



## BHARAT GEARS LIMITED

*Geared for Life*

### NOTICE

**NOTICE** is hereby given that the 42<sup>nd</sup> Annual General Meeting (AGM) of the members of Bharat Gears Limited will be held as under:

Day : Friday  
Date : 1<sup>st</sup> August, 2014  
Time : 11:30 A.M.  
Venue : HUDA Convention Centre  
Sector-12  
Faridabad-121007 (Haryana)

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts of the Company for the year ended March 31, 2014 together with Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To re-appoint M/s Deloitte Haskins & Sells- Ahmedabad (ICAI Registration No. 117365W), Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the third consecutive Annual General Meeting of the Company in the calendar year 2017 (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and fix their remuneration.

#### SPECIAL BUSINESS:

4. To consider appointment of Dr. Ram S. Tarneja, Director of the Company, as an Independent Director on the Board of the Company and if thought fit, pass the following resolution as **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Ram S. Tarneja (holding DIN 00009395), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Dr. Ram S. Tarneja as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."

5. To consider appointment of Mr. S.G. Awasthi, Director of the Company, as an Independent Director on the Board of the Company and if thought fit, pass the following resolution as **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. S.G. Awasthi (holding DIN 00023073), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Mr. S.G. Awasthi as a candidate for the office of Director of the Company, be and is

hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."

6. To consider appointment of Ms. Hiroo Suresh Advani, Additional Director of the Company, as an Independent Director on the Board of the Company and if thought fit, pass the following resolution as **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** Ms. Hiroo Suresh Advani (holding DIN 000265233), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30<sup>th</sup> January, 2014, in terms of Section 260 of the Companies Act, 1956 [Corresponding to Section 161(1) of the Companies Act, 2013] and Article 97 of the Articles of Association(AOA) of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Ms. Hiroo Suresh Advani as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019 pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013."

7. To approve the remuneration payable to M/s M.K. Kulshrestha & Associates, Cost Auditors of the Company for the financial Year 2014-2015 and if thought fit, pass the following resolution as **Ordinary Resolution**, with or without modification(s):

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s M.K. Kulshrestha & Associates, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and approve the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company, for further period of 2(Two) years w.e.f 1<sup>st</sup> June, 2014 of his present tenure and if thought fit, pass the following resolution(s) as **Special Resolution**, with or without modification(s):

**"RESOLVED THAT** pursuant to the provisions under Section 196, 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") including any statutory amendments, modifications or re-enactment thereof and subject to the approval of the Central Government, if required in case the Company approaches the Central Government for the proposed remuneration over and above the minimum remuneration as per Schedule V, and further subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is hereby accorded for the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company for a further period of 2(Two) years of his tenure w.e.f. 1<sup>st</sup> June, 2014 on the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the remuneration as set out in the explanatory statement which forms part of this resolution, payable to Mr. Sameer Kanwar, Joint Managing Director for a further period of 2(Two) years of his tenure w.e.f. 1<sup>st</sup> June, 2014, is subject to the condition that:

- a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole-time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing/Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendments, modifications or re-enactments thereof, as may be made thereto and for the time being in force or
- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, the remuneration payable shall be specifically approved by the Central Government.

**RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequacy of profits in any financial year, the salary, perquisites and statutory benefits (except commission), as set out in the explanatory statement which forms a part of this resolution, be paid as minimum remuneration to Mr. Sameer Kanwar, Joint Managing Director subject to the approval of Central Government, if required.

**RESOLVED FURTHER THAT** in absence of the approval of the Central Government for the payment of the remuneration to Mr. Sameer Kanwar, Joint Managing Director exceeding the limits specified in Section 197, 198 and Schedule V of the Companies Act, 2013, as amended from time to time, he shall be entitled to draw remuneration within the limits prescribed in Section 197, 198 and Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

9. To consider and approve increase in Borrowing powers of the Company and if thought fit, pass the following resolution as **Special Resolution**, with or without modification(s):

**"RESOLVED THAT** in supersession of earlier resolution passed at the Annual General Meeting of the Company held on 12<sup>th</sup> August, 1996 and pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the shareholders be and is hereby accorded to the Board of Directors to borrow moneys from time to time for the purpose of the Company from the financial institutions, Company's bankers and/or from any person or persons, firms, bodies corporate, whether by way of loans, advances, deposits, bills discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount of moneys borrowed at any time shall not exceed Rs. 200 Crores (Rupees Two Hundred Crores Only)."

