



29TH ANNUAL REPORT 2015-2016



BHARAT SEATS LIMITED

BOARD OF DIRECTORS

1. MR. NARINDER DEV RELAN	CHAIRMAN (DIN: 00240280)
2. MR. YOICHI KOJIMA	DIRECTOR-NOMINEE-SUZUKI MOTOR CORPORATION, JAPAN (DIN: 02973263)
3. MR. VENKAT RAMAN CHALLA	DIRECTOR-NOMINEE-MARUTI SUZUKI INDIA LIMITED (DIN: 07093663)
4. MR. ROHIT RELAN	MANAGING DIRECTOR (DIN: 00257572)
5. MR. AJAY RELAN	DIRECTOR (DIN: 00257584)
6. MR. GIRISH NARAIN MEHRA	DIRECTOR (DIN: 00059311)
7. MR. PRATEEP KUMAR LAHIRI	DIRECTOR (DIN: 00039653)
8. MR. RAVINDRA GUPTA	DIRECTOR (DIN: 01521168)
9. MRS. SHYAMLA KHERA	DIRECTOR (DIN: 06929439)
10. MR. KISHAN N. PARIKH	DIRECTOR (DIN: 00453209)
11. MR. ARVIND VARMA	DIRECTOR (DIN: 02225281)
12. MR. T.J. CHACKO	DIRECTOR (OPERATIONS) (DIN: 07005026)

CORPORATE IDENTITY NUMBER

CIN: L34300DL1986PLC023540

BANKERS

STATE BANK OF TRAVANCORE
THE BANK OF TOKYO - MITSUBISHI UFJ LTD.
YES BANK LTD.
IDBI BANK LTD.

REGD. OFFICE

D-188, OKHLA INDUSTRIAL AREA, PHASE - 1,
NEW DELHI - 110 020

FACTORY

PLANT 1
PLOT NO. 1, MARUTI UDYOG JOINT VENTURE COMPLEX,
GURGAON - 122 015 (HARYANA)

PLANT 2
PLOT NO. MUSTIL NO. 226, KILA NO. 7/1,
VILLAGE BHORAKALAN, TEHSIL - FARUKHNAGAR,
GURGAON (HARYANA)

PLANT 3
PLOT NO. 26, SECTOR-3A,
MARUTI SUPPLIER PARK, IMT, MANESAR
GURGAON (HARYANA)

AUDITORS

M/S S.S. KOTHARI MEHTA & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

LISTED AT

BSE LIMITED

CHIEF FINANCIAL OFFICER

SANJEEV KUMAR

COMPANY SECRETARY & COMPLIANCE OFFICER

RITU BAKSHI

REGISTRAR & SHARE TRANSFER AGENT

M/S ALANKIT ASSIGNMENTS LIMITED
1E/13, ALANKIT HEIGHTS,
JHANDEWALAN EXTENSION,
NEW DELHI - 110 055

E-MAIL & WEBSITE

Investor_relations@bharatseats.net, www.bharatseats.com

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**BHARAT SEATS LIMITED**

(CIN: L34300DL1986PLC023540)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi 110020Email: Investor_relations@bharatseats.net, Website: www.bharatseats.com

Phone: 011-26815592, Fax: 0124-2341188

NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of BHARAT SEATS LIMITED will be held on Wednesday, 20th July, 2016 at 11:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2016 including the Audited Balance Sheet as at March 31, 2016, Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Narinder Dev. Relan(DIN: 00240280) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ajay Relan (DIN:00257584), who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint consider and, if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution:**

"RESOLVED THAT M/s S.S. Kothari Mehta & Co., Chartered Accountants, having Firm Registration No.000756N, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

"Resolved that pursuant to Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modification(s) or enactment(s) thereof for the time being in force, and subject to the approval of Central Government, if required, Mr.Rohit Relan, (DIN:00257572) be and is hereby hereby re-appointed as a Managing Director of the Company for a period of five years from 1st October, 2016 to 30th September, 2021 on the following terms and conditions as approved by the Remuneration Committee and the Board of Directors:

