

BPL LIMITED ANNUAL REPORT 2018 - 2019



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Corporate Information

BOARD OF DIRECTORS

Mr. Ajit G Nambiar, *Chairman & Managing Director*
Mrs. Anju Chandrasekhar
Capt. Subbarao Prabhala
Mr. Suraj L Mehta

COMPANY SECRETARY

Mrs. Chitra M A (*till 31.03.2019*)

CHIEF FINANCIAL OFFICER

Mr. S Ranganathan (*from 01.04.2019*)
Mr. S V Ganesh (*till 28.03.2019*)

CHIEF OPERATING OFFICER

Mr. Manmohan Ganesh

AUDITORS

M/s. MKUK & Associates
Chartered Accountants, Bangalore

BOARD COMMITTEES

Audit Committee

Mr. Suraj L Mehta, *Chairman*
Capt. Subbarao Prabhala, *Vice-Chairman*
Mrs. Anju Chandrasekhar

Nomination & Remuneration Committee

Capt. Subbarao Prabhala, *Chairman*
Mrs. Anju Chandrasekhar
Mr. Suraj L Mehta

Stakeholders Relationship Committee

Capt. Subbarao Prabhala, *Chairman*
Mr. Ajit G Nambiar
Mrs. Anju Chandrasekhar

CSR Committee

Mrs. Anju Chandrasekhar, *Chair person*
Capt. Subbarao Prabhala
Mr. Ajit G Nambiar

Secretarial Auditor

Mr. Madhwesh K

Bankers

Andhra Bank
N R Road, Bengaluru

REGISTERED OFFICE

BPL Works, Palakkad 678007, Kerala
CIN : L28997KL1963PLC002015
e-mail : investor@bpl.in
Website : www.bpl.in

CORPORATE OFFICE

No. 64, Church Street, Bengaluru 560 001

MANUFACTURING FACILITIES

BPL Works, Palakkad 678 007, Kerala
Doddaballapur 561 203, Bengaluru District

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Fintech Private Limited
(Formerly Karvy Computershare Private Limited)
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad- 500 032, Telengana, India,
Tel: +914067161700

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Notice of Annual General Meeting

NOTICE is hereby given that the 55th Annual General Meeting (AGM) of BPL Limited will be held on **Friday, the 27th September, 2019 at 10.00 A.M.** at Sri Chackra International, Krishna Gardens, Chandranagar P.O., Palakkad - 678 007, Kerala, to transact the following businesses:

ORDINARY BUSINESS

- 1) To consider and adopt the Audited Financial Statements for the year ended 31st March, 2019 and together with Report of Directors and the Auditors thereon.
- 2) To declare dividend of Rs. 0.001 per share on the Preference Shares.
- 3) To appoint a Director in place of Mrs. Anju Chandrasekhar, who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

- 4) Re- appointment of Capt. S Prabhala as an Independent Director of the company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 17(1)(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Capt. S Prabhala (DIN: 01302878), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 13th August, 2019 to 12th August, 2024”.

- 5) Re- appointment of Mr. Suraj L Mehta as an Independent Director of the company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 17(1)(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Suraj L Mehta (DIN: 00164791), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 13th August, 2019 to 12th August, 2024”.

- 6) Re-appointment of Mr. Ajit G Nambiar as Chairman and Managing Director of the Company and payment of remuneration to him.

To consider and if thought fit, to pass with or without modification(s), the following as a special resolution

“RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration Committee, approval of the Board and subject to the provisions of Sections 196, 197, 198 and the rules made thereunder, read with Schedule V of the Companies Act, 2013, approval of members of the Company be and is hereby accorded for re-appointment of Mr. Ajit G Nambiar as Chairman and Managing Director of the Company from 1st April, 2019 to 31st March, 2022 and payment of remuneration to him on the following terms and conditions:

I. Remuneration:

A. Fixed Gross Compensation:

The Fixed Gross Compensation as approved currently is Rs. 1,05,00,000/- per annum inclusive of contribution to Provident Fund, Gratuity Fund and Medical Insurance.

i. Salary:

Salary of Rs. 5,00,000/- per month

ii. Perquisites

The Chairman and Managing Director shall be entitled to perquisites like furnished accommodation or house rent allowance in lieu thereof, re-imbursement of ordinary medical expenses and leave travel concession for self and his family including dependents, premiums towards personal accident insurance and medi-claim and all other payments in the nature of perquisites and allowances as approved by the Remuneration Committee, subject to a ceiling of Rs.32,46,720/- per annum.

