

Please Note: The venue for the 81st Annual General Meeting is 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai-400 028

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED
(Formerly Crompton Greaves Limited)

(CIN : L99999MH1937PLC002641)

Registered Office: 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai 400 030

Email: investorservices@cgglobal.com **Website:** www.cgglobal.com

Phone: +91 22 2423 7777 **Fax:** +91 22 2423 7733

NOTICE

NOTICE is hereby given that the Eighty First Annual General Meeting of the Members of **CG POWER AND INDUSTRIAL SOLUTIONS LIMITED** will be held on **Friday, 28 September 2018 at 3:00 pm (IST)** at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028 to transact the following business:

ORDINARY BUSINESS:

Adoption of Financial Statements

1. To consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2018, together with the reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2018, together with the report of Auditors thereon.

Re-appointment of Directors Retiring by Rotation

2. To appoint a Director in place of Mr B Hariharan (DIN: 00012432), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr K N Neelkant (DIN: 05122610), who retires by rotation and being eligible, offers himself for re-appointment.

Appointment of Statutory Auditors

4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Risk and Audit Committee and Board of Directors of the Company, M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) and M/s. K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No.106009W) be and are hereby appointed as Joint Statutory Auditors of the Company, for a term of five years, from the conclusion of ensuing 81st Annual General Meeting of the Company till the conclusion of the 86th Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and M/s. S R B C & CO LLP, Chartered Accountants and M/s. K.K. Mankeshwar & Co., Chartered Accountants, respectively.”

SPECIAL BUSINESS:

Ratification of Remuneration payable to Cost Auditor

5. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 600,000/- (Rupees Six Lakhs Only) plus taxes as applicable and reimbursement of out-of-pocket expenses to conduct the audit of cost records of the Company for the financial year ending 31 March 2019, to be paid to M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration No. 100392), as approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

Appointment of Independent Director – Mr Ashish Kumar Guha

6. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr Ashish Kumar Guha (DIN: 00004364), who was appointed as an Additional Director (Non-Executive Independent) of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 9 November 2017, and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years, upto 8 November 2022.”

Remuneration of Mr K N Neelkant, CEO and Managing Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Notification no. S.O. 2922(E) dated 12 September 2016 issued by the Ministry of Corporate Affairs, the terms of remuneration of Mr K N Neelkant (DIN: 05122610), CEO and Managing Director of the Company including the remuneration to be paid in the event of loss or inadequacy of profits as set out in the Explanatory Statement annexed hereto, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company be and are hereby authorised to alter the terms and conditions and/or revise the remuneration package of Mr K N Neelkant, CEO and Managing Director of the Company, as and when necessary during his tenure i.e. upto 2 February 2021, in conformity with Section 197, read with Schedule V of the Companies Act, 2013 without being required to seek any further consent or approval of the Shareholders.”

By Order of the Board

Shikha Kapadia

Company Secretary and Compliance Officer

Membership No. ACS 20733

Mumbai, 23 August 2018

NOTES:

(a) Proxy(ies):

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE ON HIS/HER BEHALF ON A POLL AND SUCH PROXY(IES) NEED NOT BE MEMBERS OF THE COMPANY. Proxy(ies), in order to be effective, must be received by the Company, duly filled, signed (in pen) and stamped, not less than 48 (forty eight) hours before the 81st Annual General Meeting ('Meeting'). A person can act as a Proxy on behalf of Member(s) not more than 50 (fifty) or such number of Member(s) holding in the aggregate not more than 10% (ten percent) 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% (ten percent) of the total share capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other person or Shareholder.

If a person is appointed as a Proxy for more than 50 (fifty) Members, he shall choose any 50 (fifty) Members and confirm the same to the Company 24 (twenty four) hours before the commencement of the Meeting. In case the Proxy fails to do so, the Company shall consider only the first 50 (fifty) Proxies received in respect of such person as valid.

The Proxy Form in the prescribed format is being sent herewith.

A Proxy Form, if not complete in all respects, will be considered invalid.

During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the Proxy(ies) lodged, between 9:00 am to 6:00 pm (IST) provided that not less than 3 (three) days' prior notice in writing is given to the Company.

(b) Explanatory Statement:

An Explanatory Statement as per Section 102 of the Companies Act, 2013 (the 'Act') in respect of the businesses under Item Nos. 4, 5, 6 and 7 of this Notice, proposed to be transacted at the Meeting and relevant information with respect to Directors seeking re-appointment/appointment at the Meeting and on the terms of remuneration under Item Nos. 2, 3, 6 and 7 of this Notice respectively, as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to this Notice.

(c) Corporate Representations:

Pursuant to the provisions of Section 113 of the Act, Body Corporate Members who intend to send their authorised representative(s) to attend the Meeting are requested to send, to the Company, a certified copy of the Resolution, of its Board of Directors or other governing body, authorising such representatives alongwith the respective specimen signature(s) of those representatives authorised to attend and vote on their behalf at the Meeting.

(d) Queries:

Queries on Financial Statements and operations of the Company, if any, may be sent to the Company Secretary at least 7 (seven) days in advance of the Meeting so as to enable the Management to keep the information ready at the Meeting.

(e) Unclaimed/Unpaid Dividends and Shares:

In terms of the provisions of Sections 124 and 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('IEPF Rules'), the dividend(s) which have remained unclaimed/unpaid for a period of 7 (seven) consecutive years and the corresponding equity shares have been transferred to the Investor Education and Protection Fund and Investor Education and Protection Fund Authority respectively.

