to March 31, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years from April 01, 2019 on the Board of the Company."

By order of the Board

Place : Chennai R. RAMESH KUMAR

Date : January 02, 2019 President - Corporate & Secretary

Notes:

i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member. Proxy form duly filled, stamped and signed shall be deposited at the Registered Office of the company at least 48 hours before the time fixed for 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 person as proxy and such person shall not act as a proxy for any other person or a Member.

- ii) The relevant statement as required under Section 102 of the Companies Act, 2013 in respect of the special businesses in the notice is appended herewith.
- iii) All documents referred to in the above notice and statement are available for inspection at the Registered office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 10.00 a.m. and 5.00 p.m. upto the date of the Extra-Ordinary General Meeting.

Members holding shares in physical form are requested to notify any change in their address to the Registrar and Share Transfer Agent - Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083.

- iv) Members holding shares in electronic form should update their details with their respective depository participants.
- V) For any assistance or guidance for dematerialization, shareholders are requested to contact the Company's Registrar and Share Transfer Agent or Investors Relations Centre at the Corporate Office of the Company.

vi) Members are requested to bring their copy of the Notice to the meeting along with duly signed attendance slip.

vii) Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 with effect from March 19, 2015 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the members facility of voting by electronic means in respect of businesses to be transacted at the Extra-Ordinary General Meeting which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) and voting at the EGM through an electronic voting or ballot or poll paper. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with Depository Participant(s)]:
 - (i) Open email and open PDF file viz.; "bgrenergy. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL:

https://www.evoting.nsdl.com/

- (iii) Click on Shareholder Login
- (iv) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of BGR Energy Systems Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gsubramaniam123@gmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of EGM [for members whose email IDs are not registered with the Depository Participant(s) or requesting physical copy]:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the EGM:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
---------------------------------	---------	--------------

(ii) Please follow all steps from SI. No. (ii) to SI. No. (xi) above, to cast your vote.

Other Instructions:

I. Persons who acquired shares and became Members of the Company after the dispatch of the Notice of the EGM but before the cut-off date of February 08, 2019 may obtain their user ID and password for e-voting by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

- II. The remote e-voting period commences on February 12, 2019 at 9.00 a.m. and ends on February 14, 2019 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of February 08, 2019 may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on February 14, 2019. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of February 08, 2019.
- V. Members attending the meeting who have not already cast their vote by remote e-voting shall alone be able to exercise their voting right at the meeting through ballot or polling paper. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- VI. CS G. Subramaniam, Practising Company Secretary (Membership No.11194) has been appointed as the Scrutinizer to scrutinize both the remote e-voting and the physical voting at the meeting in a fair and transparent manner.
- VII. The results of e-voting will be declared not later than 48 hours of conclusion of the EGM i.e. February 17, 2019. The results declared along with the scrutinizer's Report shall be placed on the Company's website www.bgrcorp.com and on the website of NSDL and the results will be communicated to BSE Limited and National Stock Exchange of India Limited. Subject to receipt of requisite number of votes, the resolutions set out in the notice shall be deemed to be passed on the date of the EGM.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND INFORMATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Item No.1

Mr. A. Swaminathan was originally appointed to the office of Whole Time Director of the Company and designated as Director – Sales & Marketing for a period of 5 years

effective from February 05, 2010. Subsequently he was appointed by the Board of Directors as Joint Managing Director & CEO for a period of 5 years from October 01, 2013 and his term of appointment expired on September 30, 2018. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on September 25, 2018 appointed him as a Wholetime Director and designated him as Director – Engineering & Construction Business (E & C) for a period of one year from October 01, 2018 as per the terms and conditions set out in the resolution No.1 above.

Mr. Swaminathan has joined the Company in May, 1997 and served the company for more than 20 years and contributed immensely in making the Company as market leader in Balance of Plant ("BoP") segment business in India and company's strategic foray in Engineering, Procurement and Construction ("EPC") segment business and was heading the Power projects division of the Company as President & CEO before elevated as Director – Sales & Marketing in the year 2010. He has more than three decades of overall experience in design, engineering, construction, erection, commissioning, operation and maintenance of Power projects and business management.

The appointment as Director - Engineering & Construction Business (E & C) was made under the provisions of the Companies Act, 2013. In terms of Schedule V of the Companies Act, 2013 the said appointment shall be approved by shareholders in a general meeting. In the event of loss or inadequacy of profits during any financial year the Board of Directors at its discretion shall have the authority to pay remuneration in excess of limits specified in Section II of Part II of Schedule V of the Companies Act, 2013 provided the shareholders approved the remuneration by way of special resolution instead of an ordinary resolution. Accordingly, the approval of shareholders is sought for his appointment and remuneration by way of special resolution and the Board of Directors recommends resolution set out at item No. 1 of the Notice for approval by the shareholders.

Except Mr.Swaminathan, none of the directors and key managerial personnel of the Company and their relatives is interested or concerned in this resolution.

Item No.2,3 & 4

Mr.M.Gopalakrishna (DIN: 00088454), Mr.S.A.Bohra (DIN: 00791861) and Mr.S.R.Tagat (DIN: 01632756), were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section

149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office as Independent Directors of the Company up to March 31, 2019.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of performance evaluation of Independent Directors, at its meeting held on November 09, 2018 recommended reappointment of Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat as Independent Directors for a second term on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure. the continued association of Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat would be beneficial to the Company and hence it is desirable to continue to avail their counsel as Independent Directors. Accordingly, it is proposed to re-appoint Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report.

Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from a member under Section 160 of the Act proposing the candidature of Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat for the office of Independent Directors of the Company. The Company has also received declarations from Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat are independent of the management.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 2,3 and 4, are provided below pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Under Regulation 17(1A) of the Listing Regulations Special Resolution is required for appointment or continuance of any person over 75 years age as Non-Executive Director and hence the approval of the Shareholders by way of Special Resolution is sought under this provision also in respect of Mr.Gopalakrishna and Mr.S.A.Bohra since it is applicable to them.

Copy of draft letters of appointment of Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr.M.Gopalakrishna, Mr.S.A.Bohra and Mr.S.R.Tagat are interested in the resolutions set out respectively at Item Nos. 2, 3 and 4 of the Notice with regard to their respective re-appointments. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item Nos.2, 3 and 4 of the Notice for approval by the members.

INFORMATION PERTAINING TO ITEM Nos.1,2, 3 and 4

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE FORTHCOMING EXTRAORDINARY GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD 2]

Name of Director	Mr.A.Swaminathan	Mr.M.Gopalakrishna	
Age	62 years	79 years	
Experience	decades of overall experience in design, engineering, construction, erection, commissioning, operation and maintenance	He is a retired officer of the Indian Administrative Service ("IAS") and has served on the Boards of various public limited companies in the capacity of Chairman, Managing Director and Director. He was Chairman of Rural Electrification Corporation Limited, Assam Gas Company Limited and Andhra Pradesh State Financial Corporation and Managing Director of Godavari Fertilisers and Chemicals Limited.	
Date of appointment	February 05, 2010	July 18, 2007	
Qualifications	B.Tech (Mechanical) from IIT, Mumbai	Graduate in Science and Law from Osmania University, and has done an Advanced Management Program in Banff School of Management, Canada.	
Names of other entities in which the person also holds the directorships	 Cuddalore Powergen Corporation Limited BGR Boilers Private Limited Progen System and Technologies Limited 	 JOCIL Limited Pitti Engineering Limited Olectra Greentech Limited Nuziveedu Seeds Ltd. NSL Textiles Limited NSL Renewable Power Pvt. Ltd. Suven Life Sciences Limited Prabhat Agri Biotech Limited 	

Names of other entities in which the person also holds membership of Committees of Board	,	 Olectra Greentech Limited Suven Life Sciences Limited Prabhat Agri Biotech Limited NSL Renewable Power Limited NSL Textiles Limited
Shareholding in the Company as on 31.3.2018	18100	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company		N.A
Number of Meetings of Board Attended during the year	4	4

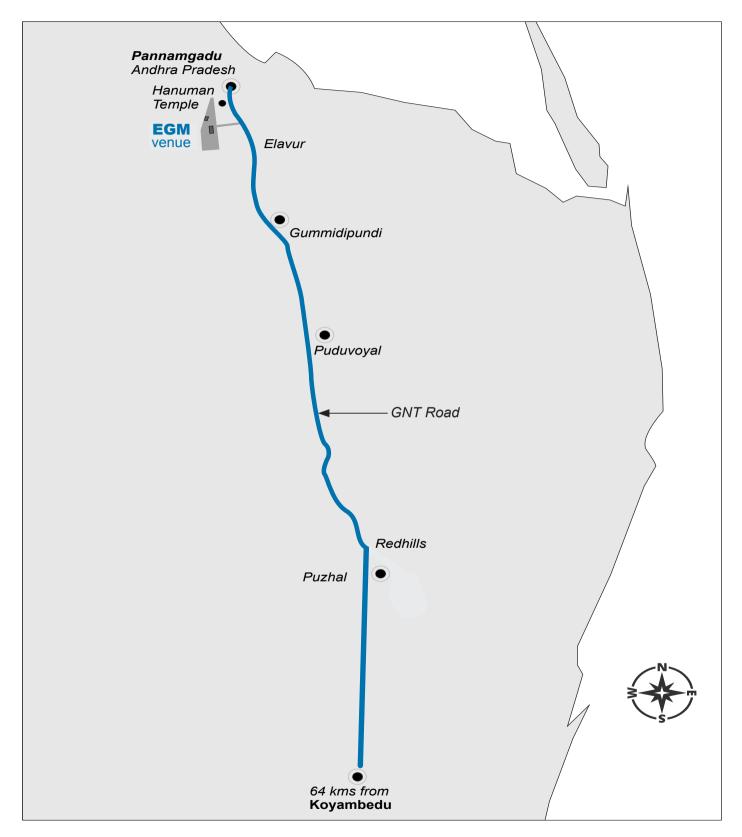
Name of Director	Mr.S.A.Bohra	Mr.S.R.Tagat
Age	74	63
Experience	He served as Senior Executive Director (Technical) of Nuclear Power Corporation of India Limited and also served on the Board of various Public Limited companies and Government companies. Mr. Bohra was governor on the Board of WANO (World Association of Nuclear Operators), Tokyo center.	handled audit of corporates, banks and insurance companies. Presently, Mr. Tagat is a partner in a reputed
Date of appointment	July 18, 2007	July 18, 2007
Qualifications	BE(Mechanical)	B Com, FCA
Names of other entities in which the person also holds the directorships	-	-
Names of other entities in which the person also holds membership of Committees of Board	-	-
Shareholding in the Company as on 31.3.2018	-	135
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company		N.A
Number of Meetings of Board Attended during the year	4	4

By order of the Board

R. RAMESH KUMAR President – Corporate & Secretary

Date: January 02, 2019

ROUTE MAP FOR EGM VENUE



EGM Venue: A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sulurpet Taluk, Nellore District, Andhra Pradesh-524401

Prominent Landmark: Hanuman Temple on GNT Road