DETAILS OF REMUNERATION INCLUDING PERQUISITES:**SALARY:**

- A. BASIC SALARY : Rs.8,50,000/- per month with a provision of annual increment of Rs.1,00,000/- per month in the scale of Rs.8,50,000 – Rs.1,00,000 – Rs.12,50,000 per month
- B. ALLOWANCES AND PERQUISITES: Rs.1,00,000/- per month with a provision of annual increment of Rs.50,000/- per month in the scale of Rs.1,00,000 – Rs.50,000 – Rs.3,00,000 per month
- C. In addition to the above, Managing Director shall also be entitled to: Company's contribution to Provident Fund as per the rules of the Company.
- D. OTHER TERMS AND CONDITIONS

In the event of absence or inadequacy of profits in any financial year, the Managing Director shall be entitled to the minimum remuneration as mentioned hereinabove without any variation.

Resolved further that the Board of Directors of the Company be and are hereby authorized to alter or vary the above terms and conditions so as not to exceed the limits prescribed in Schedule V of the Companies Act, 2013, in case the Company has adequate profits or within the limits approved by the Central Government, if required, as the case may be.

Resolved further that Mr.N.D.Relan, Chairman, Mr. Ajay Relan, Director and Ms.Ritu Bakshi, Company Secretary be and are hereby severally authorized to apply and take other necessary steps for seeking approval of Central Government , if required.

7. To consider, and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"Resolved that pursuant to provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or enactment(s) thereof for the time being in force, Mr.Venkat Raman Challa (DIN: 07093663), who was appointed as an Additional Director of the Company with effect from 18th July, 2015 by the Board of Directors of the Company in terms of and in accordance with the provisions of Section 161 of the



Companies Act, 2013 and Article 80 of the Articles of Association of the Company and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing appointment of Mr.Venkat Raman Challa as Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation."

By Order Of The Board

Date : 15th April, 2016

Ritu Bakshi

Place : New Delhi

Company Secretary

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself. Such a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies, societies etc. must be supported by appropriate resolution/ authority as applicable.

2. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 14th July, 2016 to Wednesday, 20th July, 2016, both days inclusive, for determining the entitlement of the shareholders to the Dividend for 2015-16, if declared.
4. The Dividend on Equity Shares, if declared at the meeting, will be credited/ dispatched between 21st July, 2016 and 18th August, 2016 to those shareholders whose names appear in the Register of Members on 13th July, 2016; in case of shares held in dematerialised form, the dividend thereon, will be paid to Beneficial Owners, as per details furnished by the Depositories, i.e. National Securities Depository Limited and Central Depository Services (India) Limited as on that date.
5. Members who hold shares in dematerialised form may kindly note that their Bank Account details,

registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Alankit Assignments Ltd. cannot act on any request received directly from the members holding shares in dematerialised form, for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend, are requested to write to the Company/ Alankit Assignments Ltd.

6. The Company has transferred the unpaid or unclaimed dividends declared upto the financial years 2007-2008, from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
7. Dividend for the financial year ended 31st March, 2009 and thereafter which remain unpaid or unclaimed for a period of seven years from the date they became due for payment will be transferred to Investor Education & Protection Fund (IEPF). Members who have not encashed their Dividend warrants may approach the Registered office of the Company for revalidation of the Dividend warrants. The unpaid dividend for the financial year ended March 31, 2009 is due for transfer to IEPF on 13th August, 2016. Pursuant to the provisions of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules, the Company has uploaded the information on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company (www.bharatseats.com).
8. To prevent fraudulent transactions, members are requested to notify any change in address or demise of any member, as soon as possible.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit the PAN to their Depository participants and members holding shares in physical form can submit their PAN details to the Company/ Alankit Assignments Ltd.
10. Details in respect of the Directors seeking appointment/ re-appointment at the Annual General meeting, in pursuance to Regulation 36, Chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, forms integral part of the notice.



11. Electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
12. Electronic copy of the Notice of the Twenty Ninth Annual General Meeting of the Company indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository participant, unless the member has requested for a hard copy of the same. For members who have not registered their email IDs, physical copies of the Notice alongwith process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
13. The Notice for the Annual general meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days between 9:30 a.m. to 11:30 a.m. upto the date of Annual General Meeting. The abovesaid shall also be available on the Company's website at: www.bharatseats.com.
14. In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s Alankit Assignments Limited, under the signature of the Sole/ First Joint holder, the following information to be incorporated on dividend warrants:
 - a. Name of the Sole/ First joint holder and the Folio Number.
 - b. Particulars of Bank Account, viz.:
 - Name of the Bank
 - Name of the Branch
 - Complete Address of the Bank with Pin Code Number
 - Account Type, whether Saving Account (SA) or Current Account(CA)
 - Bank Account Number
15. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 7 days before the Annual General Meeting.
16. The Company has designated an exclusive e-mail ID namely, investor_relations@bharatseats.net for receiving and addressing investors' grievances.
17. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through the electronic mode. Members are requested to support this green initiative by registering/ updating their email addresses, in respect of shares held in dematerialised form with their respective Depository participants and in respect of shares held in physical form, with the Company or its Transfer Agent.
18. Voting options:
 - I) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management And Administration) Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual general meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - 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 remote e-voting period begins on Sunday, 17th July, 2016 at 9:00 a.m. and ends on Tuesday, 19th July, 2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - IV) Shareholder who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - V) The process and manner for remote e-voting is as under:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (iii) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance Slip. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (V).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are

eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Bharat Seats Limited.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.



- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- VI) 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 on the cut off date i.e. 13th July, 2016, may follow the same instruction as mentioned above for e-voting.
- VII) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com). In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or send email to Company at Investor_relations@bharatseats.net or contact the Company or Registrar & Share Transfer Agent.
- VIII) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. as on the cut off date i.e. 13th July, 2016.
- IX) 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.
- X). Mr. A.K.Goyal, Company Secretary in Practice (Membership Number: 1565) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI) The Chairman shall, at the AGM, at the end of 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.
- XII) 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 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 can countersign the same and declare the result of the voting forthwith.
- XIII) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bharatseats.com and will be communicated to the BSE Ltd. immediately after the declaration of result by the Chairman or a person authorized by him in writing.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Resolution no. 6

Mr. Rohit Relan, Managing Director was re-appointed as Managing Director on 1st October, 2011 for a term of five years. His term in office would expire on 30th September, 2016. He is presently paid remuneration aggregating to Rs.9,25,833/- per month under various heads as approved by Central Government vide their letter no.C23367865/4/2014 – CL.VII dt. 09.01.2015

The Remuneration Committee and the Board of Directors in their meetings held on 15th April, 2016 approved the appointment and remuneration of Mr. Rohit Relan, Managing Director. In view of inadequate profits during the year ended 31st March, 2016, the appointment and remuneration payable to Mr. Rohit Relan, Managing Director is subject to approval of Central Government.

Your directors recommend the special resolution as set out in item no.6 for your approval.



Mr. Rohit Relan, Managing Director of the Company is interested in the resolution to the extent of remuneration payable to him. Further, Mr. N.D.Relan, Chairman and Mr. Ajay Relan, Director are also interested in the resolution, being related to the said director.

STATEMENT GIVING INFORMATION REQUIRED UNDER PART II, SECTION II TO THE SCHEDULE V OF THE COMPANIES ACT, 2013 - ABOUT THE APPOINTEE, i.e. MR ROHIT RELAN.

I. General Information:

1. Nature of Industry

The Company is engaged in manufacture of Seating System, moulded carpets and extruded components for Car market leader, Maruti Suzuki India Limited as well as seats and frames for Suzuki Motor Cycle India Pvt. Ltd. two wheelers, at their plants at Gurgaon in Haryana.

2. Date or expected date of commencement of commercial production

The Company is already in production for more than twenty eight years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable, as the Company is an existing one.

4. Financial performance based on given indicators

The Financial performance of the Company in relation to various indicators during the years 2014-15 and 2015-16 is given hereunder:

(Rs. in lakhs)

	2015-16	2014-15
Revenue from operations (Gross)	79313.69	78205.34
Net Profit after tax	704.32	811.99
Dividend	45%	45%

5. Foreign investments or collaborators, if any.

Financial Collaboration with M/s Suzuki Motor Corporation, Japan, who holds 14.81% of the total equity of the Company.