By order of the Board



Prashant Khattry  
Head (Legal) & Company Secretary

Place: Faridabad  
Date: 27 June, 2014

#### NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy(ies) need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. The instrument appointing proxy(ies) must, however, be deposited at the**

**Registered Office of the Company, duly completed and signed, not less than forty eight hours before commencement of the Meeting. Proxy(ies) submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.**

2. **NO GIFTS OR COUPONS SHALL BE DISTRIBUTED AT THE MEETING.**
3. Members/Proxies are requested to submit the enclosed Attendance Slip duly filled in and signed at the entrance of the venue for attending the Meeting. Members who hold shares in dematerialized form are requested to mention their Client ID and DP ID details and those who hold shares in physical form are requested to write Folio number in the attendance slip. **No Attendance Slip shall be issued at the Meeting.**
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 26<sup>th</sup> July, 2014 to 1<sup>st</sup> August, 2014 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if declared at the Meeting.
5. Dividend on the Equity Shares, if declared at the Meeting, will be paid to the Members whose names appear in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company or its Registrars on 25<sup>th</sup> July, 2014.  
  
In respect of shares held in electronic form, the dividend will be paid to those 'beneficiaries' whose name appear on the statements of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose, at the end of the business hours on 25<sup>th</sup> July, 2014. Dividend shall be paid on or before 29<sup>th</sup> August, 2014. No income tax shall be deducted at the source from the dividend amount.
6. The Non Resident Indian Shareholders are requested to inform the Company immediately about:
  - a. The change in residential status on return to India for permanent settlement.
  - b. The particulars of NRO Bank Account in India, if not furnished earlier.
7. Members are requested to intimate their dividend mandates like Bank account number, type and Bank address(es) in which they intend to deposit the warrant(s) by a duly signed letter. The Bank details can also be printed on the warrants to avoid any incidence of fraudulent encashment.  
  
The change in address, nomination etc, if any, to be effective must reach to the Registrar & Transfer Agent or the Registered Office of the Company by 25<sup>th</sup> July, 2014. (Relevant Forms for nomination and updation of Shareholders information are enclosed at the end of the Annual Report).
8. Electronic Clearance System (ECS) is presently available at certain locations specified by Reserve Bank of India and/or State Bank of India. To avoid risk of loss and/or fraudulent encashment, Members are requested to avail ECS facility where dividends are directly and promptly credited in electronic form to their respective Bank accounts. (ECS Mandate Form is enclosed at the end of the Annual Report).
9. Members seeking any further clarification/information relating to the Annual Accounts are requested to write at the Registered Office of the Company at least ONE WEEK before the date of the Meeting i.e. on or before 25<sup>th</sup> July, 2014 to enable the management to keep the information ready at the Meeting.
10. Pursuant to Section 205A and 205C of the Companies Act, 1956, the unclaimed dividend till the financial year 1999-2000 has been transferred to the Investor Education and Protection Fund. There is no unclaimed/unpaid dividend, which is required to be transferred to Investor Education & Protection Fund.

The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The Objective of IEPF Rules is to help the shareholders to ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2007-2008, as on date of the 41<sup>st</sup> Annual General Meeting (AGM) held on 31<sup>st</sup> July, 2013, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Section" on the website of the Company viz. [www.bharatgears.com](http://www.bharatgears.com).

Members who have not encashed their dividend warrants are advised to write to the Company or Registrar & Transfer Agent of the Company immediately, claiming dividends declared by the Company.

11. The shares of the Company are compulsorily traded in demat mode. Hence, the Members who are still holding physical Share Certificates are advised that it is in their own interest to dematerialize their shareholding to avail benefit of dematerialization viz. easy liquidity, electronic transfer, savings in stamp duty and prevention of forgery.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificate(s) to Link Intime India Private Limited, Registrar & Transfer Agent for consolidation into a single folio.
13. Members are requested to register their e-mail address(es) and changes in their particulars like change in address from time to time with Link Intime India Private Limited, Registrar & Transfer Agent for shares held in physical form and with the respective Depository Participants for the shares held in dematerialized form.
14. Members may please note that Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number of all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish a copy of PAN card to the Company/Share Transfer Agent for registration of such transfer of shares.
15. For security reasons, no article/baggage will be allowed at the venue of the meeting. The members/attendees are strictly requested not to bring any article/baggage etc. at the venue of the meeting.
16. In terms of the provisions of Section 136 of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, service of notices/documents to the shareholders can be made through electronic mode, provided the Company has obtained the e-mail address(es) of the shareholder(s). Also, the shareholders who have not registered their e-mail address for receiving the Balance Sheet etc., they will be sent the physical copies through any recognised mode of delivery as specified under section 20 of the Companies Act, 2013.

Further, Clause 32 of the Listing Agreement entered into by the Company with the Stock Exchanges provides that the Company shall supply:

- (i) Soft copies of full annual reports containing its Balance Sheet, Statement of Profit & Loss and Directors' Report to all those shareholder(s) who have registered their e-mail address(es) for the purpose;
- (ii) Hard copy of statement containing the salient features of all the documents, as prescribed in sub-clause (iv) of clause (b) of proviso to Section 219 of the Companies Act, 1956 [Section 136 of the Companies Act, 2013] to those shareholder(s) who have not so registered;
- (iii) Hard copies of full annual reports to those shareholders, who request for the same.

