



BHARAT GEARS LIMITED

Geared for Life

NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the 47th Annual General Meeting (AGM) of the members of Bharat Gears Limited will be held as under:

Day : Tuesday
Date : 06 August, 2019
Time : 11:30 A.M.
Venue : **ARK HALL**
Hotel Saffron Kiran
12/6, NH-2,
Further to Sarai Metro Station,
Near to Badarpur Toll Plaza, Sarai Khwaja,
Faridabad – 121003, Haryana

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March, 2019 together with Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.

SPECIAL BUSINESS:

3. To consider the appointment of Ms. Hiroo Suresh Advani as a Non-Executive Independent Director on the Board of the Company and if thought fit, pass the following resolution as a **Special 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, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and subject to such other requisite approvals as may be required in this regard, Ms. Hiroo Suresh Advani (holding DIN 00265233) whose term expires at the Annual General Meeting (AGM) 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 Non Executive Independent Director of the Company, be and is hereby appointed as a Non Executive Independent Director to hold office for a further period of 5 (Five) consecutive years upto the conclusion of the 52nd Annual General Meeting (AGM) of the Company in the Calendar year 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) 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."

4. To consider the appointment of Mr. Nagar Venkatraman Srinivasan, who retires by rotation and is eligible for re-appointment, as a Non Executive Director on the Board of the Company liable to retire by rotation and if thought fit, pass the following resolution as a **Special Resolution**, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Section 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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and subject to such other requisite approvals as may be required in this regard, Mr. Nagar Venkatraman Srinivasan (holding DIN 00879414) who retires by rotation at the Annual General Meeting (AGM) be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation upto the conclusion of the 48th AGM of the Company in the Calendar year 2020.

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

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

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

CIN: L29130HR1971PLC034365

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) 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."

5. To consider the increase in the Authorised Share Capital of the Company and if thought fit, pass the following resolution as a **Special Resolution**, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, provisions of Articles of Association (AOA), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other rules/regulations as may be applicable in this regard, the consent of the members be and is hereby accorded for increase in the Authorised Share Capital of the Company and alteration in the Capital Clause of Memorandum of Association (MOA) of the Company more particularly described in the Explanatory Statement forming part of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) 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."

6. To consider the acquisition and purchase of Equity Shares of Xlerate Driveline India Limited from Raunaq EPC International Limited and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Section 188(1) of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and any other relevant rules under the Companies Act, 2013 as amended from time to time, and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 or any other law for the time being in force, and subject to consents, approvals and/or permissions of relevant authorities as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors to acquire 1,48,77,038 (One Crore Forty Eight Lakhs Seventy Seven Thousand and Thirty Eight) Equity Shares constituting 100% of the paid-up equity capital of Xlerate Driveline India Limited (XDIL), Wholly Owned subsidiary Company of Raunaq EPC International Limited, a Group Company for a total consideration of ₹ 9,42,00,000/- (Rupees Nine Crores Forty Two Lakhs Only) in one or more tranches.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any questions that may arise in regard to the proposed acquisition and 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



Place: Mumbai
Date: 02 July, 2019

Prashant Khattry
Head (Legal) & Company Secretary

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. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. 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.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members entitled to vote would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing is given to the Company.

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. Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

5. 30 July, 2019 has been fixed as the record date for determining the names of Members eligible for dividend on Equity Shares, if declared at the Meeting.

6. 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 holding Shares in physical form on 30 July, 2019 and 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 30 July, 2019. Dividend shall be paid on or before 05 September, 2019. No income tax shall be deducted at the source from the dividend amount.

7. Brief profile & other details of the Directors proposed to be appointed, as required under Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is annexed to this Notice.

8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("the Act"), Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents required

by the Act and any other law, will be made available for inspection by the members of the Company at the venue of the Meeting.

9. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the resolution(s) set out in this Notice is appended hereinafter.

10. A Route Map containing therein the appropriate road marks and directions along with prominent land marks to reach to the venue of the 47th Annual General Meeting has been provided at the end of this Notice.

11. 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.

12. 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 30 July, 2019. (Relevant Forms for nomination and updation of Shareholders information are enclosed at the end of the Annual Report).

13. 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).

14. 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 30 July, 2019 to enable the management to keep the information ready at the Meeting.

