

2002-2003
ANNUAL
REPORT

**BHARAT
GEARS
LIMITED**

Report  Junction.com



BHARAT GEARS

**CORPORATE OFFICE**

Village Kausa Shil,
Mumbra - 400 612.
Dist. Thane, Maharashtra

REGISTERED OFFICE

20 K.M., Mathura Road, P.O. Amar Nagar
Faridabad - 121 003.

WORKS

Kausa Shil, Mumbra
Distt. Thane - 400 612, Maharashtra
20 K.M., Mathura Road, P.O. Amar Nagar
Faridabad - 121 003.

BRANCHES

512 Surya Kiran Bldg.,
19th Kasturba Gandhi Marg,
New Delhi-110 001

8, Sahdev Market, Jalandhar City -144 001.

79-80, Yard No.6, Transport Nagar,
Narwal Jammu -180 006.

1902 - A, Baldev Nagar, Ambala City, Haryana

19, Transport Nagar, Jaipur - 302 003.

Durga Mills (Near Milk Dairy) Mangal Parao,
Haldwani-263139, Uttranchal

SCF-506 , 1st Floor,
Motor Market, Mani Majra
Chandigarh

123/650 - A, GNA Market
Pratap Ganj, (Gadarian Purva)
Kanpur - 208 012.

Hamirpur Road,
UNA (HP)

Plot 30-31, 100 Feet Road, Jawahar Auto
Nagar, Vijaywada - 520 007.

69/01, 7th Cross, Wilson Garden, Hosur
Road, Bangalore - 560 027.

14810, Al Laila Cottage
C.H. Cross Road, East Nadakav
Calicut - 673011

5-3-1042/2
Shankar Bagh Lane,
Nizamshani Road, Hyderabad

Poomkudy House, NH - 47, Edappally
Kochi-682 024

9/15, Dr. Munnuswamy Garden
Avinashi Road, Coimbatore - 641 018.

104, Mahalinga Puram,
High Road Chennai - 600 034

BHARAT GEARS LIMITED

17, Brabourne Road, Mukherjee House,
2nd Floor, Kolkata - 700 072.

Commercial House, Kankarbagh Road,
Patna - 800 020.

A.T. Road, Guwahati -781 001. (Assam)

89 Motor Stand Road
Agartala-799001
Tripura

4, North Market Road, Upper Bazar,
Ranchi - 834 001. (Jharkhand)

Gurunanak Pura,
Katrass Road, Dhanbad - 826 001.

NH-5, Gandharpur
Cuttack-753003 (Orissa)

Hoechst House 14th Floor,
Nariman Point, Mumbai-400 021

1/269, Yan Estate, Gandhinagar Bavla Road
Sarkhej - 382 210. Distt. Ahmedabad

41 Chhoti Gwaltoli, Opp. Madhu Milan Cinema
Indore-452001(M.P.)

New Bombay Market, opp. Shahid Smarak
Complex, Nav Bharat Press Road,
Raipur-492001, Chattisgarh

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BOARD OF DIRECTORS

Mr. Surinder P Kanwar, *Chairman & Managing Director*
Mr. Sameer Kanwar, *Executive Director - Strategic Planning*
Dr. Ram S Tarneja
Mr. N. J. Kamath
Mr. W.R. Schilha
Mr. A.F. Hartmann
Mr. Jai Singh Bhandari
Mr. V. K. Pargal

MANAGEMENT EXECUTIVES

N.V. Srinivasan
 Sr. VP- Manufacturing
B. Shankar
 Sr. VP-Marketing & Engineering
A.S. Raghvan
 Sr. VP- Furnace Division
S.M. Mathur
 VP-Manufacturing
Milind Pujari
 Financial Controller

COMPLIANCE OFFICER

Sanjay K. Sachdev
 Asstt. General Manager (Legal)
 & Secretary

FINANCIAL INSTITUTIONS

Sumitomo Mitsui Banking Corporation
 Industrial Development Bank of India
 Export Import Bank of India
 LIC Mutual Fund

DEBENTURE TRUSTEES

The Western India Trustee
 & Executor Co. Ltd.