**As a result, Members are requested to register their e-mail address(es) and changes therein from time to time, by directly sending the relevant e-mail address along with the details of name, address, Folio No., shares held:**

- i) **To the Registrar and Share Transfer Agent, Link Intime India Private Limited for shares held in physical form and;**
- ii) **In respect of shares held in demat mode, also provide DP ID/ Client ID with the above details and register the same with their respective Depository Participants.**

Upon registration of the e-mail address(es), the Company proposes to send Notices, Annual Report and such other documents to those Members via electronic mode/e-mail.

17. In support of the "Green Initiative" undertaken by Ministry of Corporate Affairs, the Company had sent the Annual Report for the year 2012-13 by e-mail to those shareholders whose e-mail address(es) were made available to the depositories or to the Registrar and Transfer Agent. Physical copies were sent to only those shareholders whose e-mail address(es) were not available and for the bounced e-mail cases.

Further, the electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has 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 2013-14 is being sent in the permitted mode.

**As a responsible citizen, your Company strongly urges you to support the Green Initiative by giving positive consent by registering/updating your e-mail addresses with the Depository Participants or to the Registrar and Transfer Agent for receiving soft copies of various communications including the Annual Reports.**

## 18. Voting Through Electronic Means

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members with facility to exercise their right to vote at the 42<sup>nd</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting services as provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participants(s)]:
  - (i) Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Bharat Gears Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [BgIsCrutinizer@gmail.com](mailto:BgIsCrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
  - (i) Initial password will be provided separately :  
**EVEN (E Voting Event Number) USER ID PASSWORD/PIN**
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 26<sup>th</sup> July, 2014 and ends on 28<sup>th</sup> July, 2014. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> June, 2014, may cast their vote

electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 20<sup>th</sup> June, 2014.
  - VII. Mr. Ajay Garg, MBA, FCS, LLB and Mr. Nitin Rawat, B.com, ACS, has been appointed as Scrutinizer and Alternate Scrutinizer respectively having their office at 970, 1<sup>st</sup> Floor, Sector - 21D, Faridabad, to scrutinize the e-voting process in a fair and transparent manner.
  - VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - IX. The Results shall be declared within forty eight hours from the conclusion of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bharatgears.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) accordingly.
19. The documents referred to in the accompanying Notice and the Annual Report are open for inspection at the Registered Office of the Company during the office hours between 11.00 A.M. and 1.00 P.M. on all working days except Sundays up to the date of the Meeting and shall also be available at the venue.

By order of the Board



**Prashant Khattry**  
**Head (Legal) & Company Secretary**

Place: Faridabad  
Date: 27 June, 2014

#### **EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

#### **ITEM NO. 4**

Dr. Ram S. Tarneja, aged 82 years is a Non-Executive Independent Director of the Company since 30.12.1981. He did B.A. (Hons) from Delhi. He is also an M.A. both from University of Delhi & University of Virginia and has also done Ph.D from Cornell University. Dr. Ram S. Tarneja has varied and rich experience across Companies. He has the requisite expertise in accounting and financial management.

Dr. Ram S. Tarneja retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. Ram S. Tarneja being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Dr. Ram S. Tarneja as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. Ram S. Tarneja fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Dr. Ram S. Tarneja as an Independent Director, for the approval by the shareholders of the Company.

Except Dr. Ram S. Tarneja, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 of the Notice.

#### **ITEM NO. 5**

Mr. S.G. Awasthi, aged 71 years is a Non-Executive Independent Director of the Company since 25.01.2007. He graduated in Science from Allahabad University, and did Mechanical Engineering from Roorkee University. He possesses vast experience of representing the top hierarchy of Indian industry, Media, Bureaucracy, and the Government and business houses like TATA, TOYOTA etc. He has also served as member and Chairman of various state, national and international level committees.

Mr. S.G. Awasthi retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. S.G. Awasthi being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Mr. S.G. Awasthi as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. S.G. Awasthi fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Mr. S.G. Awasthi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. S.G. Awasthi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 of the Notice.

#### **ITEM NO. 6**

Ms. Hiroo Suresh Advani, aged 68 years is a post graduate in Arts from the University of Mumbai. She is also a Certified Associate of "The Indian Institute of Banking and Finance" (previously known as "The Indian Institute of Bankers"). She has a vast experience of over 43 years and has served different organisations viz. Reserve Bank of India, Industrial Development Bank of India and Export Import Bank of India etc. She has rich experience in the field of Trade finance, Project Finance, Corporate Banking, etc. During her tenure with EXIM Bank, she has worked as a Nodal Officer for CDR Cell and has represented EXIM Bank for Technology Upgradation Programme (TUF) meetings by Ministry of Textiles, Government of India.