15. The unclaimed dividend till the financial year 2010-11 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 2011-12" which is required to be transferred to "IEPF" is due for transfer into "IEPF" on 24 August, 2019 shall be deposited to the "IEPF" within the prescribed time limits.

The Ministry of Corporate Affairs (MCA) on 05 September, 2016 notified the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") effective from 07 September, 2016 prescribing the uploading of information relating to unpaid and unclaimed amounts lying with companies, which is applicable on 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 2010-11, as on date of the 46th Annual General Meeting (AGM) held on 03 August, 2018, 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 2011-12 are advised to write to the Company or Registrar & Transfer Agent of the Company immediately (for dividend of financial year 2011-12 on or before 24 August, 2019 since dividend of financial year 2011-12 being transferred to "IEPF" on even date), claiming dividends declared by the Company. The dividend for the Financial Year 2010-11 could not be claimed as the same has been transferred to IEPF on 24 August, 2018.

Compulsory transfer of Equity Shares into the Demat Account of the Investor Education and Protection Fund (IEPF) Authority:

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") and the Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("the Amended Rules"), the Company is required to transfer the equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government.

In terms of above, pursuant to the transfer of the unclaimed dividend for the year 2010-11 to the IEPF on 24 August, 2018 i.e. upon completion of seven years from transfer of dividend into unclaimed dividend account, 46,165 (Forty Six Thousand One Hundred Sixty Five) Equity Shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2010-11 have been transferred into demat account of IEPF Authority. Pursuant to the transfer of aforesaid Equity Shares, 89,834 (Eighty Nine Thousand Eight Hundred Thirty Four) Equity Shares of the Company in aggregate are being held in demat account of IEPF Authority.

Further, upon transfer of the unclaimed dividend for the year 2011-12 to the Investor Education and Protection Fund (IEPF) on 24 August, 2019 i.e. upon completion of seven years from the transfer of dividend into unclaimed dividend account, the equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2011-12 (net of the shares already transferred) shall also be transferred into IEPF).

In terms of the Rule 6(3) of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF during the Financial Year 2019-20 and further, the necessary information in this regard is available on the website of the Company i.e. www.bharatgears.com for the convenience of the shareholders. The Company has also simultaneously published notice in the leading newspaper in English language and regional language having wide circulation to such shareholders.

In case valid claim is not received by 24 August, 2019, the respective shares will be credited to the designated demat account of the Authority.

The Equity shares once transferred into IEPF can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and the amended Rules.

16. 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.
17. 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.
18. 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 Participant(s) for the shares held in dematerialized form.
19. 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. Further, SEBI has prohibited

the transfer of shares in physical form except in case of transmission or transposition of securities. Members holding shares in physical form and intending to transfer their shares are advised to open a Demat Account with Depository viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL) through respective Depository Participant(s) and transfer their shares after dematerialization.

20. 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.

21. 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 Participant(s).**

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.

22. 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 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members with facility to exercise their right to vote at the 47th 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 Link Intime India Private Limited (LIPL).
 - 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 members who have already cast their votes through remote e-voting may appoint a proxy to attend the meeting instead of themselves, but such proxy will not be able to cast their vote at the meeting.
- V. Instructions for shareholders to vote electronically:**
- A. Log-in to e-Voting website of Link Intime India Private Limited (LIPL):**
1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
 2. Click on "Login" tab, available under 'Shareholders' section.
 3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
 4. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID.
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. + Folio Number registered with the Company.

5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section, register your details and set the password of your choice and confirm. The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter.

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Attendance Slip indicated in the PASSWORD Field.
DOB/DOI	Enter the DOB (Date of Birth)/DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company record for the said demat account or folio number.
	Please enter the DOB/DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction 4(c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company, then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid e-mail address, Password will be sent to the shareholder's registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/DOI, Dividend Bank Details etc. and confirm. The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter.

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

B. Cast your vote electronically:

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No." of the Company to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution/ authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186000.

VI. 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).

VII. The remote e-voting period commences on 03 August, 2019 and ends on 05 August, 2019 at 05:00 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 30 July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

23. 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 30 July, 2019. The person who is not a member as on the cut-off date should treat this Notice for information purpose only.