BANKERS

State Bank of India
 Bank of Baroda
 Indian Overseas Bank
 The Federal Bank Ltd.

AUDITORS

A.F. Ferguson & Co.

BHARAT GEARS LIMITED

NOTICE

TO THE MEMBERS OF BHARAT GEARS LIMITED

NOTICE is hereby given that the 31st Annual General Meeting of the Members of Bharat Gears Limited will be held as under:

Day	:	Monday
Date	:	29th September, 2003
Time	:	10.30 A.M.
Venue	:	Municipal Auditorium NIT, Faridabad

to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited accounts of the Company for the year ended 31st March 2003 together with Report of the Auditors and Directors thereon.
2. To appoint a Director in place of Dr. Ram S. Tarneja, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. A.F.Hartmann, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors for the year 2003-2004 and to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s), the following resolutions:

5. AS A SPECIAL RESOLUTION

RESOLVED THAT in terms of SEBI (Delisting of Securities) Guidelines, 2003 issued by the Securities & Exchange Board of India (SEBI) and subject to such approval as may be required under the said guidelines, the securities of the Company be delisted from Delhi Stock Exchange.

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby specifically authorised to take all such steps and actions and to do all such other act(s), deed(s) and thing(s) as may be required in connection with delisting of securities of the Company as aforesaid.

6. AS A SPECIAL RESOLUTION

RESOLVED THAT in accordance with the provisions of Section 80, 81, 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof) and the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed, and the prevailing statutory guidelines in that behalf and subject to all necessary consents, permissions and approvals from all such authorities and institutions as may be relevant and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions and approvals and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) consisting of

one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise powers of the Board), the consent of the company be and is hereby accorded to the Board of Directors of the Company to issue, offer and allot from time to time in one or more tranches, not exceeding 208500 10% Cumulative Redeemable Non-Convertible Preference Shares (hereinafter referred to as "Securities") of face value of Rs.100/- each for consideration other than cash at par aggregating to Rs.208.50 lacs, equivalent to 50% of the differential on account of reduction in interest rate on the term loans as approved under the Corporate Debt Restructuring (CDR) mechanism of Reserve Bank of India, in favour of the following banks/institutions through private placement or otherwise :

S.No.	Name of the Bank/Institution	No. of Preference shares of Rs.100 to be issued	Amount (Rs/lacs)
1.	Industrial Development Bank of India (IDBI)	115000	115.00
2.	Exim Bank	43500	43.50
3.	Federal Bank Ltd.	50000	50.00
TOTAL		208500	208.50

redeemable in two equal annual instalments on 31.3.2011 and 31.3.2012 on such other terms as may be permitted in accordance with the prevailing rules/ guidelines in this behalf and as determined by the Board in conformity with the relevant provisions of the Law and the Articles of Association of the company, wherever applicable and as the Board may deem advisable in the prevailing market situation.

RESOLVED FURTHER THAT such of these securities to be issued as are not subscribed may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board in its absolute discretion, thinks fit in the best interest of the Company.

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby specifically authorised to take all such steps and actions and to give such directions, as it may in its absolute discretion, deem necessary or desirable for such purposes and also to settle any question or difficulty that may arise with regard to the proposed issue/ offer and allotment of securities as aforesaid.

7. AS AN ORDINARY RESOLUTION

RESOLVED THAT pursuant to Section 293(1) (a) of the Companies Act, 1956 and other applicable provisions, if any, of the said Act and subject to such approval as may be required, company do mortgage, hypothecate and/or create/modify the charge on all or any of the immovable and/or movable properties of the company, present and future, situated at Company's works at Village Kausa Shil, Mumbra (Maharashtra) and/or 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad (Haryana) and/or any other place and/or wholly or substantially the whole of the undertaking(s) of the Company present/ future, together with powers to take over the management of the business or concern of the company in certain events to or in favour of IDBI, The Federal Bank Ltd., Export-Import Bank of India, State Bank



of India, Bank of Baroda, Indian Overseas Bank for securing the additional facilities of Rs. 1205 crores in addition to the existing facilities as per details given below :