The Board of Directors at its meeting held on 30.01.2014 appointed Ms. Hiroo Suresh Advani as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 and Article 97 of the Articles of Association(AOA) of the Company.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) read with Article 97 of the Articles of Association of the Company, Ms. Hiroo Suresh Advani holds office only upto the date of this Annual General Meeting of the Company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Hiroo Suresh Advani being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Ms. Hiroo Suresh Advani as a candidate for the office of Director of the Company.

In the opinion of the Board, Ms. Hiroo Suresh Advani fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Hiroo Suresh Advani as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Hiroo Suresh Advani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 of the Notice.

#### **ITEM NO. 7**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s M.K. Kulshrestha & Associates, Cost Auditors to conduct the audit of the cost records of all the three plants of the Company located at Mumbra (Maharashtra), Satara (Maharashtra) and Faridabad (Haryana) respectively for the financial year ending March 31, 2015 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only).

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 has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

The Board of Directors of your Company recommends the passing of Ordinary Resolution as set out at Item No. 7 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7 of the Notice.

#### ITEM NO. 8

Mr. Sameer Kanwar had been re-appointed as the Joint Managing Director of the Company for a period of 5(Five) years w.e.f 1<sup>st</sup> June, 2013 in the Annual General Meeting held on 31<sup>st</sup> July, 2013 along with a remuneration for a period of 3(Three) years w.e.f.1<sup>st</sup> June, 2013 and the same was approved by shareholders in the Annual General Meeting held on 31<sup>st</sup> July, 2013. The Central Government vide Order No. B82369075/4/2013-CL.VII dated 18<sup>th</sup> February, 2014 approved the re-appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company for a period of 5(Five) years w.e.f. 1<sup>st</sup> June, 2013 alongwith remuneration of Rs. 1.19 Cr. for 1<sup>st</sup> year up to 31<sup>st</sup> May 2014. Now as per the Companies Act, 2013, the Company is proposing the same remuneration terms which the Company proposed in the last Annual General Meeting held on 31<sup>st</sup> July, 2013 for the remaining period of 2(Two) years till 31<sup>st</sup> May, 2016.

Pursuant to the provisions of Section 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors in its meeting held on 28<sup>th</sup> May, 2014 approved the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director for a period of 2(Two) years of his tenure w.e.f. 1<sup>st</sup> June, 2014, as recommended by the Nomination and Remuneration Committee in its meeting held on 27<sup>th</sup> May, 2014.

Therefore, the Board of Directors proposes for the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director, for the further period of 2(Two) Years of his tenure w.e.f. 1<sup>st</sup> June, 2014, at the terms and conditions as set out below:

- A) Basic Salary: Rs. 8,86,600 per month in the grade of Rs. 8,86,600-88,660-9,75,260.
- B) Allowances and Perquisites:
- In addition to the aforesaid basic salary, he shall be entitled for Leased Accommodation or House Rent Allowance and
  - Perquisites the total value of which, wherever applicable, shall be computed as per the provisions of Income Tax Act, 1961 read with the applicable Income Tax Rules, as amended from time to time, and for the time being in force. In case of absence of any such Rule(s), the value of the said perquisite shall be computed at the actual cost incurred.
- The total of above i.e. (i) & (ii) shall not exceed 1/3<sup>rd</sup> of his basic salary per month.
- C) Commission: In addition to the above basic salary and perquisites, commission not exceeding @ 1.5% of the Net Profits of the Company, in any year computed in the manner laid down under Section 198 and other applicable provisions of the Companies Act, 2013, may also be paid, as may be determined by the Board of Directors, based on the Net Profits of the Company.
- D) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- E) Other terms:
- He shall be entitled to re-imbursalment of actual out-of-pocket expenses incurred in connection with the business of the Company.
  - He shall be entitled to re-imbursalment of entertainment expenses incurred by him for the best interest of the Company.
  - As long as he functions as Joint Managing Director he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.
  - He shall be entitled to earned/privileged leave as per the rules of the Company.
  - In the event of inadequacy or absence of profits in any financial year, he will be entitled to the payment of salary and perquisites(except commission), as set out under points (A) and (B) above, as minimum remuneration, subject to the approval of the Central Government, if required notwithstanding the fact that it may exceed the limits

prescribed under Schedule V of the Companies Act, 2013, along with the perquisites stated under point (D) above which are not included in the computation of limits for the remuneration or perquisites aforesaid.

- Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Joint Managing Director of the Company and as may be delegated to him from time to time.
- He shall not be liable to retire by rotation.

The Company shall pay the above said remuneration to Mr. Sameer Kanwar, Joint Managing Director upon the receipt of the approval of the Central Government, if required effective from the date as specified in such approval.

Further, pursuant to the provisions of Sections 117(3), 197, 201, 298, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of remuneration are subject to the approval of the Central Government and all other requisite approvals, as may be required in this regard, are being placed for the approval of the Shareholders in the Annual General Meeting.

Therefore, the Board of Directors of your Company recommends the passing of Special Resolution as set out at Item No. 8 of the Notice.

