



## BGR ENERGY SYSTEMS LIMITED

Registered Office: A-5, Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet Taluk, Nellore District, Pin: 524 401 Andhra Pradesh  
Corporate Identity No.: L40106AP1985PLC005318

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### Notice to the Members of BGR ENERGY SYSTEMS LIMITED

Notice is hereby given that the 28<sup>th</sup> Annual 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 3.00 p.m. on Thursday, September 25, 2014 to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a director in the place of Mr.M.Gopalakrishna, who retires by rotation and being eligible offers himself for re-appointment as an independent director to hold office consecutively for a term up to March 31, 2019.
4. To appoint a director in the place of Mr.S.A.Bohra, who retires by rotation and being eligible offers himself for re-appointment as an independent director to hold office consecutively for a term up to March 31, 2019.
5. To appoint Auditors of the company to hold office from the conclusion of this 28<sup>th</sup> Annual General meeting until the conclusion of the next Annual General meeting and to fix their remuneration.

#### SPECIAL BUSINESS

6. To consider and, if deemed fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:  
“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the

Companies Act, 2013 and under Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 (“the Acts”) and the rules made thereunder read with Schedule V of the Companies Act, 2013 and under Schedule XIII of the Companies Act, 1956 as applicable, including statutory modification thereof for the time being in force, as applicable and subject to the approval of the Central Government, if required under the Acts, the approval of the shareholders is hereby accorded for the variation to the terms and conditions of appointment of Mr.V.R.Mahadevan, as Joint Managing Director, effective from September 25, 2013 and the terms and conditions as set out below which was effective June 01, 2013 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 and under Schedule XIII of the Companies Act, 1956 as applicable and as may be amended from time to time.”

a. Designation : Joint Managing Director

#### b. Remuneration

(i) Salary : ₹ 3,00,000/- per month

(ii) Allowances & Reimbursements : ₹ 7,50,000/- per month

(iii) Performance linked Incentive : The Appointee shall be entitled to a performance linked incentive of ₹ 25,00,000 (Rupees Twenty Five Lakh only) per annum.

#### c. Minimum remuneration

During the term of the appointment, wherein any financial year the company has no profits or the profits are inadequate, the Appointee shall be entitled to such remuneration not exceeding the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 and under Schedule XIII of the Companies Act, 1956, as applicable or such remuneration as may be approved by the Central Government. 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 the Companies Act, 2013 and / or the Companies Act 1956, as applicable.

7. To consider and, if deemed fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and under Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 (“the Acts”) and the rules made thereunder read with Schedule V of the Companies Act, 2013 and Schedule XIII of the Companies Act, 1956 as applicable (including statutory modification thereof for the time being in force) and subject to the approval of the Central Government, if required under the Acts, the approval of the shareholders is hereby granted for the appointment of Mr.A.Swaminathan to the office of Joint Managing Director & Chief Executive Officer, for a period of 5 years from October 01, 2013 on the terms and conditions as set out below and that the Board of Directors be and is hereby

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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 and Schedule XIII of the Companies Act, 1956 as applicable and as may be amended from time to time.”

a. Designation : Joint Managing Director & Chief Executive Officer

b. Remuneration

(i) Salary : ₹ 5,00,000/- per month

(ii) Special pay : ₹ 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 ₹ 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 Act 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 of 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 the Company's performance linked incentive of ₹ 1,00,00,000/- (Rupees One Crore only) per annum.

The Company's performance linked incentive shall be based on the standards set out below:

a) Order booking, Execution of contracts as per customer contracts, achievement of sales, Contribution, EBIDTA and Profit before tax in conformity with Board approved corporate budget and project milestones.

b) Collection of debts as per contractual terms and utilization of working capital borrowings as per Board approved norms.

c) Recruitment and Training of Human resources as per Board approved annual HR Plan.