Sr. No.	Name of the Bank/Institution	Amount (Rs./Lakhs)
1.	IDBI	391
2.	The Federal Bank Ltd.	358
3.	Export-Import Bank of India	183
4.	State Bank of India	122
5.	Bank of Baroda	90
6.	Indian Overseas Bank	61
TOTAL		1205

- and also to secure Term Loan of EURO 400,000 (equivalent to Rs. 200 Lacs) being availed from Foreign Collaborators M/s ZF Friedrichshafen, AG Germany along with interest/additional interest, commitment charges and such other costs, charges, expenses, monies payable by the company to the aforesaid Bank(s)/Financial Institution(s) in terms of Loan Agreement(s)/Heads of Agreement(s)/Sanction Letter(s)/ Articles of Agreement and/or Memorandum of Terms and Conditions, Mortgage/Hypothecation deed(s) entered into/to be entered into by the company in respect of aforesaid borrowings and on such terms and conditions as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the aforesaid Bank(s)/Financial Institution(s), the documents for creation/modification of aforesaid mortgage and/or charge and to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.

By Order of the Board

SANJAY K. SACHDEV
Asstt. General Manager (Legal)
& Secretary

Place : Faridabad.

Dated : August 21, 2003

NOTES:

- I. **NO GIFTS OR COUPONS SHALL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.**
- ii. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll, instead of himself. Proxies in order to be valid and effective must be delivered duly completed in the enclosed format at the Registered Office of the Company not later than forty-eight hours before the scheduled time of commencement of the meeting. Proxy need not be a Member of the Company.
- iii. Members/Proxies are requested to deposit the enclosed Attendance Slip duly filled in and signed at the entrance of the meeting for attending the meeting. No Attendance Slip shall be issued at the meeting.
- iv. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto and forms

part of this notice.

- v. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, the 23rd September 2003 to Monday, the 29th September 2003 (both days inclusive).
- vi. Members are requested to promptly intimate Change in their address, if any, at the Company's Registered Office.
- vii. 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.
- viii. Shareholders are informed that unclaimed dividend for the financial year 1995-96 is being deposited with Investor Education and Protection Fund. The same shall not be available for withdrawal. Further, those who have not claimed dividend for the financial year 1996-97 to 1999-00 are requested to request the company for the revalidation of their dividend warrants as the same shall be transferred to Investor Education and Protection Fund in pursuance of Section 205C of the Companies Act, 1956.
- ix. Members holding shares in the same name under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
- x. Members are requested to bring their own copy of the Annual Report to the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS:

ITEM NO. 5

At present the securities of the company are listed on National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE). In view of latest technological advancement trading in securities is being done through terminals of NSE and BSE installed all over the country and the trading volume of most of the companies is being routed through NSE & BSE only.

Keeping the above in view the Securities & Exchange Board of India (SEBI) has by its latest SEBI (Delisting of Securities) Guidelines, 2003 permitted the delisting of the securities of the company from even Regional Stock Exchange of the company provided the securities of the company are listed either on NSE or BSE. Since the securities of the company are listed both on NSE and BSE it is proposed to get the securities delisted from Delhi Stock Exchange being the Regional Stock Exchange.

For the purpose the Special Resolution is proposed.

None of the Directors is interested or concerned in the above resolution.

ITEM NO. 6

The members of the company are informed that the company had approached Corporate Debt Restructuring Cell (CDR Cell) set up by Reserve Bank of India for the restructuring of the debts of the company under the CDR mechanism. The CDR Cell had been kind enough to approve the restructuring proposal of the company.

In pursuance to the said approval various concessions /facilities have been sanctioned to the company including sanction of additional facilities, waiver of penal interest/compound interest/ liquidated

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damages, sanction of additional loans, waiver of 50% of the differential interest on account of reduction of interest rate on term loans.