Except Mr. Sameer Kanwar, himself and his father, Mr. Surinder P. Kanwar, Chairman & Managing Director of the Company, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution(s) as set out in Item No. 8 of the notice.

#### ITEM NO. 9

The Members of the Company at their 24<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> August, 1996 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 100 crores.

Section 180(1)(c) of the Companies Act, 2013 effective from 12<sup>th</sup> September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of Special Resolution.

It is therefore necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, to enable the Board of Directors to borrow moneys from time to time for the purpose of the Company from the financial institutions, Company's bankers and/or from any person or persons, firms, bodies corporate, whether by way of loans, advances, deposits, bills discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount of moneys borrowed at any time shall not exceed Rs. 200 Crores (Rupees Two Hundred Crores Only).

The Board of Directors of your Company recommends the passing of Special Resolution as set out at Item No. 9 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 of the Notice.

#### INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for inspection by the Members of the Company, at its Registered Office, during the office hours between 11.00 A.M. to 1.00 P.M., on all working days except Sundays upto the date of the Annual General Meeting and shall also be available at the venue of the Meeting.

By order of the Board



Prashant Khattry  
Head (Legal) & Company Secretary

Place: Faridabad  
Date: 27 June, 2014

**BRIEF RESUME OF THE DIRECTORS TO BE APPOINTED AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE OF CLAUSE 49(IV)(G) OF THE LISTING AGREEMENT**

**1. Dr. Ram S. Tarneja, Director**

A brief profile of Dr. Ram S. Tarneja has been provided in the Explanatory Statement of Item No. 4 of the accompanying notice.

Dr. Ram S. Tarneja is the Chairman of Audit Committee of Bharat Gears Limited and is also the Member of Nomination and Remuneration Committee of Bharat Gears Limited.

**Dr. Ram S. Tarneja is a Director and Chairman/Member of Committees of Board of the following other Companies:**

S.No.	Name of the Company/ Entity in which interested	Committee Chairmanship/Membership
1.	Jolly Board Limited	Member- Audit Committee
2.	NESCO Limited	Member- Audit Committee
3.	Otis Elevators India Co. Limited	Member- Audit Committee
4.	Transcorp International Limited	Member- Audit Committee
5.	GIVO Limited	Member- Remuneration Committee
6.	NissinABC Logistics Private Limited	Chairman- Remuneration Committee
7.	Housing Development Finance Corporation Limited	Chairman- Shareholders'/ Investors' Grievance Committee

**Dr. Ram S. Tarneja holds Directorship in the following Private Limited Companies:**

S.No.	Name of the Company/Entity in which interested
1.	Arim Metal Industries Private Limited
2.	NissinABC Logistics Private Limited
3.	RITCO Travels and Tours Private Limited

As on 31<sup>st</sup> March, 2014, he does not hold any share in the Company.

**2. Mr. S.G.Awasthi, Director**

A brief profile of Mr. S.G. Awasthi has been provided in the Explanatory Statement of Item No. 5 of the accompanying notice.

Mr. S.G. Awasthi is a member of Finance Committee of Bharat Gears Limited.

**Mr. S.G. Awasthi is a Director and Chairman/Member of Committees of Board of the following other Companies:**

S.No.	Name of the Company/ Entity in which interested	Committee Chairmanship/Membership
	—	—

**Mr. S.G. Awasthi holds Directorship in the following Private Limited Companies:**

S.No.	Name of the Company/Entity in which interested
	—

As on 31<sup>st</sup> March, 2014, he does not hold any share in the Company.

**3. Ms. Hiroo Suresh Advani, Director**

A brief profile of Ms. Hiroo Suresh Advani has been provided in the Explanatory Statement of Item No. 6 of the accompanying notice.

**Ms. Hiroo Suresh Advani is a Director and Chairman/Member of Committees of Board of the following other Companies:**

S.No.	Name of the Company/ Entity in which interested	Committee Chairmanship/Membership
	—	—

**Ms. Hiroo Suresh Advani holds Directorship in the following Private Limited Companies:**

S.No.	Name of the Company/Entity in which interested
	—

As on 31<sup>st</sup> March, 2014, she does not hold any share in the Company.