The performance linked incentive will become due after approval of annual financial statements by the Board.

d. Annual increment : Not applicable.

e. Minimum remuneration :

During the term of the appointment, wherein any financial year the Company has no profits or the profits are inadequate, the Appointee shall be entitled to such remuneration not exceeding the limits specified under section II of part II of Schedule V of the Companies Act, 2013 and Schedule XIII of the Companies Act, 1956, as applicable or such remuneration as may be approved by the Central Government. The remuneration and perquisites as set out herein above shall be further subject to the overall maximum remuneration payable to all managerial personnel of the Company in accordance with the provisions of the Companies Act, 2013 and / or the Companies Act 1956, as applicable.

8. To consider and, if deemed fit, to pass the following resolution, with or without modification as a Special Resolution :

“RESOLVED that pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and under Section 314 (1) (b) and other applicable provisions, if any, of the Companies Act, 1956 (“the Acts”), the consent of the Company be and is hereby accorded to the remuneration paid/ payable to Mrs.Priyadarshini Raghupathy who is a relative of Mrs.Sasikala Raghupathy and Mrs.Swarnamugi Karthik as per the details given below and the Board of Directors be and is hereby further authorized to revise her remuneration as may be necessary from time to time subject to the limits under the provisions of the Companies Act, 2013.”

Remuneration effective from 28.01.2012	Remuneration effective from 28.01.2013	Remuneration on appointment as DGM effective from 01.01.2014
Basic Salary ₹ 46,000 p.m. plus other allowances aggregating to ₹ 22,08,000/- cost to the company per annum	Basic Salary ₹ 54,000 p.m. plus other allowances aggregating to ₹ 25,92,000/- cost to the company per annum	Basic Salary ₹ 58,000 p.m. plus other allowances aggregating to ₹ 27,84,000/- cost to the company per annum

9. To consider and, if deemed fit, to pass the following resolution, with or without modification as a Special Resolution :

“RESOLVED that pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and Companies Act, 1956 and Article 52 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to borrow money by way of loans, credits or otherwise up to ₹ 10,000 Crores (including public deposits but excluding temporary loans obtained from the Company's bankers in the ordinary course of business) from banks, financial institutions and other sources from time to time for the purpose of financing working capital requirements as also for acquisition of capital assets and / or for the general corporate purposes and other requirements of the Company both for capital and revenue in nature, notwithstanding that the moneys to be

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borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes”.

“RESOLVED FURTHER that for the purpose of giving effect to the above resolutions, the Board and / or Committee of Directors be and are hereby authorized to finalise, settle and execute such documents, deeds, writings, papers and agreements as may be required and do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowing and creating mortgages or charges or other security as may be required.”

10. To consider and, if deemed fit, to pass the following resolution, with or without modification as an Ordinary Resolution ;

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr.S.R.Tagat, Director of the Company be and is hereby appointed, as an independent director of the Company to hold office consecutively for a term up to March 31, 2019.”

11. To consider and, if deemed fit, to pass the following resolution, with or without modification as an Ordinary Resolution :

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr. M.S.Sundara Rajan, Director of the Company be and is hereby appointed, as an independent director of the Company to hold office consecutively for a term of five years or upto the date of conclusion of Annual General Meeting in the year 2019, whichever is earlier.”

12. To consider and, if deemed fit, to pass the following resolution, with or without modification as an Ordinary Resolution :

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr.Gnana Rajasekaran, Director of the Company be and is hereby appointed, as an independent director of the Company to hold office consecutively for a term of five years or upto the date of conclusion of Annual General Meeting in the year 2019, whichever is earlier.”

13. To consider and, if deemed fit, to pass the following resolution, with or without modification as an Ordinary Resolution :

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr.Heinrich Bohmer, Director of the Company be and is hereby appointed, as an independent director of the Company to hold office consecutively for a term up to March 31, 2019.”

14. To consider and, if deemed fit, to pass the following resolution, with or without modification as an Ordinary Resolution:

“RESOLVED that pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder the remuneration of ₹ 1,00,000/- plus reimbursement of out of pocket expenses payable to Mr. R.Vaidhyathan, Cost Accountant, as Cost Auditor to audit the cost records maintained by the Company for the Financial Year 2014-15 as approved by the Board be and is hereby ratified.