The approval also stipulates conversion of 50% of the differential interest on account of reduction of interest rate on term loans into 10% Cumulative Redeemable Non-Convertible Preference Shares which aggregates to Rs. 208.50 lacs.

Accordingly, the approval of the shareholders of the company is sought for the issue and allotment of 10% Cumulative Redeemable Non-convertible Preference Shares on private placement basis to the banks /institution (s) as per details given in the resolution.

None of the Directors is interested or concerned in the above resolution.

ITEM NO. 7

The additional facilities approved under Corporate Debt Restructuring mechanism are also required to be secured by way of charge/mortgage on the immoveable and moveable assets of the company situated at Kausa Shil, Mumbra, Distt. Thane and 20 K.M. Mathura Road, P.O.Amar Nagar, Faridabad, Haryana or situated at any other place in India in favour of the respective Banks/Financial Institutions/Collaborators.

For the purpose Ordinary Resolution under the provisions of Section 293(1)(a) of the Companies Act, 1956 is proposed to be passed.

None of the Directors is interested or concerned in the above resolution.

INSPECTION OF DOCUMENTS

Documents relating to items referred to above shall be open for inspection of members at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M on all working days (Monday to Saturday) till the date of the meeting.

By Order of the Board



SANJAY K. SACHDEV
Asstt. General Manager (Legal)
& Secretary

Place : Faridabad.
Dated : August 21, 2003





REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2003

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Bharat Gears Limited (BGL) believes in and supports the principles and practices of good Corporate Governance. Your Company is following the philosophy of good Corporate Governance by focusing on transparency, accountability, professionalism and corporate social responsibility for enhancing shareholder values. Your board believes that the Corporate Governance is a continuous process as such. Company will continue its efforts towards raising the standards in Corporate Governance by reviewing its procedures and systems to keep pace with the changing economic environment.

BOARD OF DIRECTORS

Your Company has an optimum combination of executive and non-executive directors on the Board. The Chairman of the Board is an executive director and half of the strength of the Board of Directors consists of independent directors. The composition of the Board of Directors for the year ended March 31, 2003 is as under :

Chairman & Managing Director	:	Mr. Surinder P.Kanwar *
Executive director (Strategic Planning)	:	Mr. Sameer Kanwar
Nominees of Collaborators	:	Mr. W.R.Schilha Mr. A.F.Hartmann {representatives of ZF Friedrichshafen AG}
Non-executive and Independent directors	:	Dr. Ram S. Tarneja Mr. R.D.Thapar** Mr. N.J.Kamath Mr. V. K. Pargal
Representative of Life Insurance Corporation of India (Equity investor)	:	Mr. J.S.Bhandari

* Mr. Surinder P Kanwar was elevated to the position of Chairman & Managing Director w.e.f 29th October,02. Earlier, late Dr. Raunaq Singh was non-executive Chairman of the Company till he expired on 30th September, 02

**ceased to be a director w.e.f 23rd August, 2002

Attendance of the Directors at the Board Meetings and at the last Annual General Meeting, outside Directorships and Board Committees is as under:

S.No	Name of Director	No. of Board meeting attended ^A	Attendance at last AGM	No. of outside Directorships held ^B	No. of memberships/ Chairmanships in Board Committees ^C
1.	Dr. Raunaq Singh*	None	Not Present	Not Applicable	Not Applicable
2.	Mr. R.D.Thapar**	None	Not Present	Not Applicable	Not Applicable
3.	Mr. V.K.Pargal	6	Present	NIL	2
4.	Mr. N.J.Kamath	5	Present	1	3/2
5.	Mr. W.R. Schilha	3	Present	NIL	NIL
6.	Mr. J.S.Bhandari	6	Present	NIL	1
7.	Dr. Ram S. Tarneja	3	Present	12	10/4
8.	Mr. A.F.Hartmann	None	Not Present	NIL	NIL
9.	Mr. Surinder P.Kanwar	6	Present	2	1
10.	Mr. Sameer Kanwar	4	Present	NIL	1

* Expired on 30th September, 2002

** Ceased to be a director w.e.f. 23rd August, 2002

A Attendance at the Board Meetings relevant to the period when Director of the Company.