**STATEMENT OF PARTICULARS  
(PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)**

**MR. SAMEER KANWAR, JOINT MANAGING DIRECTOR**

**I. GENERAL INFORMATION**

SI. No	Particulars/Subject	Information
1.	Nature of industry	Manufacture of Automobile Gears
2.	Date or expected date of commencement of commercial production.	15 <sup>th</sup> January, 1972
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A
4.	Financial performance based on given indicators	In the Financial Year 2013-2014, the Company made a turnover of Rs. 459.71 Crores (including other income) and Profit Before Tax (PBT) of Rs. 0.60 Crores as the continued effect of recession has adversely affected the Auto Sector which has an adverse impact on the turnover of the Company which ultimately hit the bottom line of the Company. In spite of the adverse environment, our Company's performance in 2013-2014 was credible as the Company has been able to sustain on its total turnover which is up by 6% and more importantly, the Company continued to generate profit. Profit After Tax (PAT) was Rs. 0.59 Crores in 2013-2014. And recently, the commercial operations at the newly settled plant of the Company at Lonand, District Satara, Maharashtra have been started w.e.f 31 <sup>st</sup> March, 2014 which is expected to gear up the future growth
5.	Export performance and net foreign exchange collections	During the financial year ended 31 <sup>st</sup> March 2014, Export of goods on FOB basis: Rs. 114.12 Crores (Previous Year Rs. 82.44 Crores). Other export earnings: Rs. 4.28 Crores (Previous Year Rs. 4.77 Crores)
6.	Foreign Investments or collaborators, if any.	No such investment or collaboration except minor shareholding of Non Resident Indians.

## II. INFORMATION ABOUT THE APPOINTEE

Sl. No	Particulars/Subject	Information
1.	Background Details	<p>Mr. Sameer Kanwar has been associated with the Company since 2001. He holds a Bachelor's Degree in Business Economics from York University, Canada. After completing his Graduation, he received two years training in the areas of Planning, Finance and Control at ZF Friedrichshafen AG, Germany, the world's largest maker of drivelines and chassis for Automobiles.</p> <p>He had been Executive Director-Strategic Planning up to 31<sup>st</sup> May, 2008, appointed as Joint Managing Director w.e.f. 1<sup>st</sup> June, 2008 and has been re-appointed as the Joint Managing Director of the Company w.e.f. 1<sup>st</sup> June, 2013.</p> <p>He has deep exposure in Marketing, Purchase, Production and in HR Management. He has in-depth knowledge of the core business of the Company i.e. Automotive Gears. His belief lies in the fact that, creation of a successful organisation needs fostering of people and developing a climate that recognizes performance and leadership.</p> <p>He has wholesome exposure on all aspects of business of the Company and is engaged in supervision &amp; conduct of Faridabad Plant of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision &amp; control of the Board.</p> <p>Recently, under his guidance, a new automotive gear plant has been set up at Lonand, District Satara, Maharashtra where the commercial operations have been started w.e.f 31<sup>st</sup> March, 2014 of which he is also supervising the overall operations of the new automotive gear plant.</p>
2.	Past remuneration	During his present tenure as Joint Managing Director of the Company, the remuneration as paid to Mr. Sameer Kanwar for the Financial Year 2013-2014 is Rs. 113.55 Lacs
3.	Recognition or awards	<p>During the tenure of Mr. Sameer Kanwar, he has received various recognition and awards, such as:</p> <ul style="list-style-type: none"> <li>• Business Sphere Award – Most respected and India's largest Gears Manufacturing Company.</li> <li>• Toyota Kirloskar Suppliers Association in category of quality.</li> <li>• Best Kaizen(Delhi Region) from Toyota Kirloskar Suppliers Association.</li> <li>• Special appreciation for "Drive in Energy Conservation &amp; Tooling Improvement" from Automotive Components Manufacturers Association.</li> <li>• Eaton Corporation Premier Supplier Award.</li> <li>• Best Supplier Award from New Holland Fiat (India) Private Limited.</li> <li>• Award for Development from JCB.</li> <li>• Long Association Award from ESCORTS.</li> <li>• Runner-III in Regional Quality Circle Competition (Toyota Kirloskar Suppliers Association).</li> <li>• Certification under ISO 14001:2004, ISO/TS 16949 awarded to Bharat Gears Ltd as management system audited has been found according to the standard required.</li> </ul>
4.	Job profile and his suitability	Mr. Sameer Kanwar has been instrumental in pressing forward the art of gear manufacturing and keeping abreast with the latest technology for delivering the highest quality of products. He has inherited an enormous legacy and shouldered higher assignments during his tenure with the Company. His sincerity, commitment and ideas have resulted in opening up of new opportunities of the Company. In view of his enriched experience, appreciable contribution and enlarged leadership, the Board proposes for the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director, for a further period of 2(Two) Years of his tenure w.e.f. 1 <sup>st</sup> June, 2014, as per the details stated in explanatory statement of Item No. 8 of the Notice.
5.	Remuneration proposed	Salary, other perquisites and other terms as fully set out in the explanatory statement of item no. 8 of the Notice. The remuneration proposed has no change from the last remuneration approved by the Shareholders in the

