

NOTICE OF THE TWENTY SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of BKV Industries Limited. "and reduced" will be held on Thursday, the 12th September, 2019 at 03.30 P.M. at Bommidala Cold Complex, By-pass Road, Lalpuram, Guntur - 522 017 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended 31st March, 2019 and together with the reports of the Board of Directors and Auditors there on.
2. To appoint a Director in place of Smt. Bommidala Anitha (DIN 00112766), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. To re-appoint, Sri Bommidala Rama Krishna (DIN: 00105030) as a Managing Director and in this regard to consider and, if thought fit, to pass with or without modifications, the following Resolutions as an **Ordinary Resolution**.

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time thereof and the Articles of Association of the Company, subject to the approval of the Central Government, if necessary, and subject to the approval of shareholders, the consent of the Board be and is hereby accorded to the re-appointment of Sri Bommidala Rama Krishna, as Managing Director of the company, for a period of five years with effect from 10th March, 2019 on the terms and conditions contained in an offer letter, a draft copy of the same laid on the table and for the purpose of identification initialed by Chairman hereof."

"**RESOLVED FURTHER** that the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

"By order of the Board of Directors
For **BKV Industries Limited**

BOMMIDALA RAMA KRISHNA

Place: Guntur

Managing Director

Date: 29.05.2019

DIN: 00105030

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, and vote on a poll, instead of himself / herself and such proxy need not be a Member of the company. The proxy form is enclosed which should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or shareholder.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 06th September, 2019 to 12th September 2019 (both days inclusive).
3. An explanatory statement pursuant to Section 102 of the Companies Act 2013, relating to special business to be transacted at the meeting is annexed hereto.
4. Members holding shares in physical form are requested to intimate any change in the address to the Company or to the Registrar & Share Transfer Agents M/s. Karvy Fintech (P) Ltd. Members holding shares in dematerialized form are requested to notify any change in address to their respective Depository Participants (DPs).
5. Members are requested to handover admission slip duly signed in accordance specimen signature registered with the company for admission at the meeting hall.
6. Members holding shares in electronic mode are requested to keep their e-mail addresses updated and intimate immediately any change in their address, bank mandates to their Depository Participants. Members holding shares in physical mode are also requested to update their e-mail addresses, advise any change in their address, bank mandates by writing to Karvy Fintech Pvt. Ltd., (Karvy). Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032 quoting their folio number(s).
7. Brief resume of Smt. Bommidala Anitha (DIN: 00112766), nature of her expertise in specific functional areas, names of companies in which she holds directorships and Memberships/Chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 is annexed to this notice.
8. As per the provisions of section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Members holding shares in single name are advised to avail to facility of nomination in respect of shares held by them. Members holding shares, physical form may file nomination in the prescribed SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in d-mat form, the nomination form may be filed with the respective Depository Participant.
9. In terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (SEBI (LODR) Regulations, 2015), securities of listed companies can only be transferred in dematerialized form with affect from April 1, 2019. In the view of above, members are advised to dematerialize shares held by them in physical form.
10. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered office of the Company during business hours on all days

except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

11. Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Obligations And Disclosure Requirements Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed in the notice of the twenty sixth Annual General Meeting (AGM) by electronic means the business may be transacted through e-voting services provided by our Share Transfer Agents of Karvy Fintech Private Limited, Hyderabad. The instructions for members for voting are given in separate note enclosed to this report.
12. Pursuant to Regulations 36 (1) & 44 of the SEBI (LODR) Regulations, 2015 and Sections 20, 101, 108 and 136 of the Companies Act, 2013, electronic copy of Annual Report and this Notice inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to be Company / Depository Participants.
13. **Additional Information with respect to Item No. 2 if this Notice, under regulation 36(3) of SEBI (LODR) Regulations regarding re-appointment of Director:**
Smt. Bommidala Anitha (DIN 00112766) retires by rotation as Non-Executive Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Additional information of Smt. Bommidala Anitha pursuant to SEBI (LODR) Regulations, 2015 and Listing Agreement executed with Stock Exchanges is given below:

Brief resume: Smt. Bommidala Anitha W/o Bommidala Rama Krishna, aged 51 years resident of Guntur and she is a Law Graduate and underwent training in Personnel Management.

Nature of Expertise: She has rich experience and knowledge in areas like, legal, banking and HR related activities. Her knowledge of legal aspects will be considerable assistance to the management in complying with various Government and Other Rules, Procedures and Regulations.

