



NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the 44th Annual General Meeting (AGM) of the members of Bharat Gears Limited will be held as under:

Day	:	Thursday
Date	:	August 04, 2016
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 financial statements of the Company for the year ended 31st March, 2016 together with Reports of the Directors and Auditors thereon.
2. To ratify the appointment of M/s Deloitte Haskins & Sells-Ahmedabad (ICAI Registration No. 117365W), Chartered Accountants, Statutory Auditors for the Financial Year 2016-17 and fix their remuneration.

SPECIAL BUSINESS:

3. To consider appointment of Mr. W.R. Schilha, 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. W.R. Schilha (holding DIN 00374415), 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. W.R. Schilha 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 upto the 49th Annual General Meeting of the Company in the calendar year 2021.”

4. To consider and approve the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company for a further period of 2(Two) years w.e.f. 1st June, 2016 of his present tenure and if thought fit, pass the following resolution 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 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 maximum permissible remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government to Mr. Sameer Kanwar, Joint Managing Director of the Company for a further period of 2(Two) years of his tenure w.e.f. 1st June, 2016 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 Section 197, 198 and within the limits prescribed under Schedule V to the Companies Act, 2013 in case of no profits/inadequate profits.

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 period of 2(Two) years w.e.f. 1st June, 2016, 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

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Tel.: +91 (129) 4288888, **Fax:** +91 (129) 4288822-23

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


CIN: L29130HR1971PLC034365

- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government in case of no profits/inadequate profits.

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 inadequate profits in any financial year, the salary, perquisites and statutory benefits, 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.

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.”

By order of the Board



Prashant Khattry

Head (Legal) & Company Secretary

Place: Faridabad
Date: July 04, 2016

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 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.
5. 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 July 28, 2016. (Relevant Forms for nomination and updation of Shareholders information are enclosed at the end of the Annual Report).
6. Members seeking any further clarification/information relating to the Annual Financial Statements 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 July 28, 2016 to enable the management to keep the information ready at the Meeting.
7. The unclaimed dividend till the financial year 2007-08 has been transferred to the Investor Education and Protection Fund. Further, the amount of unclaimed dividend standing in the “Bharat Gears Limited Final Dividend Account 2008-09” which is required to be transferred to “IEPF” is due for transfer into “IEPF” on 29th August, 2016 shall be deposited to the “IEPF” within the prescribed time limits.

The Ministry of Corporate Affairs (MCA) on 10th 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 2007-08, as on date of the 43rd Annual General Meeting (AGM) held on 31st July, 2015, on the website of the IEPF viz. www.iepf.gov.in and under “Investor Section” on the website of the Company viz. www.bharatgears.com.

Members who have not encashed their dividend warrants since 2008-09 are advised to write to the Company or Registrar & Transfer Agent of the Company immediately (for dividend of financial year 2008-09 on or before 29th August, 2016 since dividend of financial year 2008-09 being transferred to “IEPF” on even date), claiming dividends declared by the Company. The dividend for the Financial Year 2007-08 could not be claimed as the same has been transferred to IEPF on 29th August, 2015.

8. 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 benefits of dematerialization viz. easy liquidity, electronic transfer, savings in stamp duty and prevention of forgery.
9. 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.

10. 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.
11. 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.
12. 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.
13. 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 notice/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. will be sent the physical copies through any recognised mode of delivery as specified under Section 20 of the Companies Act, 2013.

Further, in compliance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall supply:

- (i) Soft copies of full annual reports containing Balance Sheet, Statement of Profit & Loss and Board's 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 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.

14. 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 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members with facility to exercise their right to vote at the 44th Annual General Meeting by electronic means and the business may be transacted through the facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The instructions for remote e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open e-mail 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 remote 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 remote e-voting opens. Click on e-voting: Active Voting Cycles.
 - (vii) Select "REVEN" of Bharat Gears Limited.
 - (viii) Now you are ready for remote 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 bglscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password will be provided separately:
- | REVEN | USER ID | PASSWORD/PIN |
|--------------------------------|---------|--------------|
| (Remote E Voting Event Number) | | |
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.
- V. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the 'Downloads' section of www.evoting.nsdl.com.
- VI. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- VII. 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).
- VIII. The remote e-voting period commences on August 01, 2016 and ends on August 03, 2016 at 5.00 P.M.. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 28, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 28, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. July 28, 2016 may obtain the user ID and password by sending a request at evoting@nsdl.co.in or delhi@linkintime.co.in. However,

if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.

- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Ajay Garg, MBA, FCS, LLB and Mr. Mahesh Sharma, B.com, LLB has been appointed as the Scrutinizer and Alternate Scrutinizer respectively having their office at 970, 1st Floor, Sector 21-D, Faridabad, to scrutinize the remote e-voting process and poll process at Annual General Meeting in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results of the AGM shall be declared by the Chairman or person authorized or anyone of the director of the Company after the AGM within the prescribed time limits.
- XVI. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bharatgears.com and on the website of NSDL and communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) accordingly.
16. 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 of the meeting.

By order of the Board



Place: Faridabad
Date: July 04, 2016

Prashant Khattry
Head (Legal) & Company Secretary

EXPLANATORY STATEMENT

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

ITEM NO. 3

Mr. W.R. Schilha, aged 65 Years is a Graduate of Business Administration. He is a Non-Executive Independent Director on the Board of the Company since 26th February, 1986 as a representative of ZF Friedrichshafen AG, Germany, the erstwhile foreign collaborator. However, after withdrawal of his nomination from the Board, Mr. W.R. Schilha was appointed as a regular director of the Company on 16th May, 2007 in his personal capacity. He is immensely experienced and has international exposure on various facets of auto industry as a whole including gear technology. He is having expertise in the area of sales, marketing and service.

Mr. W.R. Schilha 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, Mr. W.R. Schilha being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto the conclusion of the 49th Annual General Meeting of the Company in the calendar year 2021. A notice has been received from a member under Section 160 of the Companies Act, 2013 signifying their intention to propose Mr. W.R. Schilha as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. W.R. Schilha 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. W.R. Schilha as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. W.R. Schilha, 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. 3 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. except Sundays upto the date of the Annual General Meeting and shall also be available at the venue of the meeting.

ITEM NO. 4

Mr. Sameer Kanwar, aged 38 years is presently designated as Joint Managing Director of the Company. 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.

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.

He has been affiliated with the Company as a member of the Board of Directors since 1st February, 2002 and from then the Company has been taking the advantage of his guidance and supervision. He has an experience of about 16 years and wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of industrial units of the Company located at Faridabad and Lonand, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board.

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 for the Company.

During the financial year 2015-16, 5(Five) meetings of the Board of Directors had been held and all the meetings were attended by Mr. Sameer Kanwar.

As on 31st March, 2016, he holds 14,253 (0.18%) equity shares in the Company.

Mr. Sameer Kanwar does not hold the position of Chairman of any of the Committee of Board of the Company. He is a Member of Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Finance Committee of the Company.

Mr. Sameer Kanwar 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	Committees Chairmanship/ Membership
-	-	-

Mr. Sameer Kanwar holds Directorship in the following Private Limited Companies:

S. No.	Name of the Company/Entity in which interested
1.	Ultra Consultants Private Limited
2.	Future Consultants Private Limited
3.	Samreet Investment & Management Consultancy Private Limited
4.	Nexus Driveline India Private Limited

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. 1st June, 2013 in the Annual General Meeting held on 31st July, 2013 along with a remuneration for a period of 3(Three) years w.e.f. 1st June, 2013 and the same was approved by the shareholders in the Annual General Meeting held on 31st July, 2013. The Central Government vide its Order No. B82369075/4/2013-CL.VII dated 18th 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. 1st June, 2013 alongwith remuneration of ₹ 1.19 Cr. for 1st year up to 31st May 2014.

For the period from 1st June, 2014 to 31st May, 2015 and from 1st June, 2015 to 31st May, 2016, Mr. Sameer Kanwar has been drawing the minimum remuneration as per Section II of Part II of Schedule V of the Companies Act, 2013 in reference to the shareholder's approval in the Annual General Meeting held on 1st August, 2014.

Further, the Board of Directors of the Company in its meeting held on 24th May, 2016 approved the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director for the remaining period of 2(Two) years of his tenure w.e.f. 1st June, 2016 as recommended by the Nomination and Remuneration Committee in its meeting held on 23rd May, 2016 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013.