## II. INFORMATION ABOUT THE APPOINTEE....contd.

Sl. No	Particulars/Subject	Information
		Annual General Meeting held on 31 <sup>st</sup> July, 2013. The Company is seeking shareholder's approval on the same remuneration as proposed in the last Annual General Meeting held on 31 <sup>st</sup> July, 2013 and approved by the Shareholders, in terms of Section 197, 198 and Schedule V of the Companies Act, 2013
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration is comparative with the remuneration being paid to the Chairman & Managing Director/Joint Managing Director of the Companies of the same size in the industry.
7.	Pecuniary relationship directly or indirectly with the company personnel, if any	Mr. Sameer Kanwar, Joint Managing Director and Mr. Surinder P. Kanwar, Chairman & Managing Director, are the two Whole time Directors (WTDs) in the Company and both are related as father and son. The WTDs do not have, direct and indirect, any pecuniary transactions with the Company which is prejudicial to the interest of the Company. Except the WTDs, no other director or relative is having any material pecuniary relationships with the Company. During the period ended on 31 <sup>st</sup> March, 2014, related party transaction amounted to Rs. 2.71 Crores (FY 2012-13: Rs. 1.62 Crores). The WTDs also drew their remunerations in the period amounting to Rs. 3.52 Crores (FY 2012-13: Rs. 3.24 Crores).  The Company discloses the related party transactions annually in the books of accounts of the Company. The Audit Committee discusses and approves such transactions every quarter. The Board of Directors duly approves the related party transactions and in the opinion of Board of Directors of the Company, none of the transactions is prejudicial to the interest of the Company.

## III. OTHER INFORMATION

Sl. No	Particulars/Subject	Information
1.	Reason of loss or inadequate profits	In the Financial Year ended 31 <sup>st</sup> March, 2014, the Company made Profit after Tax of Rs. 0.59 Crores and Cash Profit of Rs. 14.32 Crores. The proposed remuneration exceeds the limits of Schedule V of the Companies Act, 2013. There is no loss in the Company.
2.	Steps taken or proposed to be taken for improvement	Slowdown in domestic market on account of rising costs of petroleum products and higher borrowing costs, has adversely affected performance of the Company during the financial year ended 31 <sup>st</sup> March, 2014. Pressure on margins was mainly on account of higher manpower costs and cost of petroleum products. Profitability for the year was also adversely affected by Lump sum payment made to workmen of Mumbra plant of Rs. 0.93 Crores and interest & depreciation costs of New Plant at Satara - Rs. 2.46 Crores and also by lower volumes of Furnace business.  The Company has adopted the following measures to improve the profitability: <ul style="list-style-type: none"> <li>• New plant at Satara has commenced commercial production w.e.f. 31<sup>st</sup> March, 2014 that will lead to increase in the production capacity of the Company.</li> <li>• Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs.</li> <li>• Widening of customer base and better market penetration, especially in overseas market.</li> <li>• Conscious effort to develop products/customers base in alternate market segments.</li> <li>• Technology upgradation by way of investing in state of the art machinery to meet stringent quality requirements of customers.</li> <li>• Focus on significant improvements in operating costs.</li> <li>• Cost control in all areas.</li> <li>• Deeper penetration in the replacement market in India &amp; abroad.</li> <li>• Improvement in OE &amp; Export Sales.</li> <li>• Improving the quality to make products competitive in Indian &amp; Overseas markets.</li> </ul>
3.	Expected increase in the productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However Company expects that productivity and profitability may improve and would be comparable with the industry average.





# BHARAT GEARS LIMITED

Regd. Office & Works: 20 K.M. Mathura Road,  
P.O. Amar Nagar, Faridabad-121003  
Website: www.bharatgears.com, E-mail: info@bglindia.com  
CIN:L29130HR1971PLC034365

*Geared for Life*

## ATTENDANCE SLIP

### 42<sup>nd</sup> ANNUAL GENERAL MEETING

Name of the Member  
(In Block Letters)

Name of Proxy, If any  
(In Block Letters)  
(In case Proxy attends  
the meeting in place of member)

DP ID/Client ID/Folio No.

No. of Shares held

I/We hereby record my/our presence at the 42<sup>nd</sup> Annual General Meeting of the Company on Friday, 1<sup>st</sup> August, 2014 at 11.30 A.M. at HUDA Convention Centre, Sector-12, Faridabad-121007 (Haryana).

Signature of the Proxy.....Signature of the Member.....

Note:

- Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting and hand it over at the entrance of the Meeting hall.  
NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
- No briefcase, bag etc. shall be allowed inside the Meeting hall.
- Please bring your copy of the Annual Report to the Meeting.
- The Meeting is of members only and you are requested not to bring with you any person who is not a member or a proxy.

**NOTE: NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE MEETING**

## E-VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Note : Please read instructions given at Note No. 18 of the Notice of the 42<sup>nd</sup> Annual General Meeting of the Company before casting your vote through e-voting.