Relationship between Directors: Smt. Bommidala Anitha is wife of Bommidala Rama Krishna, Managing Director of the company.

Membership in Other Listed Entity Board's: Smt. Bommidala Anitha is not a Director in the Board of any other listed Company.

Shareholding: She is having shareholding of 2.63%.

Other Information: She is Chairperson of Share Transfer

Committee, Risk Management Committee and Stake Holders Relationship Committee. She is also a member in Audit Committee, Nomination & Remuneration Committee. Sri Bommidala Rama Krishna and Smt. Bommidala Anitha are interested in the resolution.

14. **The following explanatory statement sets out all material facts relating to Item No. 3 of Notice in accordance with Section 102 of the Companies Act, 2013:**

The Board of Directors of your Company ("the Board") at its meeting held on 02nd March 2019 approved on the recommendation of the Nomination and Remuneration Committee, re-appointed Sri Bommidala Rama Krishna (DIN 00105030) as Managing Director of the Company for a period of 5 years commencing from 10th March 2019 upto 9th March 2024, subject to the approval of the members. The draft Agreement proposed to be entered into with the Sri Bommidala Rama Krishna contains the following terms:

REMUNERATION

In accordance with Schedule V of the Companies Act, 2013, wherein in any financial year during the currency of tenure of Managing Director, the company has no profits or its profits are inadequate, subject to the ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of Central Government, if required, the remuneration of the Chairman cum Managing Director by way of salary or perquisites or commission or all shall not exceed the following limits:

SALARY:

Rs. 50,000/- per month or Rs. 6,00,000/- per annum including dearness and other allowances.

PERQUISITES:

In addition to the above salary, the Managing Director shall be entitled for the following perquisites broadly classified as below.

The total amount of perquisites shall not exceed Rs. 6,00,000/- per annum, or an amount equivalent to the annual salary, whichever is less:

CATEGORY -A

- a) **Medical expenses:**
Expenses incurred by the Managing Director and his family subject to a ceiling of one month's salary or three months' salary over a period of three years.
- b) **Leave Travel Assistance:**
For the Managing Director and his family once in a year in accordance with any rules specified by the company.
- c) **Club Fees:**
Fees of clubs' subject to a maximum of two clubs. This will not include admission fees and Life membership fees.
- d) **Personal Accident Insurance:**
Premium not exceeding Rs. 5,000/- per annum.

Explanation:

For the purpose of category A, Family, means spouse, the dependent children and dependent parents of the Managing Director.

CATEGORY -B

- i) Contribution to Provident Fund, Superannuation fund, or Annuity fund to the extent either singly or put together not taxable under the Income Tax Act, 1961 and he shall be entitled for a gratuity not exceeding half a month's salary for each completed year of service.
- ii) He shall be entitled for the encashment of leave at the end of his tenure, in accordance with the company's rules.

CATEGORY-C

He shall be provided with a car for use on company's business and telephone at residence. However, personal long distance calls on telephone and use for car for private purpose shall be paid by him to the company.

Sri Bommidala Rama Krishna is a post graduate in business administration from Jackson State University, Mississippi, USA and had experience of more than 30 years in the fields of Tobacco, Shrimp Culture, Hospitality Services and Merchandise goods Industries with wide business contracts and administrative capabilities. The Board believes that Sri Bommidala Rama Krishna by using his vast experience, expertise and knowledge would turn the Company into a profitable one.

Sri Bommidala Rama Krishna has given his consent to the re-appointment. He satisfies all the conditions specified in Section 196(3) and part I of schedule V to the Companies Act, 2013. He

is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors of the company be and are hereby authorized to accept any modification/s to the said remuneration (not being modification/s more advantageous) to Sri Bommidala Rama Krishna as may be required by the Central Government if necessary and agreed to by Board of Directors and Sri Bommidala Rama Krishna.

He shall not retire as Director by rotation during the tenure of his Managing Directorship. He shall oversee the day to day affairs of the Company subject to the superintendence of the Board. Since such re appointment requires confirmation of the shareholders by way of resolution in General Meeting the approval of the shareholders is sought.

Sri Bommidala Rama Krishna and Smt. Bommidala Anitha are interested in the resolution.

Your directors commend the proposed resolution for approval of the members.

By order of the Board of Directors
For BKV Industries Limited

BOMMIDALA RAMA KRISHNA
Managing Director
DIN: 00105030

Place: Guntur
Date: 29.05.2019