By order of the Board

**R. RAMESH KUMAR**

President – Corporate & Secretary

Place : Chennai

Date : May 30, 2014

## 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 in order to be valid 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 business in the notice is appended herewith.
- iii) The Register of Members and Share transfer book of the Company shall remain closed from Saturday, September 20, 2014 to Thursday, September 25, 2014 (both days inclusive).
- iv) 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 28<sup>th</sup> Annual General Meeting.
- v) 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-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078.
- vi) Members holding shares in electronic form should update their details with their respective depository participants. The bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be

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advised only to the depository participant of the members.

- vii) 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.
- viii) Members who have not encashed the dividend warrants for the FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12 and FY 2012-13 are requested to write to the Company giving necessary details.
- ix) Members are requested to forward their queries on annual accounts and other sections of the annual report to the Company Secretary at least 10 days in advance for enabling the Company to furnish replies / clarifications at the 28<sup>th</sup> Annual General Meeting.
- x) The Certificate from the Auditors of the Company certifying that the Employee Stock Option Scheme ("ESOS") of the Company is being implemented in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 will be placed at the 28<sup>th</sup> Annual General Meeting and will be open for inspection.
- xi) Members are requested to bring their copy of the annual report to the meeting along with duly signed attendance slip.
- xii) **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the 28<sup>th</sup> Annual General Meeting by electronic means and the business as may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

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 the Depository Participants(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.
- (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 [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

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

- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xi) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on September 15, 2014 (9:30 am) and ends on September 17, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 15, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. 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 August 15, 2014.
- VII. M/s R.Sridharan & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

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VIII. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) 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 of the Company.

IX. The Results shall be declared on or after the AGM of the Company. 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 within 2 (two) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

## Statement Pursuant to Section 102 of the Companies Act, 2013 and Information under Clause 49 of the Listing Agreement

### Item No.6

Mr. V.R.Mahadevan was appointed to the office of Whole Time Director of the Company and designated as Director – Technologies & HR for a period of 5 (Five) years effective from June 01, 2010 and the appointment was approved by the shareholders in the Annual General Meeting of the Company held on September 24, 2010. The Board of Directors at its meeting held on September 25, 2013 re-designated Mr.V.R.Mahadevan as Joint Managing Director effective September 25, 2013. Further the Board at its meeting held on November 13, 2013 varied the terms of appointment with effect from September 25, 2013 except remuneration payable to him which was given effect from June 01, 2013.

Mr. V.R. Mahadevan, Whole time Director, re-designated as Joint Managing Director, holds a Bachelor's degree in Electrical Engineering. He joined the Company in the year 1987 and served the Company for more than two decades in various capacities and has proven leadership experience in project management, engineering, sales and business management. Mr. Mahadevan is a member of Shareholders and Investors Grievance Committee and Committee of Directors of the Company Mr. Mahadevan holds 716 equity shares of the Company. Mr. Mahadevan is a director on the companies given below:

Sl No.	Names of the Companies
1.	GEA BGR Energy System India Limited
2.	BGR Boilers Private Limited
3.	Germanischer Lloyd Industrial Services India Private Limited
4.	Govin Engineering and Constructions Limited
5.	Schmitz India Private Limited
6.	Pragati Computers Limited

The appointment and re-designation of Mr. V.R.Mahadevan was made under the provisions of the Companies Act, 1956. In terms of Schedule V of the Companies Act, 2013 and Schedule XIII of the Companies Act, 1956 the appointment and remuneration payable to a managerial person shall be approved by shareholders in general meeting. Accordingly, the approval of shareholders is sought for the variation to the terms and conditions of appointment of Mr.Mahadevan by way of resolution and the Board of Directors recommends the same.

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

### Item No. 7

Mr. A.Swaminathan was appointed to the office of Whole Time Director of the Company and designated as Director – Sales & Marketing for a period of 5 (Five) years effective from February 05, 2010 and the terms and conditions of his appointment was approved by the shareholders in the Annual General Meeting of the Company held on September 24, 2010.