Further, in compliance with the IEPF Rules, the Company had communicated individually to all the concerned shareholders at their registered addresses, whose share(s) were liable to be transferred, for taking the appropriate action(s). Additionally Notices were also published in the Newspapers - Free Press Journal and Navashakti in this regard. The details of such shareholders are also available on the website of the Company at www.cgglobal.com.

Unpaid/unclaimed Dividend(s) pertaining to the financial years 2011-2012 to 2014-2015 which, if remain unclaimed/unpaid for a period of seven years are due to be transferred to IEPF on the dates given below:

Date of declaration of Dividend	Due date for transfer to the Investor Education and Protection Fund
19 October 2011	18 November 2018
31 January 2012	2 March 2019
23 March 2012	22 April 2019
20 July 2012	19 August 2019
1 November 2012	30 November 2019
6 August 2013	5 September 2020
8 November 2013	7 December 2020
29 January 2014	28 February 2021
5 August 2014	4 September 2021
1 October 2014	15 November 2021
3 February 2015	2 March 2022

Pursuant to the IEPF Rules, the Company has uploaded details of unpaid and unclaimed dividend amount(s) lying with the Company as on 22 September 2017 (date of previous Annual General Meeting) in the Investors section on the website of the Company www.cgglobal.com and also on the website of Ministry of Corporate Affairs (MCA) www.iepf.gov.in. Members are requested to visit the website of the Company and/or MCA to check the status of their unpaid/unclaimed dividends and shares and are requested to contact Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited), the Registrar and Share Transfer Agent of the Company to claim the same.

Shareholders can also view the status of their unclaimed dividend at Investor Access web portal available on the website of the Company at www.cgglobal.com.

(f) Dispatch of Notice and Annual Report through electronic means and inspection of documents:

Electronic copy of the Annual Report for FY 2018 alongwith Notice of the 81st Annual General Meeting of the Company are being sent to all the Members whose e-mail address are registered with the Company/Depository Participant(s) pursuant to Sections 101 and 136 of the Act read with relevant rules made thereunder and Regulation 36 of the Listing Regulations as amended from time to time, unless any Member has specifically requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report for FY 2018 alongwith Notice of the 81st Annual General Meeting of the Company is being sent through the permitted mode.

Members can also access the aforesaid documents on the Company's website www.cgglobal.com.

The physical copies of the aforesaid documents and all documents referred to in this Notice and accompanying Explanatory Statement will also be available at the Company's Registered Office for inspection during normal business hours [9:00 am to 6:00 pm (IST)] on all working days, excluding Saturdays, upto the date of this Meeting and at the venue of the Meeting.

Members who have not registered their e-mail addresses with the Company can now register the same by sending the duly filled in and signed e-mail registration form attached to this Notice. Even after registering for e-communication, Members are entitled to receive such communication in physical form upon making a written request for the same.

(g) Electronic voting:

In compliance with provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and SS-2, the Company is pleased to provide its Members, holding shares in physical or dematerialised form, facility to vote by electronic means from a place other than the venue of the Meeting ('remote e-voting') on all resolutions proposed to be considered and transacted at the Meeting. The Company has engaged the services of National Securities Depository Limited ('NSDL') to provide remote e-voting facility. Members are requested to refer to the instructions, process and manner for remote e-voting accompanying this Notice.

The cut-off date for determining the Members eligible to vote by remote e-voting on resolutions proposed to be considered at the Meeting is Friday, 21 September 2018. The remote e-voting period will commence on Monday, 24 September 2018 at 9:00 am (IST) and end on Thursday, 27 September 2018 at 5:00 pm (IST).

Members may also note that the facility for voting either through electronic means or Ballot Paper shall be made available at the venue of the Meeting and the Members attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting rights at the Meeting. Further Members who have cast their vote by means of remote e-voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again. The e-voting instruction slip should be taken as forming part of this Notice.

Members must note that voting by show of hands will not be available at the Meeting in terms of the aforesaid provisions.

Any person becoming the Member of the Company after the dispatch of Notice of the Meeting and holding shares as on the cut-off date i.e. Friday, 21 September 2018 may obtain the user ID and password by referring to the e-voting instructions attached to this Notice and also available on the Company's website www.cgglobal.com and the website of NSDL www.evoting.nsdl.com.

(h) Registrar & Share Transfer Agent & Investor Services Department:

The Company's Registrar & Share Transfer Agent is Datamatics Business Solutions Limited ('DBSL') (Formerly known as Datamatics Financial Services Limited). In addition to the Registrar & Share Transfer Agent, our Investor Services Department is happy to assist in case of any difficulties being experienced by the Members in their interaction with DBSL. For any communication, the Shareholders may send an e-mail to the Company's Investor Services Department at investorservices@cgglobal.com.

Address and details for correspondence with DBSL and the Investor Services Department are provided in the section titled 'Report on Corporate Governance' in the Annual Report.

(i) Route Map and Travel Arrangements:

As per the requirements of SS-2, a route map showing directions to reach the venue of the Meeting is given at the end of this Notice. Further the Company has made arrangements for commute, to and fro, from Dadar Station (East) near Swaminarayan Temple to the venue of the Meeting. Vehicles (with a CG banner affixed) will depart at 2:00 p.m. (IST) from Dadar Station (East) to enable the Members to reach the venue on time.