24. 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. 30 July, 2019 may obtain the user ID and password

by sending a request at rajiv.ranjan@linkintime.co.in or delhi@linkintime.co.in. However, if you are already registered with LIPL for remote e-voting, then you can use your existing user ID and password for casting your vote.

25. 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.

26. The Company has appointed Mr. Nitin Rawat, B.Com, FCS having his office at 5A/14, 2nd Floor, B.P. N.I.T-5, Faridabad-121001 has been appointed as the Scrutinizer to scrutinize the remote e-voting process and poll process at the Annual General Meeting in a fair and transparent manner.

27. 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.

28. 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 48 (forty eight) hours 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 results of the voting forthwith.

29. 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.

30. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bharatgears.com and on the website of LIPL and communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) accordingly.

31. 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 01:00 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



Prashant Khattry

Place: Mumbai

Date: 02 July, 2019

Head (Legal) & Company Secretary

EXPLANATORY STATEMENT

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

ITEM NO. 03

Ms. Hiroo Suresh Advani, aged 74 years is a Non-Executive Independent Director of the Company since 30 January, 2014. She is a post graduate in Arts. She has over 46 years of work experience in the field of Trade Finance, Project Finance, Corporate Banking, Technology Upgradation Programme (TUF) etc. in the organisations viz. Reserve Bank of India, Industrial Development Bank of India, Export Import Bank of India (EXIM Bank) etc. She has also served as Nodal officer of EXIM Bank for CDR Cell and represented EXIM Bank for TUF meetings Ministry of Textiles, GOI. She worked as Chief General Manager with EXIM Bank till 2005 and subsequently upon retirement, she served as Adviser in EXIM Bank till March, 2009.

The members of the Company in their Annual General Meeting held on 01 August, 2014 approved the appointment of Ms. Hiroo Suresh Advani as a Non-Executive Independent Director of the Company for a period of 5 (Five) Years upto the conclusion of the 47th Annual General Meeting (AGM) of the Company in the Calendar Year 2019 in terms of the provisions of Section 149 of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

In terms of the above, the present tenure of Ms. Hiroo Suresh Advani as a Non-Executive Independent Director of the Company expires at this Annual General Meeting (AGM).

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended, No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

The Board of Directors of the Company in its meeting held on 30 May, 2019, in terms of recommendation of the Nomination and Remuneration Committee in its meeting held on even date, considered and approved the appointment of Ms. Hiroo Suresh Advani as a Non-Executive Independent Director of the Company in terms of provisions of Section 149 of the Companies Act, 2013 for a period of 5 (Five) Years upto the conclusion of the 52nd Annual General Meeting (AGM) of the Company in the Calendar year 2024, subject to the approval of members by way of special resolution as mandated under Regulation 17 of the Regulations, as amended, the age of Ms. Hiroo Suresh Advani being more than seventy five years during her proposed tenure.

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 Non Executive Independent 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 a Non Executive Independent Director of the Company and is independent of the management.

During the financial year 2018-19, 6 (Six) meetings of the Board of Directors had been held and all the meetings were attended by Ms. Hiroo Suresh Advani.

As on 31 March, 2019, she does not hold any equity share in the Company.

Ms. Hiroo Suresh Advani does not hold the position of Chairman of any of the Committee of Board of the Company. She is a Member of Audit Committee and Nomination and Remuneration Committee of the Company.

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	Committees Chairmanship/ Membership
-	-	-

Ms. Hiroo Suresh Advani is not related in any capacity whether directly or indirectly with any other Director, Manager and Key Managerial Personnel (KMP) of the Company.

Ms. Hiroo Suresh Advani has a vast experience on all aspects of Trade Finance, Project Finance, Corporate Banking, Technology Upgradation Programme (TUF) etc. in the organisations viz. Reserve Bank of India, Industrial Development Bank of India, Export Import Bank of India (EXIM Bank) etc. She is an expert in the field of finance and the Company has been taking her guidance and supervision over a period of years since her appointment as a result of which the Company has been able to generate the avenues of finance in a feasible manner which in turn has resulted in growth and success of the Company. Ms. Advani is a veteran in the field of Finance and has worked with various regulatory Authorities and Banks by virtue of which she is immensely experienced with minute aspects of finance. She is in good of health to continue further as a Non Executive Independent Director. With the appointment of Ms. Hiroo Suresh Advani, the Company can continue to take advantage of her valuable guidance and achieve further growth and success in the subsequent period.