B. Statutory Benefits:

- i. Provident Fund: The Company's contribution to Provident Fund not exceeding 12% of the basic salary.
- ii. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.

C. Leave:

The Chairman & Managing Director shall be entitled for leave with full pay or encashment thereof, as per the rules of the Company..

D. Amenities:

i. Conveyance Facilities:

The Company shall provide a suitable vehicle for the Chairman & Managing Director for business use. Fuel costs, repairs, maintenance and running expenses shall be borne / reimbursed by the Company.

ii. Telephone, Internet and other Communication Facilities:

The Company shall provide a mobile phone to the Chairman & Managing Director and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred

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thereof shall be paid or reimbursed by the Company, as per the rules of the Company.

E. Overall Remuneration:

The aggregate of salary, allowances, perquisites and performance incentive in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

F. Income Tax:

In respect of the above remuneration, tax will be deducted at source as per applicable laws / rules.

EXPLANATION

"Family" here means the spouse, dependent children and dependent parents of the Chairman and Managing Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Use of Company Cars for official purposes and Telephones at residence (including payment for local calls and long distance official calls) and cell phone, shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

Apart from the re-imbursement of ordinary medical expenses, in case of hospitalisation of the Chairman and Managing Director and his family, the Remuneration Committee shall have the discretion to reimburse the actual expenses incurred by him including on travel, notwithstanding that the total perquisites will exceed the limit of Rs.32,46,720/- in any financial year.

II. Other terms and conditions:

- a. The Company shall indemnify Mr. Ajit G Nambiar and keep him indemnified against all the costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including the legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of law, Arbitration etc.
- b. Leave with full pay and allowances shall be allowed as per the Company's rules.
- c. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- d. The perquisites as listed in para (iv) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.
- e. The terms and conditions of his appointment and remuneration may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amount payable in accordance with the provisions of the Companies Act, 2013

read with Schedule V and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, or any amendments made hereafter in this regard.

III. Variable Compensation

The Company shall pay 1.50% of the Profit Before Tax (PBT) from operations as Variable Compensation to the Chairman & Managing Director, once a year, as performance pay/Bonus, based on the performance of the company.

RESOLVED FURTHER THAT the Directors and Chief Financial Officer of the Company be and are hereby severally authorized to do all necessary acts, deeds and things which may be expedient or proper, to give effect to the above resolution"

By Order of the Board



Ajit G Nambiar

Chairman & Managing Director

12th August, 2019
Bengaluru

NOTES:

1. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself/ herself, and such proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than ten (10) 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 shareholder.
3. The instrument of proxy in order to be effective must be deposited/ lodged at the registered / corporate office of the Company, duly completed and signed not later than 48 hours before the time fixed for holding the meeting. A proxy form is enclosed to this report.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
5. Members/Proxies should bring the Attendance Slip duly filled in, for attending the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2019 to 28th September, 2019 (both days inclusive).
7. Pursuant to the provisions of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements - LODR) Regulations, 2015, additional information on Director seeking re-election at the Annual General Meeting is appended to this Notice.
8. Dividend of Rs. 0.001 per share has been recommended on the Preference Shares as per the terms of the issue covered by the approved Scheme of Arrangement.