(j) Dematerialisation of Shares:

Attention is drawn to the amendment made to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide notification dated 8 June 2018 read with SEBI Circular dated 5 July 2018, which has mandated that transfer of securities would be carried out only in dematerialised form.

Members of the Company who continue to hold shares in physical form are advised to dematerialize their shares on or before 4 December 2018 otherwise transfer of securities in physical form with effect from 5 December 2018 will not be permitted. For effecting any transfer, the Securities are mandatorily required to be in Dematerialize form. Members are therefore requested to dematerialize their physical holdings at the earliest. For any clarification, assistance or information relating to dematerialization of Company's shares, please contact the Company's Registrar & Share Transfer Agent, Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited) at Tel No.022- 6671 2001 to 6671 2006 or e-mail at cginvestors@datamaticsbpm.com.

(k) Miscellaneous:

Members and Proxy(ies) are requested to bring their valid identity proof such as PAN Card, Passport, Aadhar Card or Driving License at the time of the Meeting for identification purpose and the copy of their Annual Report and attendance slip duly filled in and signed for attending the Meeting.

By Order of the Board

Shikha Kapadia

Company Secretary and Compliance Officer

Membership No. ACS 20733

Mumbai, 23 August 2018

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 ('the Act') and Secretarial Standard-2 ('SS-2') on General Meetings issued by the Institute of Company Secretaries of India, the following Explanatory Statement and annexure thereto should be taken as forming part of this Notice.

Item No. 4

The Board of Directors of the Company have, at its meeting held on 26 April 2018, approved the proposal for availing borrowings up to an amount of approximately USD 250 Million from a consortium of international lenders ('the Arrangers') at CG International BV ('CGIBV'), the wholly-owned subsidiary of the Company, for restructuring current debts of the Company and to avail the benefit of lower interest rate and deferred tenor. These funds will be used to retire the existing debt of the Company both in India and overseas. A condition prescribed by the Arrangers requires the Company to get its financial statements audited by one of the Big Four international auditors for the audit from the period ending September 2018 onwards.

Given the importance of this financial restructuring exercise to the Company and consequent to its discussions on this matter with M/s. Chaturvedi & Shah, Chartered Accountants, the then Statutory Auditors of the Company, they have submitted their resignation with immediate effect vide their letter dated 27 April 2018.

In order to fill the casual vacancy caused by the resignation of M/s. Chaturvedi & Shah, Chartered Accountants, the shareholders of the Company had on 29 May 2018 based on the recommendation of the Risk and Audit Committee and the Board of Directors of the Company, appointed M/s. K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No.106009W), as the Statutory Auditors of the Company, to hold office till the conclusion of the ensuing 81st Annual General Meeting of the Company.

Considering the conditions prescribed by the Arrangers, the Company had approached M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No.324982E/E300003) for being appointed as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of 81st Annual General Meeting up to the conclusion of 86th Annual General Meeting of the Company. Further M/s. K.K. Mankeshwar & Co., Chartered Accountants the existing Statutory Auditors of the Company will also retire at the conclusion of the ensuing Annual General Meeting.

To meet the conditions prescribed by the Arrangers, for smooth transition and strengthening the audit function and in order to complete the audit in more efficient and timely manner it is now proposed to appoint M/s. S R B C & CO LLP, Chartered Accountants and M/s. K.K. Mankeshwar & Co., Chartered Accountants as Joint Statutory Auditors of the Company from the conclusion of the 81st Annual General Meeting of the Company to the conclusion of the 86th Annual General Meeting of the Company.

Brief Profile:

1. M/s. S R B C & CO LLP, with Firm Registration No. 324982E/E300003, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India and was established in the year 2002. It is a limited liability partnership firm incorporated in India with its registered office at 22, Camac Street, 3rd Floor, Block 'B', Kolkata and has 6 branch offices in various cities in India. The firm is a part of M/s. S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.
2. M/s K.K. Mankeshwar & Co., Chartered Accountants having Firm Registration No. 106009W is a professionally managed firm and was established in the year 1933. They have rich experience of more than 8 decades in finance and accounting sector. The firm has its head office in Nagpur and branch offices in Mumbai, Delhi, Pune, Raipur and Thane. The team consists of distinguished chartered accountants, corporate financial advisors and tax consultants. The firm has a diverse clientele comprised of top brands in various sectors such as manufacturing, finance, insurance, hospitality and healthcare amongst others.

M/s. S R B C & CO LLP, Chartered Accountants and M/s. K.K. Mankeshwar & Co., Chartered Accountants, have confirmed that their appointment, if made, would be within the limits as per the requirements of the Act, they meet the eligibility criteria prescribed under the Act and they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Accordingly the Risk and Audit Committee and the Board of Directors of the Company recommended appointment of M/s. S R B C & CO LLP, Chartered Accountants and M/s. K.K. Mankeshwar & Co., Chartered Accountants as Joint Statutory Auditors of the Company from the conclusion of the 81st Annual General Meeting of the Company to the conclusion of the 86th Annual General Meeting of the Company for approval of Members by passing an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice.

Except to the extent of their shareholding in the Company, if any, none of the Directors, Key Managerial Personnel or their relatives are in any way, financially or otherwise, concerned or interested in the said Ordinary Resolution as set out at Item No. 4 of the accompanying Notice.