# BHARAT GEARS LIMITED

*Geared for Life*

Regd. Office & Works: 20 K.M. Mathura Road,  
P.O. Amar Nagar, Faridabad-121003

Website: www.bharatgears.com, E-mail: info@bglindia.com  
CIN:L29130HR1971PLC034365

## POSTAL BALLOT FORM (In lieu of E-voting at the AGM)

S. No.	Particulars	Details
(1)	Name of Shareholder(s) (Including Joint-holders, if any) (IN BLOCK LETTERS)	
(2)	Registered Folio No. DP ID No. / Client ID No.	
(3)	No. of Shares held	

I/We hereby exercise my/our vote in respect of the Ordinary/Special Resolution(s) to be passed through e-voting/Postal Ballot for the business stated in the AGM Notice dated June 27, 2014 of the Company by conveying my/our assent or dissent to the said resolution(s) in the relevant box below:

Item No.	Description	Type of resolution (Ordinary/Special)	No. of Shares held by me	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	To receive, consider and adopt the audited accounts of the Company for the year ended March 31, 2014 together with Reports of the Directors and Auditors thereon	Ordinary			
2.	To declare dividend on Equity Shares	Ordinary			
3.	To re-appoint M/s Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company	Ordinary			
4.	To consider appointment of Dr. Ram S. Tarneja as an Independent Director of the Company	Ordinary			
5.	To consider appointment of Mr. S.G. Awasthi as an Independent Director of the Company	Ordinary			
6.	To consider appointment of Ms. Hiroo Suresh Advani as an Independent Director of the Company	Ordinary			
7.	To approve the remuneration payable to M/s M.K. Kulshrestha & Associates, Cost Auditors of the Company for the financial Year 2014-2015	Ordinary			
8.	To consider and approve the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company	Special			
9.	To consider and approve increase in Borrowing powers of the Company	Special			

Place :

Date :

(Signature of Member)

**Note:** Kindly read the instructions printed overleaf before filling the form. Last date for receipt of postal Ballot forms by Scrutinizer is Monday, July 28, 2014.

## INSTRUCTIONS

1. In terms of Clause 35B of the Listing Agreement, those members, who do not have access to e-voting facility provided by the Company for the AGM in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, may send their assent or dissent in writing on the Postal Ballot Form. Accordingly, this Postal Ballot Form is being provided under Clause 35B of the Listing Agreement to facilitate e-voting provided under Section 108 of the Companies Act, 2013 at the 42<sup>nd</sup> AGM of the Company.
- 2(i) Members who have not registered their e-mail addresses with the depositories or with the Company's Registrars are being sent this Postal Ballot Form along with the Notice of AGM, the e-voting details and self-addressed envelope bearing name of scrutinizer through Registered Post/Speed Post.
- 2(ii) Members who have registered their e-mail addresses with its depositories or with Company's Registrars can cast their votes by e-voting facility.
3. A member desiring to exercise his/her vote by Postal Ballot Form should complete this Postal Ballot Form, sign and send in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer as per instruction 7 below at the address: The Scrutinizer, Bharat Gears Limited, 20 K.M. Mathura Road, P.O. Box No. 328, P.O. Amar Nagar, Faridabad-121003, Haryana. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if deposited in person or sent by courier at the expenses of members will be accepted.
4. Kindly note that members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. If members are opting for e-voting, then they should not vote by Postal Ballot or vice versa. However, in case Members cast their vote both by Postal Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Postal Ballot will be treated as invalid.
5. The Postal Ballot Form should be completed and signed by the Members. In case of joint share holding, this form should be completed and signed by the first named Member and in his/her absence, by the next named Member(s). Unsigned Postal Ballot Forms will be rejected. The signature on the Postal Ballot Form must tally with the specimen signature registered with the Bank.
6. Where the Postal Ballot Form has been signed by an authorised representative of a body corporate, a certified copy of the relevant authorizations to vote on the Postal Ballot should accompany the Postal Ballot Form. A member may sign the Form through an Attorney appointed specifically for this purpose, in such case an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.
7. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than 6:30 P.M. on **Monday, July 28, 2014**. Any Postal Ballot Form received after this date will be treated as if the reply from the member has not been received. No other form or photocopy of the Postal Ballot Form will be permitted/accepted by the Company.
8. A member may request for a duplicate Postal Ballot Form, if so required. However the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the time and date specified at Instruction No. 7 above.
9. Voting rights of the members shall be in proportion of their share in the paid up equity share capital of the Company as on Friday, June 20, 2014, which is the Record Date fixed for this purpose. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of voting will be announced within two days after conclusion of the Annual General Meeting at the Registered Office of the Company at 20 K.M. Mathura Road, P.O. Box No. 328, P.O. Amar Nagar, Faridabad-121003 (Haryana).
10. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.
11. There will be only one Postal Ballot Form for every folio irrespective of the number of joint member(s).
12. A member need not use all the votes nor does he need to cast all the votes in the same way.
13. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
14. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
15. The date of AGM will be the deemed date of passing resolution(s) through e-voting/Postal Ballot. It may also be noted that, in terms of Section 114 of the Companies Act, 2013, the Resolutions contained in the AGM Notice will be deemed to have been passed through e-voting and Postal Ballot Form unless the Poll is taken at the AGM. Accordingly, the results shall be declared in terms of Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, as the case may be.
16. The right of e-voting and Postal Ballot Form shall not be exercised by a Proxy.