B Directorship in companies registered under the Companies Act, 1956,

excluding directorships in private, foreign, section 25 companies and alternate directorships.

C Only covers membership/chairmanship of Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee.

Mr. V. K. Pargal is also Director on the Board of Pargal Consultants Pvt. Ltd (PCPL) which is providing consultancy service to the Company in its professional capacity. Professional fees paid to PCPL for the year 2002-2003 are Rs. 1,08,000/-.

Apart from this, no other non-executive director has any pecuniary relationships / transactions vis-à-vis the Company (other than the sitting fees for attending the Board / Committee meetings).

BOARD MEETINGS HELD DURING THE YEAR 2002-2003

During the financial year 2002-2003, six Board meetings were held on April 22, 2002, June 18, 2002, July 22, 2002, August 23, 2002, October 29, 2002 and January 29, 2003.

AUDIT COMMITTEE

The Company had re-constituted its audit committee on 24th January, 2002 in line with the requirements of Clause 49 of the Listing Agreement. The present Audit Committee comprises of following three non-executive & independent directors :

Name of Director	Designation	No. of Meetings attended
Dr. Ram S. Tarneja	Chairman	2
Mr. N.J.Kamath	Member	3
Mr. V.K.Pargal	Member	3

Dr. Ram S.Tarneja who has financial and accounting knowledge, is the Chairman of the Audit Committee.

Mr. Sanjay K.Sachdev, Company Secretary, acts as the Secretary to the Committee.

During the financial year, Audit Committee met three times on the following dates :

June 11, 2002

October 29, 2002

January 29, 2003

The meeting was attended by Financial Controller, Internal Auditor and the Statutory Auditor as invitees. Members held discussions with Statutory Auditors during the meetings of the Committee and the half yearly and annual audited financials of the company were reviewed by the audit committee before consideration and approval by the board of directors. The committee reviewed the internal control systems and conduct of the internal audit.

The Chairman of the Committee was present at the last Annual General Meeting to answer the shareholders' queries.

The broad terms of reference as delegated by the Board are as follows :

- Overview of the company's financial reporting process and disclosure of its financial information.
- Recommend the appointment/removal of external auditors, nature and scope of audit, fixation of audit fee and payment for any other service to external auditors.
- Review with the management, the half yearly and annual financial statements before submission to the board.
- Review with the management, internal and external auditors, the internal audit reports and the reports of the external auditors.
- Review of the adequacy and effectiveness of internal audit function, the internal control system of the company, compliance with the company's policies and applicable laws and regulations.
- Reviewing the company's financial and risk management policies.

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- g) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividend) and creditors.

REMUNERATION COMMITTEE

In terms of the non-mandatory requirement of Clause 49 of the Listing Agreement, the 'Remuneration Committee' was constituted on April 22, 2002. The said Committee has been empowered to consider, approve and recommend the remuneration of the Whole Time Director/Managing Director. The present Remuneration Committee constitutes of following three non-executive & independent directors :

- | | | |
|-----------------------|---|----------|
| 1) Mr. N.J. Kamath | - | Chairman |
| 2) Mr. J. S. Bhandari | - | Member |
| 3) Mr. V.K.Pargal | - | Member |

The first meeting of the remuneration committee was held on 22nd July, 2002 under the chairmanship of Mr. N.J.Kamath, which was attended by all its members. The said meeting of the remuneration committee was held to consider, recommend and approve the remuneration payable to Mr. Surinder P. Kanwar, Chairman & Managing Director.

The remuneration policy of the Company is based on the need to attract the best available talent and be inline with the industry levels.