Item No. 5

The Board of Directors of the Company, on the recommendation of the Risk and Audit Committee, have at their Meeting held on 30 May 2018 approved the appointment of M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration No.100392) for conducting the audit of the cost records of the Company for the financial year ending 31 March 2019 at a remuneration of ₹ 600,000/- (Rupees Six Lakhs Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Risk and Audit Committee and approved by the Board is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of this Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year ending 31 March 2019.

Except to the extent of their shareholding in the Company, if any, none of the Directors, Key Managerial Personnel or their relatives are in any way, financially or otherwise, concerned or interested in the said Ordinary Resolution set out at Item No. 5 of the accompanying Notice.

The Board of Directors recommends the Ordinary Resolution at Item No. 5 for approval of the Members.

Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company had, at their meeting dated 9 November 2017, appointed Mr Ashish Kumar Guha (DIN: 00004364) as an Additional Director (Non-Executive Independent) on the Board of Directors of the Company w.e.f. 9 November 2017. In terms of the provisions of Section 161 of the Act, Mr Ashish Kumar Guha holds office up to the date of this Annual General Meeting.

The Company has received a Notice in writing from a Member under Section 160 of the Act proposing candidature of Mr Guha for the office of the Director of the Company.

Mr Guha has done Honours in Economics and a Leadership programme at the London Business School. He has around 40 years of rich experience in Management Consultancy, Treasury and Equity, Investment Banking and Cement Industry. He is also serving on the Board of Cosmo Films Limited and Lemon Tree Hotels Limited.

Other details of Mr Ashish Kumar Guha as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and SS-2 are provided in the Annexure to this Explanatory Statement.

Mr Guha has consented to be appointed as an Independent Director and confirmed that he meets the criteria of independence as provided under Section 149 of the Act and Regulation 16 of Listing Regulations and other eligibility conditions as prescribed under the Act.

In the opinion of the Board, Mr Guha fulfils the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Regulations for his appointment as an Independent Director of the Company and is independent of the Management. The Board considers that Mr Guha's association would be of immense benefit to the Company and desires to avail his services as an Independent Director of the Company.

In view of the above and in terms of the provisions of Section 149 and other applicable provisions of the Act, Mr Ashish Kumar Guha is proposed to be appointed as an Independent Non-Executive Director of the Company for five consecutive years, for a term up to 8 November 2022.

Except Mr Ashish Kumar Guha, being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise, concerned or interested in the said Ordinary Resolution as set out at Item No. 6 of the accompanying Notice, except to the extent of their shareholding in the Company, if any. Mr Guha is not related to any Director of the Company. The explanatory statement together with the accompanying Notice and Annexure thereto may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

The Board of Directors recommends the Ordinary Resolution at Item No. 6 of this Notice for approval of the Members.

Item No. 7

The Board of Directors had appointed Mr K N Neelkant as CEO and Managing Director of the Company for a period of 5 years with effect from 3 February 2016. The Members of the Company had approved such appointment along with its terms and conditions through Ordinary Resolution passed at the 79th Annual General Meeting of the Company held on 30 August 2016.

During the financial year 2017-18, the Company has reported a profit before exceptional items and taxes of ₹ 227 crores on a standalone basis and ₹ 126 crores on a consolidated basis. However in view of write-off of exceptional items including litigation claims, unrealised exchange gains/(loss) and set of write offs in relations to loans and advances given to subsidiaries, inventories and receivables, the Company has reported a net loss after tax and exceptional items as detailed in point no. 4 herein under the heading '**General Information**'. Hence there is no profit in the financial year 2017-18 as calculated in terms of Section 198 of the Act for determination of Managerial Remuneration.

The Members of the Company had at the 79th Annual General Meeting while approving the appointment of Mr Neelkant, approved by Ordinary Resolution, the payment of remuneration to Mr Neelkant including in the event of absence or inadequacy of profits in any financial year, as approved by the Nomination and Remuneration Committee, subject to requisite approvals. However, in view of the subsequent amendment in Schedule V by notification no. S.O. 2922(E) dated 12 September 2016 issued by the Ministry of Corporate Affairs (“Notification”), the Company, is required to seek the approval of the Members by passing Special Resolution for payment of remuneration to Mr Neelkant in case of no profit or inadequacy of profit, without required to seek approval of the Central Government.

As Mr Neelkant is meeting the conditions prescribed in Schedule V, Section II Part B as amended by the Notification, the Board of Directors of the Company at its meeting held on 30 May 2018 basis the recommendations of the Nomination and Remuneration Committee and subject to the approval of Members, approved the remuneration of Mr Neelkant on the following terms and conditions:

Salary:

₹ 110.11 lacs per annum. (Annual increment will be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee each year which shall be merit based and will take into account the performance of Mr Neelkant against goals set by the Board as well as the performance of the Company).

Perquisites, Allowances and Reimbursements:

A basket of perquisites, allowances and reimbursements up to ₹ 204.49 lacs per annum which would illustratively include the perquisites, allowances, reimbursements and other retiral benefits in terms of the Company’s Rules or as may be mutually agreed upon, up to the above amount.

