



# **32<sup>ND</sup>** **ANNUAL REPORT** **2018-2019**



**BHARAT SEATS LIMITED**

## Corporate Information

### Board of Directors

- |                             |  |
|-----------------------------|--|
| 1. Mr. Rohit Relan          | Chairman and Managing Director (DIN: 00257572)                   |
| 2. Mr. Toshiya Miki         | Director-Nominee-Suzuki Motor Corporation, Japan (DIN: 07505339) |
| 3. Mr. Venkat Raman Challa  | Director-Nominee-Maruti Suzuki India Limited (DIN: 07093663)     |
| 4. Ms. Sharda Relan         | Director (DIN: 00252181)   |
| 5. Mr. Ajay Relan           | Director (DIN: 00257584)   |
| 6. Mr. Girish Narain Mehra  | Independent Director (DIN: 00059311)                             |
| 7. Mr. Prateep Kumar Lahiri | Independent Director (DIN: 00039653)                             |
| 8. Mr. Ravindra Gupta       | Independent Director (DIN: 01521168)                             |
| 9. Ms. Shyamla Khera        | Independent Director (DIN: 06929439)                             |
| 10. Mr. Arvind Varma        | Independent Director (DIN: 02225281)                             |

### Corporate Identity Number

CIN: L34300DL1986PLC023540

### Bankers

Yes Bank Ltd.  
HDFC Bank Ltd.  
MUFG Bank, Ltd.  
State Bank of India  
IDBI Bank Ltd.

### Registered Office

1, Nelson Mandela Road, Vasant Kunj,  
New Delhi-110070.

### Works

#### Plant 1

Plot No. 1, Maruti Udyog Joint Venture Complex,  
Gurugram - 122 015 (Haryana)

#### Plant 2

Plot No. Mustil No. 226, Kila No. 7/1,  
Village Bhorakalan, Tehsil - Farukhnagar,  
Gurugram (Haryana)

#### Plant 3

Plot No. 26, Sector-3A,  
Maruti Supplier Park, IMT, Manesar, Gurugram(Haryana)

#### Plant 4

Plot No. 677 Sector 37 Pace City II, Gurugram(Haryana)

#### Plant 5

Plot No. 665, Sector-37, Pace City II, Gurugram (Haryana)

#### Plant 6

Plot No. 702, Sector-37, Pace City II, Gurugram (Haryana)

### Auditors

M/s S.R. Batliboi & Co. LLP  
Chartered Accountants  
Gurugram

### Listed at

BSE Limited

### Chief Financial Officer

Mr. Sanjeev Kumar

### Company Secretary And Compliance Officer

Ms. Ritu Bakshi

### Registrar And Share Transfer Agent

M/s Alankit Assignments Limited  
3E/7, Alankit Heights,  
Jhandewalan Extension,  
New Delhi - 110 055

### E-Mail and Website

Investor\_relations@bharatseats.net, www.bharatseats.com

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## **BHARAT SEATS LIMITED**

(CIN: L34300DL1986PLC023540)

**Regd. Office:** 1, Nelson Mandela Road, Vasant Kunj, New Delhi-110070

Phones : +91 9643339870-74, Fax : 0124-2341188

E-mail: seats@bharatseats.net, Website: www.bharatseats.com

### **NOTICE**

**NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of BHARAT SEATS LIMITED will be held on Thursday, 19<sup>th</sup> September, 2019 at 11 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 31<sup>st</sup> March, 2019 together with the reports of the Directors and Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2019 together with the reports of the Directors and Auditors thereon be and are hereby received, considered and adopted."

2. To declare dividend on equity shares for the financial year ended March 31, 2019 and in this regard to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the board of directors of the Company, dividend at the rate of Re.1 per Equity share of Rs.2/- each on the paid up equity share capital of the Company be and is hereby declared to be paid to the members of the Company."

3. To appoint Ms. Sharda Relan (DIN: 00252181) who retires by rotation at this meeting as a Director and being eligible offers herself for re-appointment and in this regard to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Ms. Sharda Relan (DIN: 00252181) who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

#### **Special Business:**

4. To approve and authorise related party transaction and in this regard to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 read with the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as recommended and approved by the Audit Committee

and Board of Directors in their respective meetings held on 23<sup>rd</sup> July, 2019 the consent of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made thereunder, as per details and on terms & conditions as set out under Item no. 4 of the Explanatory Statement annexed to this Notice."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

5. To alter Memorandum of Association and in this regard to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force, and rules made there-under and subject to necessary statutory approvals and modifications, if any, Memorandum of Association of the Company be altered in the following manner:

- a) Nomenclature of existing Clause III(B) i.e. 'Objects incidental or ancillary to the attainment of the main objects', be changed to 'Matters which are necessary for furtherance of the objects specified in Clause III(A)'
- b) In serial no.1 of Clause III(B), 'Section 55A and Section 292 of Companies Act' be substituted with 'Section 73 and Section 186 of the Companies Act, 2013.'
- c) In serial no.25 of Clause III(B), 'political parties' be added.
- d) Existing Clause III(C) i.e. 'Other objects' be deleted.