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9. Members are requested to support the green initiative taken by the company by registering / updating their e-mail IDs with the depository participants to enable them to send the communication electronically.
10. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom demat accounts are maintained. Members holding shares in physical form can submit their PAN details either to the Company or to Company's Registrar & Share Transfer Agent Viz. Karvy Fintech Private Limited, Hyderabad.
11. Shareholders are requested to address all their correspondence including on matters related to Share Transfers, Annual Report etc., to BPL Limited, Dynamic House, No.64, Church Street, Bengaluru - 560 001 or write to investor@bpl.in
12. Pursuant to the provisions of Section 108 of the Act read with the rules framed thereunder and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is offering e-voting facility to its members in respect of all the businesses to be transacted at the Annual General Meeting. The Company has engaged the services of M/s. Karvy Fintech Private Limited ("Karvy") to provide e-voting facilities.
13. The e-voting period commences on Monday 23rd September, 2019 at 9.00 AM and ends at Thursday 26th September, 2019 at 5.00 PM. E-voting module will be disabled by Karvy for voting thereafter. Shareholders holding shares either in physical form or dematerialized form as on 20th September, 2019 may cast their vote electronically. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders/beneficial owners as on the cut-off date i.e. 20th September, 2019.
14. Once the vote on the resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently. Members attending the AGM, who have not already cast their votes by remote e-voting, can exercise their voting rights through the ballot papers provided at the AGM. Shareholders who have cast their votes through e-voting may also attend the AGM but shall not be allowed to cast their vote again.
15. Mr. P Sivarajan, Practicing Chartered Accountant, has been appointed as Scrutinizer for conducting the e-voting and ballot process in a fair and transparent manner. The Scrutinizer's decision on the validity of voting shall be final.
16. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by depository participants as on the cutoff date i.e. 20th September 2019, shall only be entitled to avail the e-voting as well as voting in the AGM. Members who have acquired shares after the dispatch of the Notice and before the cutoff date may obtain the user ID and password by sending a request to evoting@karvy.com.

Procedure of E-Voting In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as

amended and as per the requirements of the SEBI (LODR) Regulations 2015, your Company is pleased to provide members facility to exercise their right to vote at the 55th AGM by electronic means and the business may be transacted through e-Voting Services provided by Karvy Fintech Private Limited

The instructions for E-voting are as follows:

- i. To use the following URL for e-voting:
<https://evoting.karvy.com>
- ii. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.
- iii. Enter the login credentials. The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT i.e., BPL Limited.
- viii. On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
- ix. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
- xi. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- xii. The Portal will be open for voting from 9.00 a.m. on 23rd September, 2019 to 5.00 p.m. on 26th September, 2019.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual

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for shareholders available at the download section of <http://evoting.karvy.com> or contact Toll Free No. 18003454001.

- xiv. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: casivarajanp@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
17. The facility for voting through polling paper shall be made available at the Annual General Meeting (the "meeting") and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting.
18. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
19. The Board of Directors of the Company has appointed Mr. P Sivaranjan, a Practicing Chartered Accountant, as scrutinizer to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
20. The voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 20th September, 2019.
21. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 20th September, 2019 only shall be entitled to avail the facility of remote e-voting/voting at the meeting.
22. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date may obtain the USER ID and Password in the manner as mentioned below:
- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event number+ Folio No. or DP ID Client ID to 9212993399
- Example for NSDL : MYEPWD <SPACE> IN12345612345678
Example for CDSL : MYEPWD <SPACE> 1402345612345678
Example for Physical : MYEPWD <SPACE> XXX1234567890
- b. If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-3454-001
- d. Member may send an e-mail request to einward.ris@karvy.com

23. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
24. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.bpl.in and on the website of the Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

By Order of the Board



Ajit G Nambiar

Chairman & Managing Director

12th August, 2019

Bengaluru

Corporate Office:

No.64, Dynamic House, Church Street, Bengaluru - 01.

e-mail: investor@bpl.in, Phone: + 91-80-25589109

URL : www.bpl.in

PARTICULARS REQUIRED FOR RE-APPOINTMENT OF A DIRECTOR PURSUANT TO SEBI (LODR) REGULATIONS, 2015

In conformity with the provisions of Section 102 of the Companies Act, 2013 and also with the SEBI (LODR) Regulations, 2015, the following explanatory statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice and should be taken as forming part of the Notice. The brief profile of the Directors eligible for re-appointment is given below:-

Item No.3

Mrs. Anju Chandrasekhar, 52, is a Graduate in Commerce and holds an MBA from Boston University, USA. Mrs. Chandrasekhar has been associated with BPL for over two decades. She was inducted on 31st December, 1991 as a director on the Board.

Nature of expertise in specific functional areas

Currently, she is the Non-Executive Director Corporate Affairs of BPL Limited heading the HR, Legal, Administration and Secretarial functions. Mrs. Chandrasekhar has spearheaded the company's thrust in latest concepts and methods in Human Resources Development at all levels. Additionally, she is a Director on the boards of many companies in the group including that of Bharat Energy Ventures Limited and BPL Medical Technologies Private Limited.