Performance Bonus (Target Variable Pay):

₹ 157 lacs per annum, being 50% of Fixed Pay (comprising of salary, perquisites, allowances and reimbursements), payable on achievement of agreed business plan. 50% of Variable Pay to be paid in the year of grant and balance 50% to be paid in the second year from the year following the grant. This can be lower or higher as per the Company’s variable pay plan.

For the purpose of calculating the above ceilings, perquisites would be evaluated in accordance with valuation principles adopted for Indian Income-tax purposes or reasonable estimates with respect to personal use, as applicable;

Income-tax on the aforesaid remuneration package, as applicable, as per Indian Income-tax law, would be payable by Mr Neelkant, CEO and Managing Director. However, the Company may pay the income-tax on certain non-monetary perquisites as permitted by Income-tax law and approved by the Nomination and Remuneration Committee.

It is now proposed to seek the approval of Members by passing the Special Resolution as set out at Item No. 7 of the accompanying Notice for payment of remuneration to Mr Neelkant on the terms and conditions as contained herein above and as may be approved by the Board of Directors from time to time on the basis of recommendation of Nomination and Remuneration Committee for the remaining period of his existing term of appointment in terms of the provisions of Section 197 of the Act read with Schedule V, as amended from time to time, including remuneration to be paid during no profits or inadequacy of profits.

The Company remains committed to pursue the long term interest of all its stakeholders and consider it necessary to retain high caliber talent to contribute to its growth trajectory. This requires that the Company’s leadership team shall be appropriately remunerated talent.

The Board considers that Mr Neelkant’s contribution to the Company would be of immense benefit and accordingly, the Board recommends the Special Resolution at Item No. 7 of this Notice, for the approval by the Members of the Company.

Mr Neelkant does not hold any equity shares in the Company either in his individual capacity, or beneficially for others and is not related to any Director or Key Managerial Personnel of the Company.

Except for Mr Neelkant, none of the Directors and Key Managerial Personnel of the Company or their relatives are in any way financially or otherwise, concerned or interested in the said Special Resolution as set out at Item No. 7 of the accompanying Notice except to the extent of their shareholding in the Company, if any.

This Explanatory Statement together with accompanying Notice may be regarded as a memorandum setting out terms of employment of Mr KN Neelkant under Section 190 of the Act.

Information pursuant to the provisions of Schedule V of the Act is as follows:

I. General Information:

1. Nature of Industry:

The Company provides end-to-end solutions in the management and application of electrical energy. Our portfolio has been structured into Power Systems and Industrial Systems. Our unique and diverse portfolio ranges from transformers, switchgear, circuit breakers, network protection & control gear, project engineering, HT and LT motors, drives, Power Automation Products and turnkey solutions in all these areas; thus enhancing many aspects of industrial and personal life.

2. Date of commencement of commercial operations: The Company started its commercial production in the year 1937.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial performance based on given indicators:

(₹ Crore)

Particulars	Stand-alone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Gross Revenue from Operations	5,079	4,761	6,288	5,924
Less: excise duty	98	405	99	407
Net Revenue from Operations	4,981	4,356	6,189	5,517
EBIDTA	543	512	494	510
Less: Finance Cost	214	164	219	186
Less: Depreciation	102	91	149	143
Profit Before Exceptional Items & Tax	227	257	126	181
Exceptional Items	(453)	(100)	(443)	(73)
Profit /(loss) Before Tax	(226)	157	(317)	108
Less: Tax expense/(Credit)	47	11	75	28
Profit/(loss) from continuing operations	(273)	146	(392)	80
Minority Interest	-	-	2	-
Share of profit /(loss) in associates/ Joint Ventures	-	-	(2)	(1)
Profit/(loss) after minority interest and share of associates and Joint venture	(273)	146	(392)	79
Loss from discontinued operations before tax	(79)	(33)	(799)	(592)
Tax expense / (Credit) from discontinued operations	(27)	(12)	(27)	(22)
Net profit/(loss) on discontinued operations	(52)	(21)	(772)	(570)
Total profit / (loss) for the year	(325)	125	(1,164)	(491)

5. Foreign investments or collaborations, if any:

The Company has Foreign Portfolio Investments through Stock Exchange Platform, the details of the same as of 31 March 2018 is provided below:

Particulars	No. of Shares	%
Foreign Portfolio Investors	118,673,735	18.96
Non Resident Indians (Repatriation)	2,356,912	0.38
Non Resident Indians (Non-Repatriation)	1,619,800	0.26
Overseas Corporate Bodies	61,250	0.01
Foreign National	8,954	0.00

The Company has not entered into any Foreign Collaborations.

II. Information about Mr Neelkant:

1. Background details:

Mr Neelkant is an electrical engineer from the University of Pune with subsequent Business Management programme from IIM-Bangalore and an Advanced Management Programme from ASCI-Hyderabad.

Mr Neelkant brings with him over twenty two years of rich experience in Strategy Formulation and Deployment, Project Management, Supply Chain Management and Manufacturing, across sectors including infrastructure, telecom, power transmission & distribution and engineering.

He was associated with Siemens for close to ten years prior to joining the Company in 2005 to lead the Industrial Motors business. In the past he has led the group's Power Generation business Avantha Power & Infrastructure Limited as its Managing Director & CEO. Mr Neelkant has strong entrepreneurial skills, honed by his experience as a strategic and result-oriented business leader.