In view of her enriched experience and appreciable contribution, the approval of members by way of special resolution is being sought to appoint Ms. Hiroo Suresh Advani as a Non Executive Independent Director of the Company for a period of 5 (Five) Years upto the conclusion of the 52nd Annual General Meeting (AGM) of the Company in the Calendar year 2024 in terms of the provisions of Section 149 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution as set out at Item No. 03 of the Notice in relation to appointment of Ms. Hiroo Suresh Advani as a Non Executive Independent Director, for the approval by the members 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. 03 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 01:00 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.

ITEM NO. 04

Mr. Nagar Venkatraman Srinivasan, aged 75 years is a Non-Executive Director of the Company since 03 November, 2017. He is a graduate in Mechanical Engineering. He has done MS in Industrial Engineering from University of Illinois and he is an MBA from Graduate School of Business from the University of Pittsburgh in USA. He has rich experience of 50 years. Having started his career with Larsen & Toubro Limited, Mr. Srinivasan joined Bharat Gears Limited in the year 1976. Over the years he served at various senior level positions in materials, manufacturing and general management. He retired from the Company, after a long stint of 33 years, as Corporate Business Head having overall responsibility of all the operations of the Company. He continues to be associated with the company as Technical and Management Advisor.

The members of the Company in their Annual General Meeting held on 03 August, 2018 approved the appointment of Mr. Nagar Venkatraman Srinivasan as a Non Executive Director of the Company liable to retire by rotation upto the conclusion of the 47th Annual General Meeting (AGM) of the Company in the Calendar Year 2019 pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

In terms of the above, the present tenure of Mr. Nagar Venkatraman Srinivasan as a Non Executive Director of the Company shall expire at this Annual General Meeting (AGM).

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended, No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

The Board of Directors of the Company in its meeting held on 30 May, 2019, in terms of recommendation of the Nomination and Remuneration Committee in its meeting held on even date, considered and approved the appointment of Mr. Nagar Venkatraman Srinivasan as a Non Executive Director of the Company liable to retire by rotation in terms of provisions of Section 152 of the Companies Act, 2013 upto the conclusion of the 48th AGM of the Company in the Calendar year 2020, subject to the approval of members by way of special resolution as mandated under Regulation 17 of the Regulations, as amended, the age of Mr. Nagar Venkatraman Srinivasan being more than seventy five years at the commencement of his proposed tenure.

During the financial year 2018-19, 6 (Six) meetings of the Board of Directors had been held out of which 5 (Five) meetings were attended by Mr. Nagar Venkatraman Srinivasan.

As on 31 March, 2019, he does not hold any equity share in the Company.

Mr. Nagar Venkatraman Srinivasan does not hold the position of Chairman of any of the Committee of Board of the Company. He is a Member of Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Company.

Mr. Nagar Venkatraman 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
-	-	-

Apart from being associated with the Company as Technical and Management Advisor, Mr. Nagar Venkatraman Srinivasan is not related in any capacity whether directly or indirectly with any other Director, Manager and Key Managerial Personnel (KMP) of the Company.

Mr. Nagar Venkatraman Srinivasan has a deep exposure on all aspects of business of the Company i.e. Automotive Gears. He had worked for more than 33 years closely with the management and retired as Corporate Business Head. Since then he has been associated with the Company as Technical and Management Advisor. With the continuation of Mr. Nagar Venkatraman Srinivasan, the Company can continue to take advantage of his valuable guidance and achieve further growth and success in the subsequent period.

In view of his enriched experience and appreciable contribution, the approval of members by way of special resolution is being sought to appoint Mr. Nagar Venkatraman Srinivasan as a Non Executive Director of the Company liable to retire by rotation upto the conclusion of the 48th Annual General Meeting (AGM) of the Company in the Calendar year 2020 in terms of the provisions of Section 152 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution as set out at Item No. 04 of the Notice in relation to appointment of Mr. Nagar Venkatraman Srinivasan as a Non Executive Director, for the approval by the members of the Company.

Except Mr. Nagar Venkatraman Srinivasan, 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. 04 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 01:00 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.