Mrs. Anju Chandrasekhar is a member of the Audit, Stakeholders Relationship and Nomination & Remuneration Committees of BPL Limited. She is also the Chair person of CSR Committee.

Name of the companies in which Mrs. Anju Chandrasekhar is a Director is furnished below:

Electro Investment Pvt. Ltd, Nambiar Intl. Investment Co. Pvt. Ltd, E R Computers Private Limited, Electronic Research Pvt. Ltd, Dynamic Electronics Pvt. Ltd, Anan Properties & Finance Co., Pvt. Ltd, Asian Age (India) Pvt. Ltd, BPL Medical Technologies Pvt. Ltd, BPL Power Projects (AP) Pvt. Ltd, Bharat Energy Ventures Limited, Virtual Properties and Estates Private Limited

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The re-appointment of Mrs. Anju Chandrasekhar, on the board of the company complies with the requirements of provisions of Section 149 (1) of the Companies Act, 2013 with regard to appointment of a Woman Director by a listed company.

Disclosure of relationship between directors inter-se

Mrs. Anju Chandrasekhar, Director, is related to Mr. Ajit G Nambiar, Chairman and Managing Director of the Company. None of the other directors and Key Managerial Personnel is concerned or interested or related to Mrs. Anju Chandrasekhar.

Listed Companies (other than BPL Limited) in which Mrs. Anju Chandrasekhar is a director/committee member - Nil

Mrs. Anju Chandrasekhar, holds 74,600 equity shares of the company and her attendance record is given in the Corporate Governance section of the Annual Report.

Item No.4

Capt. S Prabhala (DIN: 01302878) is an Independent Non-Executive Director of the Company and Chairman of the Nomination and Remuneration Committee and Stakeholders Relationship Committee and Vice-Chairman of the Audit Committee of the Board of Directors of the Company. He joined the Board of Directors of the Company in December, 1991. Pursuant to the Act, Capt. S Prabhala, was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 12th August, 2019, by the Members of the Company in the 50th AGM held on 29th September, 2014. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Capt. S Prabhala, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 13th August, 2019 upto 12th August, 2024.

Nature of expertise in specific functional areas

Capt. S Prabhala, about 86 years old, is a graduate in Electrical Engineering, started his career with the Indian Navy and served for two decades during which he held several key positions. After an early retirement from Indian Navy, Capt. Prabhala joined Bharat Electronics Ltd and served the company for over 16 years and was its Chairman & Managing Director when he retired in 1991. He joined the BPL Group in 1991 and has been associated with the group, in various capacities. Till some time ago, he headed Spectrum Infotech Private Limited, a company promoted by him for R&D in Electronics. Capt. Prabhala is also associated with voluntary agencies involved in environment improvement and ecology.

He is a member of the Board of Governors of Centre for Organisation Development, Hyderabad and Senior Member, Institution of Electrical & Electronic Engineers, USA. He carries with him rich experience in the management of industrial enterprises.

Capt S Prabhala is currently on the Board of other companies in addition to BPL Limited viz. BPL Telecom Private Limited and BPL Power Projects (AP) Private Limited.

Capt S Prabhala is Member of the Chairman of Nomination & Remuneration Committee and Stakeholders Relationship Committee, Vice-Chairman of Audit Committee and a member of Corporate Social Responsibilities (CSR) Committee of BPL Limited.

Capt S Prabhala has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Capt S Prabhala fulfils the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Capt S Prabhala as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Capt S Prabhala as an Independent Director and based on the recommendations of the Nomination and Remuneration Committee, the Board recommends the Special Resolution as set out at Item No. 4, for approval of the members.

Except Capt S Prabhala, being an appointee, none of the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

Disclosure of relationship between directors inter-se

Capt. S Prabhala, Director, is not related to any other director of the Company.

Listed Companies (other than BPL Limited) in which Capt. S Prabhala is a director/committee member - Nil

Capt. S Prabhala, holds 12,000 equity shares of the company and his attendance record is given in the Corporate Governance section of the Annual Report.