2. Past Remuneration:

(₹ Lacs)

Particulars	31 March 2018
Basic Salary	273.56
Perquisite & Allowances	0.40
Performance Bonus	88.40
Retiral Fund	16.83
Total	379.19

Leave, encashment of un-availed leave and contribution to Provident Fund & Gratuity as per the Rules of the Company.

3. Recognition or awards:

Mr Neelkant on multiple occasions has received several accolades and appreciation for turning around existing businesses and restructuring overseas operations.

4. Job profile and his suitability:

Mr Neelkant's skills complemented with his twenty two years of rich experience has helped the Company to improve its products and processes. Considering the size of the Company, the complex nature of its operations and the ongoing restructuring exercise, Mr Neelkant's association is of immense benefit to the Company.

Post his appointment as CEO and Managing Director, he has focused on driving the Company to the forefront of the fast growing domestic power and engineering market and aligning its strategic strengths to the market opportunities for greater Shareholders' value.

5. Remuneration proposed:

As set out herein above.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The remuneration payable to Mr K N Neelkant was after benchmarking with the remuneration drawn by other companies in the same industry and of comparable size, was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company at its meeting held on 30 May 2018, subject to approval of Members of the Company. Mr Neelkant's experience, areas of expertise, his existing profile and responsibilities coupled with the complex nature of Company's business and special efforts put in by him in restructuring overseas operations, justify payment of the proposed remuneration.

7. Pecuniary Relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Mr Neelkant association with the Company is always in a professional capacity. He does not hold any securities of the Company. Except to the remuneration paid/payable to Mr Neelkant, there is no other pecuniary relationship with the Company. Further he is not related to the promoters or any director of the Company or any of the key managerial personnel.

III. Other Information:

1. Reasons for Loss or Inadequate Profits:

As set out herein above.

2. Steps taken or proposed to be taken to improve performance:

The financial performance of the Company was impacted only due to the exceptional items as detailed above. It was mainly to give clean and transparent results to the investors. Further the Company has divested and is in the process of divesting some of the loss making overseas business units. Some important steps have already been taken in this direction, further the Company has put in place plans for achieving sustained growth which will be reflected in Company's performance in due course.

3. Expected increase in productivity and profits in measurable terms:

Under the leadership of Mr Neelkant, the operational performance of the Company has improved and is expected to continue to improve further. Mr Neelkant alongwith the senior management team are working towards leading the Company for significant and sustained, improvement in the overall business and financial performance, which will certainly results in creating shareholders value in long run.

IV. Disclosures:

The Company has made appropriate disclosures as required under Schedule V of the Act in the 'Report on Corporate Governance' forming part of the 81st Annual Report of the Company accompanying this Notice.

By Order of the Board

Shikha Kapadia

Company Secretary and Compliance Officer
Membership No. ACS 20733

Mumbai, 23 August 2018

**ANNEXURE TO ITEM NOS. 2, 3, 6 AND 7 OF THE NOTICE CONVENING
THE 81ST ANNUAL GENERAL MEETING OF THE COMPANY**

Details of Directors seeking re-appointment and appointment at 81st Annual General Meeting pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India

Name of the Director	Mr B Hariharan (Item No. 2)	Mr K N Neelkant (Item No. 3 and 7)	Mr Ashish Kumar Guha (Item No. 6)
DIN	00012432	05122610	00004364
Nationality	Indian	Indian	Indian
Date of First Appointment on the Board of Directors	1 November 2012	3 February 2016	9 November 2017
Age	61 years	46 years	61 years
Qualifications	Member of The Institute of Chartered Accountants of India, The Institute of Company Secretaries of India and The Institute of Cost and Works Accountants of India	Electrical engineer from the University of Pune, Business Management programme from IIM-Bangalore and Advanced Management Programme from ASCI- Hyderabad	Hons. in Economics and has done a Leadership programme at the London Business School (Management Development Programme)
Capacity	Non-Executive Non-Independent Director	CEO and Managing Director	Non-Executive Independent Director
Experience and expertise in Specific Functional Areas	Over 33 years of rich experience in finance, treasury, mergers and acquisitions and corporate planning.	Over 22 years of rich experience in Strategy Formulation and Deployment, Project Management, Supply Chain Management and Manufacturing, across sectors including infrastructure, telecom, power transmission & distribution and engineering.	Over 40 years of experience in Management Consultancy, Treasury & Equity, Investment Banking and Cement Industry.
List of Directorships held in other Companies	<p>Indian Companies:</p> <ul style="list-style-type: none"> • Avantha Consulting Services Limited (<i>Formerly Avantha Ergo Life Insurance Company Limited</i>) • Avantha Holdings Limited • Avantha Power and Infrastructure Limited • Ballarpur Industries Limited • BILT Graphic Paper Products Limited • CG Power Solutions Limited • Global Green Company Limited • Newquest Insurance Broking Services Limited • Solaris Chemtech Industries Limited <p>Foreign Companies:</p> <ul style="list-style-type: none"> • Avantha Business Solutions Holding Inc. (USA) • Ballarpur International Holdings B.V. • Ballarpur Paper Holdings B.V. • Ballarpur Speciality Paper Holdings B.V. • BILT Paper B.V. • CG International B.V. • Global Green International NV, Belgium • Global Green USA Limited • Sabha Forest Industries Sdn. Bhd. 	<p>Indian Companies:</p> <ul style="list-style-type: none"> • CG-PPI Adhesive Products Limited • CG Power Equipments Limited (<i>Formerly Crompton Greaves Consumer Products Limited</i>) <p>Foreign Companies:</p> <ul style="list-style-type: none"> • CG Drives & Automation Sweden AB • CG Holdings Belgium • CG Power Solutions UK Limited • CG-Ganz Generator and Motor Limited Liability Company (Formerly known as CG Holdings Hungary Kft) • CG Electric Systems Hungary Zrt. • CG Sales Networks France SA • CG International B.V. • CG International Holdings Singapore Pte Limited • PT CG Power Systems Indonesia 	<p>Indian Companies:</p> <ul style="list-style-type: none"> • Cosmo Films Limited • Lemon Tree Hotels Limited • Fleur Hotels Private Limited <p>Foreign Companies:</p> <ul style="list-style-type: none"> • BILT Paper B.V.