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. 1st June, 2016, at the terms and conditions as set out below:

- A) Salary and Perquisites: As per Schedule V of the Companies Act, 2013 in case of no profits/inadequate profits pursuant to the approval of the shareholders.
- B) The Joint Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of ceiling on remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:
 - i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - iii. Encashment of the leave at the end of the tenure.
- C) Other terms:
 - 1. He shall be entitled to re-imbursment of actual out-of-pocket expenses incurred in connection with the business of the Company.
 - 2. He shall be entitled to re-imbursment of entertainment expenses incurred for the business of the Company.
 - 3. 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.
 - 4. He shall be entitled to earned/privileged leave as per the Rules of the Company.
 - 5. In the event of inadequacy or absence of profits in any financial year, he will be entitled to the payment of salary and perquisites, as set out under point (A) above, as minimum remuneration, subject to necessary approvals, if required notwithstanding the fact that it may exceed the limits prescribed under Section 196, 197 of the Companies Act, 2013, along with the perquisites stated under point (B) above which are not included in the computation of limits for the remuneration or perquisites aforesaid.
 - 6. 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.

- 7. 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 approval of the Shareholders.

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 shall be 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. 4 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. 4 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. 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: July 04, 2016

BRIEF RESUME OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1. Mr. W.R. Schilha, Director

A brief profile of Mr. W.R. Schilha has been provided in the Explanatory Statement of Item No. 3 of the accompanying notice.

Mr. W.R. Schilha 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	Committees Chairmanship/Membership
-	-	-

Mr. W.R. Schilha holds Directorship in the following Private Limited Companies:

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

As on 31st March, 2016, he does not hold any share in the Company.

STATEMENT OF PARTICULARS
(PURSUANT TO SCHEDULE-V TO THE COMPANIES ACT, 2013)
MR. SAMEER KANWAR, JOINT MANAGING DIRECTOR

I. GENERAL INFORMATION

Sl. No.	Particulars/Subject	Information
1.	Nature of industry	Manufacture of Automobile Gears
2.	Date or expected date of commencement of commercial Production	5 th 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 2015-2016, the Company made a turnover of ₹ 433.31 Crores (Gross) and Profit of ₹ 0.24 Crores after tax 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 diverse environment, our Company's performance in 2015-2016 was credible as the Company has been able to sustain with a slight dip on its total turnover. The commercial operations at the newly settled plant of the Company at Lonand, District Satara, Maharashtra has been started w.e.f. 31 st 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 st March 2016, Export of goods on FOB basis: ₹ 119.56 Crores (Previous Year ₹ 133.24 Crores). However, over the last 6 years, the share of exports in sale of automotive gears and components has increased gradually from 20% in FY 2012 to 34% in FY 2016. Other export earnings: ₹ 8.96 Crores (Previous Year ₹ 6.32 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

1.	Background Details	<p>Mr. Sameer Kanwar has been affiliated 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 31st May, 2008, appointed as the Joint Managing Director of the Company w.e.f. 1st June, 2008 and has been re-appointed as the Joint Managing Director of the Company w.e.f. 1st 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 & conduct of Faridabad and Lonand 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 & control of the Board.</p>
2.	Past remuneration	During his present tenure as Joint Managing Director of the Company, minimum remuneration was paid to Mr. Sameer Kanwar for the Financial year 2015-2016 as per the limits prescribed in the Schedule V to the Companies Act, 2013.