Item No.5

Mr. Suraj L Mehta (DIN: 01302878) is an Independent Non-Executive Director of the Company and Chairman of the Audit Committee and a member of Nomination & Remuneration Committee of the Board of Directors of the Company. He joined the Board of Directors of the Company in July 2001. Pursuant to the Act, Mr. Suraj Mehta, was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 12th August, 2019, by the Members of the Company in the 50th AGM held on 29th September, 2014. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Based on

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recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Suraj Mehta, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 13th August, 2019 upto 12th August, 2024.

Nature of expertise in specific functional areas

Mr. Suraj L Mehta, 75, is a Graduate in Economics (Honours) and has four decades of rich and varied experience in the field of banking in India & abroad in almost every field of commercial banking. Mr. Mehta has held key management positions in India and abroad with ANZ Grindlays Bank till the year 1994. Thereafter, he was the Chief Executive Officer of Dresdner Bank AG in India & was the Geographic Head for the group's four businesses which included Investment Banking, Securities broking and Software Development. He was also the Chief Executive Officer of NABIL Bank Limited, the leading private sector bank in Nepal.

Companies in which Mr. Suraj L Mehta is a Director:

Bajaj Allianz Life Insurance Company Limited, Bajaj Allianz General Insurance Company Limited and BPL Medical Technologies Private Limited.

Mr. Suraj L Mehta is the Chairman of the Audit Committee and a member of Nomination & Remuneration Committee of BPL Limited. Mr. Mehta is also a member of Audit Committees of Bajaj Allianz Life Insurance Company Limited and Bajaj Allianz General Insurance Company Limited.

Mr. Suraj L Mehta has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Mehta fulfils the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. Suraj Mehta as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Suraj L Mehta as an Independent Director and based on the recommendations of the Nomination and Remuneration Committee, the Board recommends the Special Resolution as set out at Item No. 5, for approval of the members.

Except Mr. Suraj L Mehta being an appointee, none of the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the AGM. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

Disclosure of relationship between directors inter-se

Mr. Suraj L Mehta, Director, is not related to any other director of the Company.

Listed Companies (other than BPL Limited) in which Mr. Suraj L Mehta is a director/committee member - Nil

Mr. Suraj L Mehta, holds 9,000 equity shares of the company and his attendance record is given in the Corporate Governance section of the Annual Report.

Item No.6

Mr. Ajit G Nambiar was re-appointed as the Chairman and Managing Director of the Company for a period of 3 years w.e.f. 01.04.2016 to 31.03.2019 pursuant to the provisions of the Companies Act, 2013 and applicable rules framed thereunder by the Ministry of Corporate Affairs (MCA). Accordingly, the term of office of Mr. Ajit G Nambiar, as the Chairman & Managing Director (CMD) expired on 31st March 2019 and being eligible, offers himself for re-appointment.

Mr. Ajit G Nambiar, has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the Chairman & Managing Director of the Company.

Pursuant to the provisions of Companies Act, 2013, the Nomination and Remuneration Committee of the Board and Board of Directors at their meeting held on 19th March, 2019 has approved the re-appointment of Mr. Ajit G Nambiar as Chairman & Managing Director of the company for a further period of 3 years from 1st April, 2019 to 31st March, 2022 and fixed his remuneration for the said period subject to the approval of the members.

As per Table A of Section-II of Schedule V (Part II), in the case of a Company which has no profit or inadequacy of profit, where the effective capital of the Company is more than 100 Crores but less than 250 Crores, the Managing Director is eligible for a remuneration of Rs. 60 Lacs which can be doubled to the extent of Rs.120 Lacs per annum subject to approval from the shareholders by way of a special resolution.

The Effective Capital of the Company as per the last audited Balance Sheet as on 31st March, 2018 is Rs. 227 Crores and accordingly, Mr. Ajit G Nambiar, Chairman & Managing Director of the company is eligible for a maximum remuneration of Rs. 120 Lacs per annum, upon approving a special resolution by the members of the company.

However, in view of the current financial position of the Company, it is proposed to fix remuneration of Rs.105 Lakhs per annum plus 1.5% of PBT from operations of the Company.

Upon approval by the members, a separate agreement to give effect to the terms and conditions of the appointment will be executed between the Company and Mr. Ajit G Nambiar.