Name of the Director	Mr B Hariharan (Item No. 2)	Mr K N Neelkant (Item No. 3 and 7)	Mr Ashish Kumar Guha (Item No. 6)
Chairperson/ Member in the Committees of the Board of companies in which he is a Director	<p>Avantha Consulting Services Limited</p> <ul style="list-style-type: none"> Audit and Compliance Committee- Member <p>Avantha Holdings Limited</p> <ul style="list-style-type: none"> Audit Committee- Member <p>Avantha Power & Infrastructure Limited</p> <ul style="list-style-type: none"> Audit Committee- Member <p>Ballarpur Industries Limited</p> <ul style="list-style-type: none"> Stakeholders' Relationship Committee- Member Risk Management Committee- Member <p>BILT Graphic Paper Products Limited</p> <ul style="list-style-type: none"> Audit Committee- Member <p>CG Power and Industrial Solutions Limited</p> <ul style="list-style-type: none"> Securities Transfer Committee – Member Hungary Business Divestment Committee – Member Business Divestment Committee- Member Stakeholders Relationship Committee- Chairman <p>Global Green Company Limited</p> <ul style="list-style-type: none"> Audit Committee- Chairman <p>Solaris Chemtech Industries Limited</p> <ul style="list-style-type: none"> Audit Committee- Chairman 	<p>CG Power and Industrial Solutions Limited</p> <ul style="list-style-type: none"> Stakeholders' Relationship Committee- Member Corporate Social Responsibility Committee- Member Securities Transfer Committee – Chairman Hungary Business Divestment Committee – Member Business Divestment Committee- Member 	<p>Lemon Tree Hotels Limited</p> <ul style="list-style-type: none"> Audit Committee- Member <p>Cosmo Films Limited</p> <ul style="list-style-type: none"> Audit Committee- Member Risk & Operations Management Committee – Chairman HR, Nomination & Remuneration Committee - Member
Number of shares held in the Company	657 Equity Shares	Nil	Nil
Terms and Conditions of appointment/ re-appointment	Appointment as a Non-Executive Non-Independent Director subject to retirement by rotation	Appointment as CEO and Managing Director of the Company for a period of 5 years with effect from 3 February 2016, subject to retirement by rotation	Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office up to 8 November 2022
Details of remuneration sought to be paid	Entitled to the sitting fees for attending meetings of the Board/Committees and profit based commission as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013	As set out in accompanying explanatory statement of this Notice at Item No.7.	Entitled to the sitting fees for attending meetings of the Board/Committees and profit based commission as may be approved by the shareholders from time-to-time within the limits set out in the Companies Act, 2013
Last drawn remuneration	Provided in the section titled 'Directors' Report' of the 81 st Annual Report of the Company accompanying this Notice.		
Number of Board meetings attended during the year	Provided in the section titled 'Report on Corporate Governance' of the 81 st Annual Report of the Company accompanying this Notice.		
Justification for choosing the individual for appointment as Independent Director	N.A.	N.A.	As set out in accompanying explanatory statement of this Notice at Item No.6.
Relationship with other Directors'/ KMPs	Not related to any Director / Key Managerial Personnel		

By Order of the Board

Shikha Kapadia
Company Secretary and Compliance Officer
Membership No. ACS 20733

Mumbai, 23 August 2018

Date: 23 August, 2018

Dear Shareholder(s),

Sub: Registration of e-mail address

In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, we request you to kindly register your e-mail id in order to receive the Notices of future Annual General Meetings, Annual Report and other correspondences of the Company in electronic form, by sending a duly filled in and signed copy of the below registration form to the Company's Registrar and Share Transfer Agent 'Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited)' at Plot No. B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai 400 093.

Shareholders who hold shares in dematerialised form are requested to approach the concerned Depository Participant for updating/modifying their e-mail id(s) as the case may be.

For CG Power and Industrial Solutions Limited

Shikha Kapadia
Company Secretary
Membership No. ACS 20733

E-MAIL REGISTRATION FORM

To* :

The Company (for Shareholders holding shares in physical mode)

The Depository Participants (for Shareholders holding shares in dematerialised form)

Sub: Registration of e-mail address - CG Power and Industrial Solutions Limited

I/We would like to receive Notices, Annual Reports and other communications/documents from the Company in electronic mode. I/We request you to register my/our e-mail address for receiving communications/documents electronically as per the following details:

Name of the Shareholder(s)	
Folio No./DP ID No./Client ID No.	
E-mail address	
Mobile No	

Date:

Place:

Signature of the Shareholder(s)#

* Please tick as applicable.