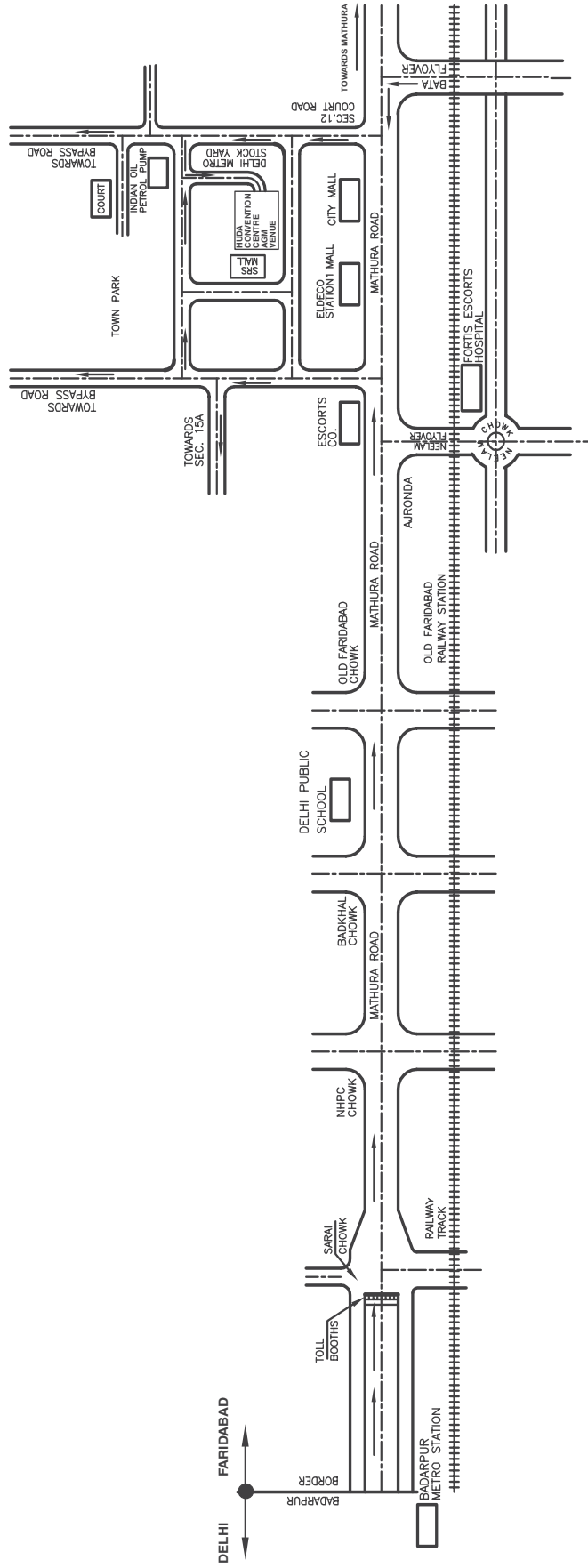
Sl. No.	Particulars/Subject	Information
3.	Recognition or awards	<p data-bbox="821 170 1495 226">During the tenure of Mr. Sameer Kanwar, the Company has received various recognition and awards, such as:</p> <ul data-bbox="821 243 1495 1367" style="list-style-type: none"> <li data-bbox="821 243 1495 300">• Business Sphere Award – Most respected and India's largest Gears Manufacturing Company. <li data-bbox="821 310 1419 338">• Toyota Kirloskar Suppliers Association in category of quality. <li data-bbox="821 348 1495 375">• Best Kaizen(Delhi Region) from Toyota Kirloskar Suppliers Association. <li data-bbox="821 386 1495 478">• Special appreciation for "Drive in Energy Conservation & Tooling Improvement" from Automotive Components Manufacturers Association (ACMA). <li data-bbox="821 489 1273 516">• Eaton Corporation Premier Supplier Award. <li data-bbox="821 527 1490 554">• Best Supplier Award from New Holland Fiat (India) Private Limited. <li data-bbox="821 564 1187 592">• Award for Development from JCB. <li data-bbox="821 602 1243 630">• Long Association Award from ESCORTS. <li data-bbox="821 640 1495 667">• Supplier Excellence award from Transaxle Manufacturing of America. <li data-bbox="821 678 1495 735">• ACMA Award for Faridabad plant for successful completion of ACT engineering cluster 2. <li data-bbox="821 745 1495 802">• Runner-III in Regional Quality Circle Competition (Toyota Kirloskar Suppliers Association). <li data-bbox="821 812 1495 869">• Runner Up award of Quality Circle Competition to reduce knocking noise from John Deere. <li data-bbox="821 879 1495 936">• Certificate of appreciation in recognition of Company's performance in quality excellence from SML Isuzu Limited. <li data-bbox="821 947 1495 1003">• Certificate for achieving targets of delivery Year 2014 from Toyota Kirloskar Auto Parts. <li data-bbox="821 1014 1463 1041">• Award for special appreciation from Toyota Kirloskar Auto Parts. <li data-bbox="821 1052 1495 1108">• Supplier Improvement Process Award from Spicer India Private Limited. <li data-bbox="821 1119 1495 1176">• Award for excellence in Export Large Category from Automotive Components Manufacturers Association (ACMA). <li data-bbox="821 1186 1495 1243">• Supplier Excellence Award for achieving partner level from Transaxle Manufacturing of America. <li data-bbox="821 1253 1495 1310">• Certification under ISO 14001:2004, ISO/TS 16949, OHSAS awarded to Bharat Gears Ltd as management system audited has been found according to the standard required.
4.	Job profile and his suitability	<p data-bbox="821 1388 1495 1703">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. 1st June, 2016, as per the details stated in explanatory statement of Item No. 4 of the Notice.</p>
5.	Remuneration proposed	<p data-bbox="821 1724 1495 1808">Salary, other perquisites and other terms as fully set out in the explanatory statement of item no. 4 of the Notice. The remuneration proposed is the minimum remuneration as per Schedule V of the Companies Act, 2013.</p>
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	<p data-bbox="821 1829 1495 1913">The proposed remuneration is the minimum remuneration as per Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.</p>