Nature of expertise in specific functional areas

Mr. Ajit G Nambiar, 56, is the Chairman & Managing Director of the Company. Mr. Ajit's Consumer Electronics experience is extensive and diversified. He started his career in the year 1986 with Electronic Research Pvt Limited's manufacturing operations as Head of Manufacturing at Bangalore and in 1986 joined BPL Limited in their Sales division. He has had a varied and rich experience

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across BPL Group in several roles as Head of Electronic Research components division, leading the marketing division of BPL Limited and finally as Director of BPL Limited

Mr. Ajit Nambiar is a graduate in Computer Science Engineering from Boston University and has undergone several management training with Sanyo Electric Co. Ltd at their Kobe based institute in Japan. He is known for his passion, patience and strong customer centric approach.

Mr. Ajit Nambiar holds directorships in many companies of the Group. He has rich and varied experience in management of companies for over two decades.

Name of the companies in which Mr. Ajit G Nambiar is Director is furnished below:

Electro Investment Pvt. Ltd, Nambiar Intl. Investment Co. Pvt. Ltd, PanIndia Telecommunications Network Pvt. Ltd, Phoenix Holdings Pvt. Ltd, Stallion Computers Pvt. Ltd, E R Computers Private Limited, Electronic Research Pvt. Ltd, Dynamic Electronics Pvt. Ltd, Anan Properties & Finance Co., Pvt. Ltd, Zyfax Systems (Bangalore) Pvt. Ltd, Merino Finance Pvt. Ltd, Asian Age (India) Pvt. Ltd, BPL Medical Technologies Pvt. Ltd, BPL Telecom Pvt. Ltd, BPL Power Projects (AP) Pvt. Ltd, Bharat Energy Ventures Limited, Panasonic Appliances India Company Limited.

Mr. Ajit G Nambiar is a member of the Stakeholders Relationship Committee and CSR Committee of BPL Limited. He is also a member of Audit Committee of Panasonic Appliances India Company Limited.

The re-appointment of Mr. Ajit G Nambiar, being a Chairman and Managing Director on the board of the company complies with the requirements of provisions of Section 203 of the Companies Act, 2013 with regard to appointment of Key Managerial Personnel by a listed company.

The Board of Directors recommends the resolution as set out at Item no. 6 of the Notice as a Special Resolution in relation to the re-appointment of Mr. Ajit G Nambiar, as a Chairman and Managing Director, for approval of the shareholders of the Company.

Except Mr. Ajit G Nambiar and Mrs. Anju Chandrasekhar being the relative of Mr. Ajit G Nambiar, none of the Directors and Key Managerial Personnel of the Company or their respective relative is concerned or interested financially or otherwise in the Resolution at Item No. 6 of the accompanying Notice.

Disclosure of relationship between directors inter-se

Mr. Ajit G Nambiar, Chairman and Managing Director, is related to Mrs. Anju Chandrasekhar, director of the Company.

Listed Companies (other than BPL Limited) in which Mr. Ajit G Nambiar is a director/committee member - Nil

Mr. Ajit G Nambiar, holds 80,000 equity shares of the company and his attendance record is given in the Corporate Governance section of the Annual Report.

Information as required to be furnished under sub paragraph (iv) of Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013, in relation to Item No. 6 of the Notice:

I. General Information:

Nature of industry:

- BPL Limited (BPL) was incorporated in 1963 as a Private Limited

Company for the manufacture of indicating instruments and Electronic Test and Measuring Instruments in technical and financial collaboration with BPL Instruments Limited, U K. The Company started manufacturing Hermetically Sealed Panel Instruments at its factory in Palakkad (Kerala) for defence use. Later, it started the manufacture of Electronic Test and Measuring Instruments and Electro Medical Instruments - Electrocardiographs, Patient Monitoring Systems, DC Defibrillators and Central Monitoring Systems. During the year 1996, the Company had embarked on the manufacture of eco-friendly Alkaline Batteries.

- The Company was one of the leading manufacturers of Medical Electronic Products in India.
- The products of the Company are marketed under the brand name "BPL" and the same has been registered under Copyrights Act, 1956 as well as under the Trade and Merchandise Marks Act, 1958.
- During 2005, the company transferred its CTV business to a 50:50 Joint Venture Company Viz. SANYO-BPL Private Limited.
- During 2013, the company transferred its Medical Electronics business to BPL Medical Technologies Private Limited.
- BPL has its manufacturing facilities at BPL Works, Palakkad-678 007, Kerala and at Doddaballapur 561 203, Bengaluru District, Karnataka.