REMUNERATION OF DIRECTORS FOR 2002-2003

(In Rs. lacs)

Name of the Director	Sitting fees	Salaries and perquisites		Total
Mr. N.J.Kamath	0.22	Nil		0.22
Mr. J.S.Bhandari	0.14	Nil		0.14
Mr. V.K.Pargal	0.20	Nil		0.20
Dr. Ram S.Tarreja	0.10	Nil		0.10
Mr. Surinder P. Kanwar®	Nil	Salary	27.00	44.87
		- Monetary Value of Perquisites	9.04*	
		- Contribution to Provident and other funds	8.83	
Mr. Sameer Kanwar#	Nil	Salary	8.40	17.32
		- Monetary Value of Perquisites	6.17*	
		- Contribution to Provident and other funds	2.75	

* Excludes provision for leave encashment which is made based on the actuarial valuation done for the company on an overall basis.

® Approved in the Annual General Meeting held on 23rd August, 2002 for a period of three years w.e.f. October 1, 2002.

Approved in the Annual General Meeting held on September 17, 2001 for a period of five years w.e.f February 1, 2002.

There is no notice period or severance fees in respect of appointment of any of the above Managerial Personnel. The Company does not have any stock option scheme.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The "Shareholders/Investors Grievance Committee" was constituted on January 25, 2001. The present constitution of the Shareholders/Investors Grievance Committee is as under :

1. Mr. N.J.Kamath - Chairman
2. Mr. Surinder P. Kanwar - Member
3. Mr. Sameer Kanwar - Member

Mr. N.J. Kamath is a non executive director whereas Mr. Surinder P. Kanwar

and Mr. Sameer Kanwar are Executive Directors.

During the year, Dr. Raunaq Singh, who was Chairman on the Committee passed away and Mr. N.J. Kamath was nominated as Chairman of the Committee..

The said Shareholders/Investors Grievance Committee has been empowered to look into the grievances of shareholders/investors and redressal of the same. Mr. Sanjay K. Sachdev, Assistant General Manager (Legal) & Company Secretary, acts as the compliance officer of the Company. Further, the said Committee is also authorised to effect transfers/transmissions of equity shares/debentures and other securities and also to issue Duplicate Shares and other securities and matters related or incidental thereto.

During the financial year 2002-2003, 75 letters/complaints were received from the shareholders. All of them have been replied/resolved to the satisfaction of the shareholders. All the requests for transfers and transmissions have been duly acted upon and no such request was pending for more than 15 days as on 31st March,2003.

In order to have speedy disposal of the investors' requests for transfer and transmission, a sub-committee of the following directors/officers of the Company is in place for effecting share transfer/transmission/ split/ consolidation of shares:

1. Mr. Surinder P. Kanwar, Chairman & Managing Director
2. Mr. Sameer Kanwar, Executive Director
3. Mr. P.C. Kothari, General Manager (Accounts)
4. Mr. Sanjay K. Sachdev, AGM (Legal) & Company Secretary

Any two of the above are authorised to consider and approve the share transfer/transmission/ split/consolidation of shares.

DIRECTORS

During the year under report, the Company did not appoint any new Directors.

Dr. Ram S.Tarreja and Mr. A.F.Hartmann are the Directors who are liable to retire by rotation at the ensuing Annual General Meeting and are eligible to offer for re-appointment.

• Dr. Ram S Tarreja aged 71, is a qualified Chartered Accountant. He is on Board of Company since 1981. He has wide experience in the areas of Management and Finance. He is practicing Professional Management and is on the Board of following Companies .

1. NESCO Ltd.
2. Otis Elevator Company (I) Ltd.
3. Jolly Board Ltd.
4. Bharat Gears Ltd.
5. Bennett, Coleman & Co. Ltd.
6. Rallis India Ltd.
7. Ballarpur Industries Ltd.
8. Phillips Carbon Black Ltd.
9. Housing Development Finance Corpn. Ltd.
10. GATI Ltd.
11. ITC Limited
12. Transcorp International Ltd.
13. Phoenix Township Limited.