Sl. No.	Particulars/Subject	Information
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. Except the WTDs, no other director or relative is having any material pecuniary relationships with the Company. During the period ended on 31 st March, 2016, related party transaction amounted to ₹ 2.68 Crores (FY 2014-15: ₹ 2.41 Crores). The WTDs also drew their remunerations in the period amounting to ₹ 3.20 Crores (FY 2014-15: ₹ 3.61 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

1.	Reason of loss or inadequate profits	<p>In the Financial Year ended 31st March, 2016, the Company made Profit after Tax of ₹ 0.24 Crores and Cash Profit of ₹ 17.02 Crores.</p> <p>Profitability for the year was also adversely affected by lower volumes and additional provision of Bonus in view of amendment made to Payment of Bonus Act, 1965.</p> <p>The proposed remuneration is within the limits of Schedule V of the Companies Act, 2013.</p>
2.	Steps taken or proposed to be taken for improvement	<p>The Company has adopted the following measures to improve the profitability:</p> <ul style="list-style-type: none"> • We are working to create good tier-2 supplier base around Ionand plant at Satara dist., which will help to smoothen ramp up of production. • Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs. • Widening of customer base and better market penetration, especially in overseas market. • Conscious effort to develop products/customers base in alternate market segments. • Technology upgradation by way of investing in state of the art machinery to meet stringent quality requirements of customers. • Focus on significant improvements in operating costs. • Cost control in all areas. • Deeper penetration in the replacement market in India & abroad. • Improvement in OE & Export Sales. • Improving the quality to make products competitive in Indian & Overseas markets.
3.	Expected increase in the productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

Guide Map to venue of AGM from Delhi-Faridabad Border





BHARAT GEARS LIMITED

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

Form No. MGT-11 PROXY FORM

[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) :
Registered Address :
E-mail Id :
Folio No./Client ID :
DP ID :

I/We, being the member (s) of _____ shares of the above name Company, hereby appoint

1. Name:.....
Address:.....
E-mail ID:
Signature:....., or failing him
2. Name:.....
Address:.....
E-mail ID:
Signature:....., or failing him
3. 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 44th Annual General Meeting of the Company, to be held on the 04th day of August, 2016 at 11:30 A.M. at HUDA Convention Centre, Sector-12, Faridabad-121007 Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2016 together with Reports of the Directors and Auditors thereon (Ordinary Resolution).
2. To ratify the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company for the financial year 2016-17 (Ordinary Resolution).
3. To consider appointment of Mr. W.R. Schilha as an Independent Director on the Board of the Company (Ordinary Resolution).
4. To consider and approve the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company for a further period of 2(Two) years w.e.f. 1st June, 2016 of his present tenure (Special Resolution).

Signed this _____ day of _____, 2016

Signature of Shareholder: _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: 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 11:30 A.M. on Tuesday, August 02, 2016).





BHARAT GEARS LIMITED

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P.O. Amar Nagar, Faridabad-121003
Website: www.bharatgears.com, E-mail: info@bglindia.com
CIN:L29130HR1971PLC034365

Geared for life

ATTENDANCE SLIP

44th 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 44th Annual General Meeting of the Company on 04th day of August, 2016 at 11:30 A.M. at HUDA Convention Centre, Sector-12, Faridabad-121007 Haryana.

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

Note:

1. 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.
2. No briefcase, bag etc. shall be allowed inside the Meeting hall.
3. Please bring your copy of the Annual Report to the Meeting.
4. **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

REMOTE E-VOTING PARTICULARS

R-EVEN (Remote E-Voting Event Number)	USER ID	PASSWORD

Note : Please read instructions given at Note No. 14 of the Notice of the 44th Annual General Meeting of the Company before casting your vote through remote e-voting.