Financial performance (for the period ended 31st March 2019)

(₹ in crores)

Financial Parameters :	2018-19
Net Sales and other Income	143.22
Exports	Nil
Net Profit / (Loss)	0.93
Amount of dividend on equity shares Paid	Nil

There are no foreign collaborators or investments.

II. Information about the appointee

1) Background Details:

The profile of Mr. Ajit G Nambiar, Chairman & Managing Director has been detailed elsewhere in this accompanying Notice.

2) Past Remuneration

Details of remuneration paid to Mr. Ajit G Nambiar, Chairman and Managing Director for the financial year 2018-19 are as given below:

Particulars	(Rupees)
Salary Basic	60,00,000
Perquisites	32,46,720
Company's Contribution to : Provident /Gratuity Funds and Medical Insurance	12,53,280
Total remuneration per annum	105,00,000

3) Recognition or Awards

During the tenure of Mr. Ajit G Nambiar, as Chairman & Managing Director, the company has received many awards and recognitions. Few of the prominent awards and recognitions are listed below:

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- a) BPL was rated as No.1 consumer durable brand in 1998
- b) BPL was rated as No.1 Durables Brand in 2001
- c) BPL wins Red Dot design award for its Studylite product design
- 4) Job Profile and his suitability

The detailed job profile of Mr. Ajit G Nambiar has been detailed in the employment agreement which will be executed post receipt of approval of the shares at the ensuing meeting. Members may refer the said draft document on the company's website at www.bpl.in under investor relations section.

Mr. Ajit G Nambiar, is being the promoter director, took over the mantle of leadership during 1993 and he is the best suited person for the company. In fact, due to his untiring and continuous efforts, the company is able to bring back its consumer durable products like TVs, Washing Machines, Refrigerators and other household electronic goods through online, at present and soon, the same will be made available through offline too. Mr. Nambiar is pioneer in the field of strategic business developments and the company is set to make inroads in the many areas of business and help in brand visibility.

5) Remuneration proposed

Remuneration proposed to be paid to Mr. Ajit G Nambiar for the period from 1st April, 2019 to 31st March, 2022 is as set out in the resolution and explanatory statement forming part of the resolution at Item No.6 of the accompanying notice.

6) Comparative Remuneration profile:

The Remuneration proposed to be paid to Mr. Ajit G Nambiar, as recommended by the Nomination & Remuneration Committee and has been approved by the Board considering the position, industry standards, past remuneration, responsibilities. The remuneration proposed is on par with what most listed companies are paying.

7) Pecuniary relationship:

Mr. Ajit G Nambiar, Chairman & Managing Director is one of the promoters of the company and holds equity shares in the company. He is related to a director who also holds shares in the company.

III. Other Information

1) Reasons of loss or inadequate profits: The Company's operating businesses have been under severe pressure due to working capital constraints, severe competition and with low margins. The company was not able to perform to its optimal level. Though there is increase in net sales of the Company, the corresponding growth in profitability is not visible on account of slender margins, resulting in meager profit for the year 2018-19. However, the company may be able to post better results over a period of years and improve its financial health.

2) Steps taken or proposed to be taken for improvement: The Company is continuing its efforts to address the working capital requirement and is hopeful of arranging the required funds during the current financial year. With infusion of the additional funds and completion of restructuring exercise, coupled with certain new initiatives, the Company is hopeful of making optimum utilization of all resources available at its disposal.

3) Expected increase in productivity and its profits in measurable terms: The Company is continuing its efforts to address the issues of increasing its productivity levels and there by optimizing its profits, despite the constraint of working capital requirement and is hopeful of posting better results in the forthcoming years.

In view of changing market scenario, the liberalization policy of the government and frequent modifications & upgradations in the technologies, the make in India buzz, the company at present, is not in a position to state the expected increase in productivity and its profits in measurable terms.

IV. Disclosures

Necessary disclosures have been made with regard to remuneration details of the managerial personnel, elsewhere in the Annual Report.

By Order of the Board



Ajit G Nambiar
Chairman & Managing Director

12th August, 2019
Bengaluru