ITEM NO. 05

Currently, the Company's Authorised Equity Share Capital is ₹ 10,00,00,000/- (Rupees Ten Crores Only) and the paid up Equity Share Capital is ₹ 9,30,60,950/- (Rupees Nine Crores Thirty Lakhs Sixty Thousand Nine Hundred Fifty Only).

In order to raise further Equity funds in near future in the form of Preferential Allotment/Rights Issue/Qualified Institutional Placement or such other manner as may be deemed appropriate, it is desirable to increase the Authorised Share Capital of the Company.

In purview thereof, pursuant to the provisions of Section 61, 64 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder, provisions of the Articles of Association (AOA) of the Company and such other rules/regulations as may be applicable in this regard, it has been proposed to increase the Authorised Share Capital of the Company thereby creating/adding 1,00,00,000 (One Crore) Equity Shares of ₹ 10/- (Rupees Ten) each, ranking pari passu in all respects with the existing Equity Shares of the Company.

With the increase in Authorised Share Capital of the Company, alteration in the Capital Clause of Memorandum of Association (MOA) is also required to be made in terms of provisions of Section 13 of the Companies Act, 2013.

In purview of the above, the existing Clause V of the Memorandum of Association (MOA) of the Company relating to Authorised Share Capital is proposed to be amended as follows:

CLAUSE V

The Authorised Share Capital of the Company is ₹ 35,00,00,000/- (Rupees Thirty Five Crores) divided into:

2,00,00,000 (Two Crores) Equity Shares of ₹ 10/- (Rupees Ten) each;

And

15,00,000 (Fifteen Lakhs) Cumulative Redeemable Convertible or Non-Convertible Preference Shares of ₹ 100/- (Rupees One Hundred) each.

In terms of provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 of the Companies Act, 2013, increase in Authorised Share Capital of the Company along with the alteration in the Capital Clause of the Memorandum of Association (MOA) of the Company requires approval of the Shareholders of the Company by way of Special Resolution.

Therefore, the Board of Directors of your Company recommends the passing of resolution as set out at Item No. 05 of the Notice in relation to increase in the Authorised Share Capital and alteration of Capital Clause of the Memorandum of Association (MOA) of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 05 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 01:00 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.

ITEM NO. 06

The Company is in the automotive gears business for the past four decades and one of the largest gear manufacturer for the OEMs in India. The Company also deals in manufacturing and supply of wide range of automotive parts including automotive clutches.

Raunaq EPC International Limited (REIL), a Group Company having core expertise in the EPC business is also into the business of Manufacturing and trading of Automotive clutches through its Wholly Owned Subsidiary Company, Xlerate Driveline India Limited (XDIL). REIL in order to concentrate on its core business and to raise funds to diversify and expand its business, wish to sell of its entire holding in XDIL.

As a part of the growth strategies of the Company both by means of organic and inorganic approach, the Board, after considering the following rationale, decided at its meeting held on 02 July, 2019 to acquire entire equity shares i.e. 1,48,77,038 (One Crore Forty Eight Lakhs Seventy Seven Thousand Thirty Eight) of Xlerate Driveline India Limited ("XDIL"), a Group Company from Raunaq EPC International Limited ("REIL"), a Group Company:

- Revenue from Operations of XDIL for the Financial Year 2018-19 is ₹ 4,654.11 Lakhs having an incremental growth potential in coming years;
- The acquisition will be EPS accretive in the consolidated financial statements;
- The acquisition will give the Company an established set up for a clutch manufacturing capacity which is adequate for the future projected growth of the Company;
- Since the products of both the Companies are complementary in nature, the acquisition would bring cost efficiency in certain areas and provide scope for improvement in operational synergies of auto components business;
- XDIL would bring in established presence in the OEMs/OES of the clutch business which the Company can accelerate upon by pitching it with its existing and trusted customers.

The Board decided for a total consideration of ₹ 9.42 Crores for the said acquisition i.e. at a price around ₹ 6.33 per share which is as per the fair value of ₹ 6.33 per share computed by Keynote Financial Services Limited, SEBI Registered Merchant Bankers, whose valuation report was considered and taken on record by the Board of Directors of the Company at its meeting held on 02 July, 2019.