Please ensure that the form is signed by the registered Shareholder alongwith Joint Shareholder(s), if any.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

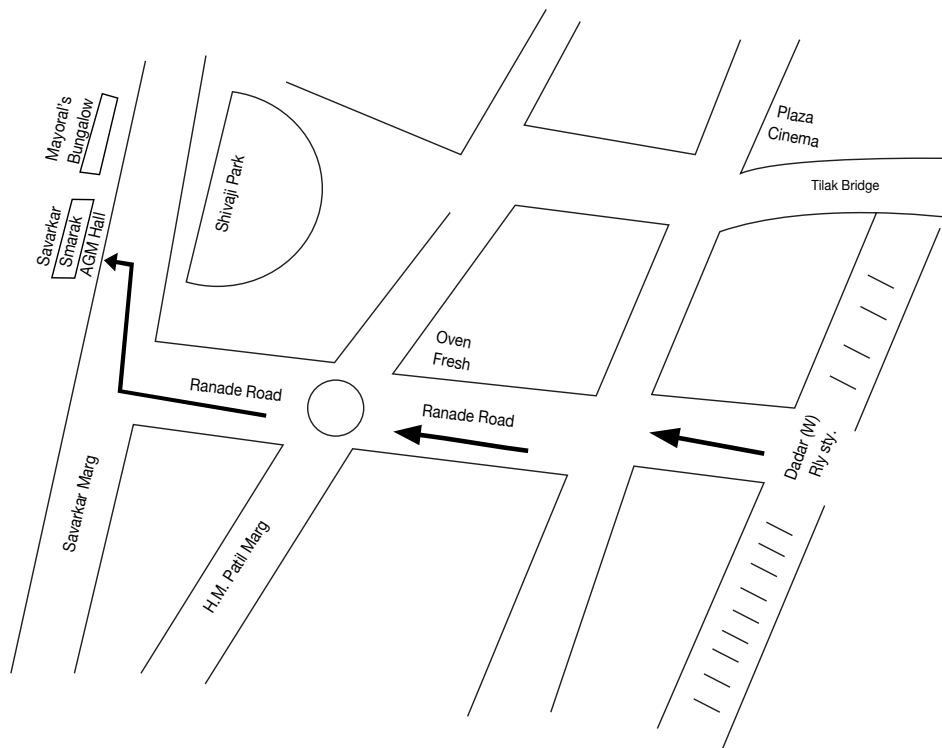
Name of the attending Member (In Block Letters)	Member's Folio No.
	DP. ID No.*
	Client ID No.*
	No. of shares held
Name of the Proxy (In Block Letters) : (to be filled if the Proxy attends instead of the Member)	

I/We hereby record my/our presence at the 81st Annual General Meeting of the Company to be held on **Friday, 28 September 2018 at 3:00 pm (IST)** at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028.

* Applicable for Members holding shares in dematerialised form.

.....
Member's/Proxy Signature

ROUTE MAP TO VENUE OF THE 81TH ANNUAL GENERAL MEETING



Note: Bus facility is available from Swaminarayan Temple (Dadar East) to the venue of the 81st Annual General Meeting.

PROXY FORM

(Form No. MGT-11 pursuant to Section 105(6) of the Companies Act, 2013, and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): (including joint holders)
Registered address:
E-mail Id:
Registered Folio No./ DP IN No./Client ID No.:

I/We, being the Member(s) of shares of the above named Company, hereby appoint

- Name: Address:
E-mail ID: Signature: or failing him;
- Name: Address:
E-mail ID: Signature: or failing him;
- Name: Address:
E-mail ID: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 81st Annual General Meeting of the Company (Meeting), to be held on **Friday, 28 September 2018 at 3:00 pm (IST)** at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai-400 028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	Voting (optional - see note 4 below and please mention number of shares)		
		For	Against	Abstain
1.	To consider and adopt: (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2018, together with the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2018, together with the report of Auditors thereon.			
2.	Re-appointment of Director retiring by rotation – Mr B Hariharan (DIN: 00012432).			
3.	Re-appointment of Director retiring by rotation – Mr K N Neelkant (DIN: 05122610).			
4.	Appointment of M/s. S R B C & Co LLP, Chartered Accounts (Firm Registration No. 324982E/E300003) and M/s. K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) as Joint Statutory Auditors of the Company, for a term of five years, from the conclusion of ensuing 81 st Annual General Meeting of the Company till the conclusion of the 86 th Annual General Meeting of the Company.			
5.	Ratification of Remuneration to Cost Auditor.			
6.	Appointment of Independent Director – Mr Ashish Kumar Guha (DIN:00004364).			
7.	Approval on Remuneration of Mr K N Neelkant CEO and Managing Director.			

Signed this..... day of..... 2018

Signature of Member _____

Signature of first Proxyholder

Signature of second Proxyholder

Signature of third Proxyholder

Affix
Revenue
Stamp

NOTES:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. on or before 3:00 pm (IST) on Wednesday, 26 September 2018.
- For the Resolutions, Explanatory Statement, Notes and filling instructions please refer to the Notice of 81st Annual General Meeting.
- Please complete all details of Member(s) in the form before submission.
- It is optional to indicate your preference. If you leave the 'for', 'against' and 'abstain' column blank on all/any resolutions, your proxy(ies) will be entitled to vote on Poll (if taken) in the manner as he/she thinks fit.

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