He is also the member/chairman of respective committees as per details given below :

(A) AUDIT COMMITTEE :

Name of Company	Member/Chairman
Bharat Gears Limited	Chairman
Bennet Coleman & Co. Ltd.	Chairman
Rallis India Ltd.	Member
Otis Elevator Company (I) Ltd.	Member

(B) REMUNERATION COMMITTEE :

Name of Company	Member/Chairman
Rallis India Ltd.	Member
ITC LTD.	Member
GATI Ltd.	Member

(C) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

Name of Company	Member/Chairman
Housing Development Finance Corpn. Ltd.	Chairman
Ballarpur Industries Ltd.	Chairman
Rallis India Ltd.	Member

• Mr. A.F. Hartmann aged 50, is the Vice President (Corporate Development) with ZF Friedrichshafen, AG Germany, the Collaborators of the Company and is occupying the position of Director on our Board since 1996. He is not holding any directorship/membership of any other Board/Committee.

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as per the following schedule:

Financial Year	Venue	Date	Time	Whether any special resolution passed
2001-2002	Municipal Auditorium, NIT, Faridabad, Haryana	August 23, 2002	2.00 P.M.	Yes
2000-2001	City Palace Banquet, SCO 104-105, Sector 16, Faridabad, Haryana	September 17, 2001	12:00 Noon	Yes
1999-2000	City Palace Banquet, SCO 104-105, Sector 16, Faridabad, Haryana	September 12, 2000	12:30 P.M.	Yes

There was no other General Body meeting in the last three years and no resolution was put through postal ballot.

DISCLOSURES

During the year 2002-2003, the Company had no materially significant related party transactions, which are considered to have potential conflict with the interests of the Company at large.

There were no instances of any non-compliance by the Company or penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last three years.

MEANS OF COMMUNICATION

Half-yearly report to shareholders, Quarterly Results, Newspaper in which published, website etc.

The Quarterly, Half-yearly and Annual Results are published by the Company in Financial Express (English), Delhi and in Jansatta (Hindi), Delhi. The half-yearly reports were not sent to household of shareholders. The Company has its own website. However, the results are not displayed on the website. However, the Company is registered under EDIFAR(Electronic Data Information Filing and Retrieval) site of SEBI. The Company is filing quarterly results and Shareholding on-line w.e.f quarter ended 31st December, 2002 which can be retrieved by any one. The Company has not displayed any official news releases. No presentations were made to any institutional investors or analysts.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting details : At 10.30 a.m. on 29th September, 2003 at Municipal Auditorium, NIT, Faridabad.

Date of Book Closure : 23rd September, 03 to 29th September, 03, (both days inclusive)

Financial Calendar :

Financial calendar of the Company commences from April 1, every year and ends on March 31, every year. Four quarters of the Company end on June 30, September 30, December 31 & March 31, each year.

Dividend payment date : Not applicable

Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity
Not applicable.

Listing on Stock Exchanges and Stock Code

The shares of the Company are listed on the following stock exchanges :

1. The Delhi Stock Exchange Association Ltd. [DSE] (Regional Stock Exchange)
[Stock Code : 02010]
2. The Stock Exchange, Mumbai [BSE]
[Stock Code : 505688]
3. National Stock Exchange of India Limited [NSE]
[Symbol : BHARATGEAR]

The Annual Listing Fees for the year 2003-2004 have been paid to all the aforesaid Stock Exchanges.

Market Price Data : High, Low during each month of Financial year, 2002-2003 on National Stock Exchange of India, Limited.

As per official quotations of National Stock Exchange of India Limited, the High, Low market price of the equity share of the Company during the last financial year is given below-

Month	High (Rs.)	Low (Rs.)	Closing (Rs.)
April	10.45	7.00	9.50
May	19.45	9.10	11.45
June	17.00	10.70	13.25
July	20.70	10.90	11.25
August	14.20	9.20	11.00
September	11.70	9.85	10.20
October	11.85	9.00	10.05
November	11.20	8.05	9.90
December	11.85	8.90	11.00
January	12.90	9.30	10.25
February	12.80	8.05	9.25
March	9.90	7.05	8.15