Technical Collaboration with M/s Toyo Seat Co. Ltd., Japan and M/s Inoac Corporation, Japan.

II. Information about the appointee i.e. Mr. Rohit Relan

1. Background details :

Mr. Rohit Relan, Managing Director, aged 60 years, is a Chartered Accountant and has done Owner/ President Management programme from Harvard Business School. He is promoter

entrepreneur of Bharat Seats Limited.

2. Past remuneration

The total remuneration paid to Mr.Rohit Relan from 1st April, 2015 to 31st March, 2016 is Rs.103.85 lakhs.

3. Recognition or awards

An able and successful entrepreneur under whose leadership the Company could achieve and maintain impeccable operational standards. He is a fellow member of the Institute of Chartered Accountants of India. He has done Owner/ President Management programme from Harvard Business School.

4. Job profile and his suitability

The job profile of the Managing Director of the Company includes overall supervision and control of the Company's activities and in particular, to attend to all matters concerning production, planning, manufacture, finance, administration and such other duties and services as entrusted by the Board of Directors. Mr.Rohit Relan is performing the same since 6.3.1986.

5. Remuneration proposed

A. BASIC SALARY : Rs.8,50,000/- per month with a provision of annual increment of Rs.1,00,000/- per month in the scale of Rs.8,50,000 – Rs.1,00,000 – Rs.12,50,000 per month

B. ALLOWANCES AND PERQUISITES: Rs.1,00,000/- per month with a provision of annual increment of Rs.50,000/- per month in the scale of Rs.1,00,000 – Rs.50,000 – Rs.3,00,000 per month

C. In addition to the above, Managing Director shall also be entitled to :

Company's contribution to Provident Fund as per the rules of the Company.

D. OTHER TERMS AND CONDITIONS

In the event of absence or inadequacy of profits in any financial year, the Managing Director shall be entitled to the minimum remuneration as mentioned herein without any variation.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person(in case of expatriates the relevant details would be w.r.t. the country of his origin)

Taking into account the turnover of the Company and responsibilities of Mr. Rohit Relan, the remuneration being paid to the Managing



Director is reasonable and in line with the remuneration levels in the industry across the country and befits his position.

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

Except for the remuneration as Managing Director and his shareholding, the appointee has no other pecuniary relationship with the Company.

The appointee is related to Mr. N.D.Relan, Chairman of the Company, who is his father and Mr. Ajay Relan, Director, who is his brother.

III. Other Information

1. Reason for loss or inadequate profits

Upto 31st March, 2015, EBIDTA (Earnings before Interest, Depreciation, Tax & Amortisation) of the Company has improved during the last few years due to increase in sales volumes, R&D efforts and other cost saving measures taken by the Company. The profitability has improved with overall improvement/ growth in automobile industry, for which the Company has created adequate capacity.

During the year: 2015-2016, the profitability of the Company is affected as the sale of Models, for which BSL is supplying seats, were not as per projections given by the customer. Also the profitability is being affected due to inflationary rise in expenses, strengthening of Research and Development and expenses incurred on Business development, benefits of which shall accrue in the next 2 to 3 years. BSL has already started supply against fresh orders received from its customer, which will improve its profitability in near future.

2. Steps taken or proposed to be taken for improvement.

The Company has taken the following steps to improve the profitability:

- Cost reduction and productivity improvement.
- Upgradation of Seat testing System of International Standard.

3. Expected increase in productivity and profits in measurable terms

With the above measures, the operating efficiencies and profits of the Company are expected to increase.

IV. Disclosures:

The following disclosures are/ shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', attached to the financial statement :-

- All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors;
- Details of fixed component and performance linked incentives alongwith the performance criteria;
- Service contracts, notice period, severance fees;
- Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Resolution no. 7

Mr.Venkat Raman Challa (DIN: 07093663) was appointed on the Board , as an Additional Director, as a nominee of Maruti Suzuki India Limited, with effect from 18th July, 2015, in place of Mr.I.V.Rao, to hold office upto the date of this Annual General Meeting, pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 80 of the Articles of Association of the Company.