Subsequently, the Board of Directors at its meeting held on September 25, 2013 appointed Mr.A.Swaminathan as Joint Managing Director & Chief Executive Officer for a period of 5 years effective from October 01, 2013 and the Board at its meeting held on November 13, 2013 further approved the terms of appointment. The previous appointment of Mr. Swaminathan as Director - Sales & Marketing then came to an end on September 30, 2013.

Mr. A.Swaminathan holds a Bachelor's degree in Technology in Mechanical Engineering from the Indian Institute of Technology, Mumbai. Mr. Swaminathan has joined the Company in May, 1997 and working for the company for more than 15 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. Prior to joining the Company, Mr. Swaminathan served TATA Power Limited as General Manager - Projects and has more than three decades of overall experience in design, engineering, construction, erection, commissioning, operation and maintenance of Power projects.

Mr. A. Swaminathan holds directorship in Progen Systems and Technologies Limited, Cuddalore Powergen Corporation Limited and BGR Boilers Private Limited. He holds 18,000 shares in the Company and he is a member of Committee of Directors of the Company.

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

### Item No.8

Mrs. Priyadarshini Raghupathy is the relative of Mrs.Sasikala Raghupathy, Chairman and Mrs. Swarnamugi Karthik, Director of the Company. The Board at its meeting held on November 13, 2013 approved the promotion and appointment of Mrs.Priyadarshini as Deputy General Manager and revised her remuneration as per the details provided below.

Remuneration effective from 28.01.2012	Remuneration effective from 28.01.2013	Remuneration on appointment as DGM effective from 01.01.2014
Basic Salary ₹ 46,000 p.m. plus other allowances aggregating to ₹ 22,08,000/- cost to the company per annum	Basic Salary ₹ 54,000 p.m. plus other allowances aggregating to ₹ 25,92,000/- cost to the company per annum	Basic Salary ₹ 58,000 p.m. plus other allowances aggregating to ₹ 27,84,000/- cost to the company per annum

As per the provisions of Section 188 of the Companies Act, 2013 and Section 314 of the Companies Act, 1956, the consent of the members is required for the payment of aforesaid remuneration to Mrs.Priyadarshini

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Raghupathy and accordingly the consent of shareholders is sought by way of a special resolution. The Board recommends passing of the resolution as a special resolution.

Except Mrs. Sasikala Raghupathy and Mrs. Swarnamugi Karthik, none of the Directors and key managerial personnel of the Company and their relatives is interested or concerned in this resolution.

## Item No.9

In terms of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company, except with the consent of the shareholders in a general meeting, borrow moneys, where moneys to be borrowed together with the moneys already borrowed by the company (apart from temporary loans obtained from Company's bankers in the ordinary course of business) that will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. Article 52 of the Articles of Association of Company provides for the borrowing powers of the Board subject to such limits as may be imposed by the shareholders. Accordingly, the shareholders at the 22<sup>nd</sup> Annual General Meeting of the Company held on September 19, 2008 passed an Ordinary resolution under Section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors of the Company to borrow money up to ₹ 10,000 Crores in excess of the aggregate of its paid up capital and free reserves. Now, the Section 180 of the Companies Act, 2013 which was notified by the government of India effective September 12, 2013 requires the consent of the shareholders by way of Special resolution for borrowing any money in excess of the paid-up capital and free reserves of the Company. The Ministry of Corporate Affairs vide its clarification No.04/2014, dated March 25, 2014 has clarified that the resolutions passed under Section 293 prior to September 12, 2013 with reference to the borrowing and/or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from September 12, 2013 only and there after a fresh approval of the shareholders is required by a special resolution to comply with the requirement of Section 180 of the Companies Act, 2013. Accordingly, the consent of the

members is being sought by way of a special resolution for the same borrowing limit of ₹ 10,000 crores as set out in the resolution. The proposal is in the interest of the Company and the Board recommends the resolution for approval of members.

None of the directors and key managerial personnel of the Company and their relatives is concerned or interested in the resolution.