The Company has received a notice in writing from a member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr Venkat Raman Challa for the office of Director of the Company. Mr. Raman is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director of the Company. A copy of notice is available for inspection by the members at the registered office of the company.

Except Mr. Venkat Raman Challa, none of the Directors or Key Managerial personnel of the Company or their relatives is concerned or interested in the Resolution.

The Board considers it desirable to avail the expertise and guidance of Mr. Venkat Raman, therefore, recommend the Ordinary Resolution set out at item no.7 of the accompanying notice for approval of the shareholders of the Company.



BHARAT SEATS LIMITED

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE TO CLAUSE 36(3) OF CHAPTER IV- RELATING TO DOCUMENTS & INFORMATION TO SHAREHOLDERS OF THE SEBI(LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

NAME OF THE DIRECTOR	MR. N.D.RELAN	MR. AJAY RELAN	MR. ROHIT RELAN	MR. C.V.RAMAN
DIRECTOR IDENTIFICATION NUMBER	00240280	00257584	00257572	07093663
DATE OF JOINING THE BOARD	06.03.1986	05.04.1988	06.03.1986	18.07.2015
PROFILE OF DIRECTOR	Mr. Narinder Dev Relan aged 86 years, is an industrialist. . He holds Bachelor's Degree of Commerce He is presently Chairman of the Company, is the Director of the Company since its inception from 6.3.1986	Mr. Ajay Relan , aged 54 years is an industrialist He has done B.Com(Hons) and Owner/ President Management Programme from Harvard Business School	Mr. Rohit Relan, aged 60 years, is an industrialist. He has done B.Com(Hons), F.C.A and owner/ President Management programme from Harvard Business School.	Mr. C.V.Raman, aged 54 years, is a graduate from Delhi College of Engineering with BE in Mechanical Engineering. He has 34 years of experience and presently heads the Maruti Suzuki Engineering and R&D function.
EXPERTISE IN SPECIFIC FUNCTIONAL AREA	Finance, Business Management and Capital Market	Business Management.	Business Management, Finance	Product Development, Vehicle Testing and Homologation Cost Management
RELATIONSHIP BETWEEN DIRECTORS INTERSE	Mr. Rohit Relan - son Mr.Ajay Relan - son	Mr. N.D.Relan - father Mr.Rohit Relan - brother	Mr. N.D.Relan - father Mr.Ajay Relan - brother	None -
CHAIRMANSHIPS/ DIRECTORSHIPS HELD IN OTHER COMPANIES AS ON 31.03.2016	1. Sharda Motor Industries Ltd. 2. Relan Industrial Finance Ltd. 3. PEBCO Motors Ltd. 4. Toyo Sharda India Pvt.Ltd. 5. Toyota Boshoku Relan India Pvt.Ltd. 6. Sharda Inoac Pvt. Ltd. 7. Progressive Engineering & Automation Pvt.Ltd.	1. Sharda Motor Industries Ltd.. 2. Relan Industrial Finance Ltd. 3. Toyo Sharda India Pvt.Ltd. 4. Toyota Boshoku Relan India Pvt.Ltd. 5. Sharda Inoac Pvt. Ltd. 6. Progressive Engineering & Automation Pvt.Ltd.	1. Sharda Motor Industries Ltd.. 2. Relan Industrial Finance Ltd. 3. Toyo Sharda India Pvt. Ltd. 4. Toyota Boshoku Relan India Pvt.Ltd. 5. Sharda Inoac Pvt. Ltd. 6. Progressive Engineering & Automation Pvt.Ltd.	1. Krishna Maruti Ltd.
CHAIRMANSHIPS/ MEMBERSHIPS OF COMMITTEES OF OTHER COMPANIES AS ON 31.03.2016	1. PEBCO Motors Ltd.	None	None	None
NO. OF SHARES HELD IN THE COMPANY	11,08,950	6,19,808	6,55,000	None