## Item Nos. 3, 4 & 10 to 13

The independent directors of the Company namely Mr. M.Gopalakrishna and Mr. S.A.Bohra are retiring by rotation in the ensuing Annual General Meeting of the Company and the remaining independent directors namely Mr. S.R.Tagat, Mr. M.S.Sundara Rajan, Mr. Heinrich Bohmer and Mr. Gnana Rajasekaran are not retiring in the ensuing Annual General Meeting of the Company. As per the Companies Act, 2013 which came into effect on and from April 01, 2014 the independent directors are required to be appointed for a term up to 5 years without the requirement of retirement by rotation and their appointment shall be approved by the Company in general meeting. Hence, it is proposed to appoint Mr. M.Gopalakrishna, Mr. S.A.Bohra, Mr. S.R.Tagat and Mr. Heinrich Bohmer for a consecutive term up to March 31, 2019 and Mr.M.S.Sundara Rajan and Mr. Gnana Rajasekaran for a consecutive term of 5 years or upto the date of conclusion of Annual General Meeting in the year 2019, whichever is earlier as required under the Companies Act, 2013.

The Profile of Independent Directors seeking appointment is given below:

1) Mr. M.Gopalakrishna is a graduate in Science and Law from Osmania University, and has done an Advanced Management Program in Banff School of Management, Canada. He was inducted into the Board as independent director of the Company on July 18, 2007. 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. Mr. Gopalakrishna

does not hold any share in the Company. Mr. Gopalakrishna is a member of Audit Committee, Compensation Committee and Shareholders & Investors Grievance Committee. Mr. Gopalakrishna holds directorship in the Companies mentioned below.

Sl No.	Names of the Companies
1.	Jocil Limited
2.	Sentini Bio-products Private Limited
3.	Pitti Laminations Limited
4.	Goldstone Infratech Limited
5.	Arani Power Systems Limited
6.	Kernex Microsystems (India) Limited
7.	Vijayasri Organics Limited
8.	Nuziveedu Seeds Limited
9.	NSL Textiles Limited
10.	NSL Renewable Power Private Limited
11.	Suven Life Sciences Limited

Keeping in view of his rich expertise and vast knowledge potential, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr.M.Gopalakrishna, the Independent director fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the director is independent of the management. Copy of the draft letter of appointment of Mr.M.Gopalakrishna as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

2) Mr. S.A.Bohra holds a Bachelor's degree in Mechanical Engineering from Jodhpur University. He was inducted into the Board as independent director of the Company on July 18, 2007. Mr. Bohra 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. Mr. Bohra does not hold any share

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in the Company. Mr. Bohra is a member of Audit Committee and Compensation Committee. Mr. Bohra does not hold directorship in any other company.

Keeping in view of his rich experience and vast knowledge potential, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr. S.A. Bohra, the Independent director fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the director is independent of the management. Copy of the draft letter of appointment of Mr. S.A. Bohra as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

- 3) Mr. S.R. Tagat is an independent Director on the Board of your company. Mr. Tagat, a Chartered Accountant holds a Bachelor's degree in Commerce. He was inducted into the Board as independent director of the Company on July 18, 2007. Mr. Tagat has earlier served in various State public sector enterprises and handled audit of corporates, banks and insurance companies. Presently, Mr. Tagat is a partner in a reputed firm of Chartered Accountants. Mr. Tagat is the Chairman of the Audit Committee and a member of Share Transfer Committee of the Company. Mr. Tagat holds 135 equity shares of the Company. Mr. Tagat does not hold directorship in any other company.

Keeping in view of his qualification and wide experience and vast knowledge potential, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr. S.R. Tagat, the Independent director fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the director is independent of the management. Copy of the draft letter of appointment of Mr. S.R. Tagat as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

- 4) Mr. M.S. Sundara Rajan, holds Master Degree in Economics and is an Associate member of the Institute of Company Secretaries of India and a Certified Associate of Indian Institute of Bankers. He was inducted into the Board as independent director of the Company on November 14, 2011. Mr. Sundara Rajan retired as Chairman & Managing Director, Indian Bank on March 31, 2010. He has served in banking sector for more than three decades in various capacities including at Board levels of various subsidiary companies of Indian Bank. Mr. Sundara Rajan brings with him rich and vast experience in credit, merchant banking, corporate banking, housing finance, fund management and other strategic areas of banking. Mr. Sundara Rajan does not hold any share in the Company. Mr. Sundara Rajan holds directorship in companies given below:

Sl No.	Names of the Companies
1.	NSDL Database Management Limited
2.	The Clearing Corporation of India Limited
3.	Aadhar Housing Finance Private Limited
4.	Sundaram Trustee Company Limited
5.	Royal Sundaram Alliance Insurance Company Limited
6.	My Mobile Payments Limited
7.	Sharda Cropchem Ltd
8.	Kisan Mouldings Limited
9.	Gitanjali Gems Limited
10.	MSA Holdings Private Ltd
11.	Centbank Financial Services Ltd
12.	Revetec Technologies (India) Private Ltd
13.	Capital First Ltd
14.	Happy Insurance TPA Services Pvt Ltd
15.	Computer Age Management Services Private Limited

Keeping in view of his rich expertise and vast knowledge potential in Banking and Finance matters, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr. M.S. Sundara Rajan, the Independent director fulfills the conditions specified in the Companies

Act, 2013 and the rules made thereunder and that the director is independent of the management. Copy of the draft letter of appointment of Mr. M.S. Sundara Rajan as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

- 5) Mr. Gnana Rajasekaran, holds Master Degree in Physics and is a retired officer of the Indian Administrative Service. He has served on the Boards of various Public Sector undertaking in the capacity of Chairman/Managing Director for more than two decades. He was Secretary to Government, Energy and Labour departments, Government of Kerala and Chairman, Kerala State Electricity Board. Mr. Gnana Rajasekaran brings with him rich and vast experience in arts, culture and public administration and has won many awards and recognitions at National and State levels. Mr. Gnana Rajasekaran does not hold any share in the Company. He is on the Board of Odyssey Technologies Limited.

Keeping in view of his rich expertise and vast knowledge potential in administration and related areas, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr. Gnana Rajasekaran, the Independent director fulfills the conditions specified in the Companies Act, 1956 and the rules made thereunder and that the director is independent of the management. Copy of the draft letter of appointment of Mr. Gnana Rajasekaran as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

- 6) Mr. Heinrich Bohmer is an independent director on the Board of your Company. Mr. Heinrich Bohmer is a Diploma holder in Mechanical Engineering from the Technical academy in Duisburg, Germany. He was inducted into the Board as independent director of the Company on July 18, 2007. He has been involved in research and development, design and sales

## NOTICE

departments in various power and chemical industries. Prior to joining the company's Board, he established EVU GmbH, an engineering company and retired as the Managing Director of Taprogge – MWD GmbH, Germany. Mr. Heinrich Bohmer does not hold any share in the Company. Mr. Heinrich Bohmer is a member of Shareholders and Investors Grievance Committee of the Company. Mr. Heinrich Bohmer does not hold directorship in any other company.

Keeping in view of his rich expertise and vast knowledge potential in various technical matters, it will be in the interest of the Company to appoint him as an Independent Director.

In the opinion of the Board, Mr. Heinrich Bohmer, the Independent director fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder

and that the director is independent of the management. Copy of the draft letter of appointment of Mr. Heinrich Bohmer as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company by any member during normal business hours on any working day.

Except the independent directors, none of the directors and key managerial personnel of the Company and their relatives is concerned or interested in the resolution set out in the Item Nos. 3, 4 & 10 to 13.

### **Item No.14**

The proposal for appointment of Cost Auditor for Financial Year 2014 -15 was recommended by the Audit Committee to the Board. It was proposed to appoint Mr. R. Vaidhyanathan, Cost Accountant. Certificate dated May 07, 2014 issued by the cost auditor regarding

his eligibility for appointment as cost auditor will be available for inspection at the registered office of the Company during the office hours and shall be available at the meeting. As per the Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the appointment and remuneration payable to the cost auditors requires ratification by the shareholders of the Company. Hence, the Board recommends the appointment and remuneration for ratification by the shareholders. None of the directors and key managerial personnel and their relatives are interested in the resolution.

By order of the Board

**R. RAMESH KUMAR**

President – Corporate & Secretary

Place : Chennai

Date : May 30, 2014