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

6. To adopt a new set of Articles of Association and in this regard to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of

the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force, and rules made there-under and subject to necessary statutory approvals and modifications, if any, a new set of Articles of Association of the Company, consisting Article 1 to Article 98 be and is hereby approved in total exclusion and substitution of existing articles of Association consisting Article 1 to 142.

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

By Order of the Board  
For Bharat Seats Limited

Place: New Delhi  
Date: 23<sup>rd</sup> July, 2019

Ritu Bakshi  
Company Secretary  
FCS No. 3401

#### NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in regard to the business as set out from item nos. 4 to 6 and the relevant details pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment /re-appointment at this Annual General Meeting ("AGM") is also annexed.
2. (i) (a) A MEMBER ENTITLED TO ATTEND AND VOTE **THE ANNUAL GENERAL MEETING (AGM)** IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE ONLY ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
(b) The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the Company, not less than 48 (Forty-Eight) hours before the commencement of the Annual General Meeting. Proxy Form is enclosed with the Notice.  
(c) Members are requested to note that a person can act as proxy on behalf of the Members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, 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 proxy for any other person or member.
- (d) A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, during the period beginning 24 (Twenty Four) hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the Annual General Meeting, provided that not less than 3 (three) days of notice in writing is to be given to the Company.
- (ii) Members / proxies / authorized representatives are requested to bring duly filled admission / attendance slips sent herewith along with the notice of the Annual General Meeting at the Meeting.
- (iii) Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote in their behalf at the Meeting.
- (iv) In case of joint holders attending the Annual General Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 13<sup>th</sup> September, 2019 to Thursday, 19<sup>th</sup> September, 2019, both days inclusive, for determining the entitlement of the shareholders to the Dividend for 2018-19, if declared.
4. The Dividend on Equity Shares, as recommended by the Board of Directors, if declared at the meeting, will be credited/ dispatched between 19<sup>th</sup> September, 2019 and 18<sup>th</sup> October, 2019 to those shareholders whose names appear in the Register of Members on 12<sup>th</sup> September, 2019, after giving effect to valid transfer requests lodged with the Company on or before 12<sup>th</sup> September, 2019. 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 the close of business hours on 12<sup>th</sup> September, 2019.
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 up to the financial years 2010-2011, from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
7. Pursuant to the provisions of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 25<sup>th</sup> September, 2018 (date of the previous Annual General Meeting) on the website of the IEPF Authority viz. [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company and the same can be accessed through the link: [www.bharatseats.com/pdf/unclaimed-dividend-as-on-agm-25-9-2018.pdf](http://www.bharatseats.com/pdf/unclaimed-dividend-as-on-agm-25-9-2018.pdf).
8. Members are requested to note that, dividends if not encashed for a period of seven years from the date of transfer to Unpaid dividend account of the Company, are liable to be transferred to the IEPF. The shares in respect of such unclaimed dividend if not encashed for a consecutive period of 7 (seven) years are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company within the stipulated time line.

Due dates for transfer of unclaimed/ unpaid dividends for the financial year 2011-12 and thereafter to IEPF are as follows:

F.Y. Ended	Declaration Date	Due Date
March 31, 2012	July 26, 2012	August 24, 2019
March 31, 2013	July 29, 2013	August 26, 2020
March 31, 2014	July 21, 2014	August 18, 2021
March 31, 2015	July 17, 2015	August 14, 2022
March 31, 2016	July 20, 2016	August 17, 2023
March 31, 2017	September 21, 2017	October 19, 2024
March 31, 2018	September 25, 2018	October 23, 2025

9. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during the financial year 2018-19, transferred to the IEPF Authority, all shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer i.e. September 1, 2018. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can

be accessed through the link: [www.bharatseats.com/pdf/website-disclosure-for-iepf-shares.pdf](http://www.bharatseats.com/pdf/website-disclosure-for-iepf-shares.pdf). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

- (b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the weblink: [www.iepf.gov.in/IEPFA/refund.html](http://www.iepf.gov.in/IEPFA/refund.html) in Form IEPF-5 or contact Alankit Assignments Limited for lodging claim for refund of shares and/ or dividend from the IEPF Authority. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
10. SEBI vide notification no. SEBI/LAD-NRO/ GN/2018/24 dated Jun 8, 2018 has amended Regulation 40 of the Listing Regulations mandating transfer of securities in to be carried out only in dematerialized form (except in case of transmission or transposition of shares) which shall be effective from 1<sup>st</sup> April, 2019. Accordingly for transfer of shares of listed entities will not be processed unless the securities are held in dematerialized form with depositories. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares.
11. To prevent fraudulent transactions, members are requested to notify any change in address or demise of any member, as soon as possible.
12. Members holding shares in physical mode:
  - (a) are required to submit their permanent Account Number (PAN) and Bank account details to the Company/ Alankit Assignments Limited, if not registered with the Company as mandated by SEBI vide circular dated April 20, 2018 and circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73.
  - (b) are advised to register the nomination in respect of their shareholding in the Company.
  - (c) are requested to register/ update their email address with the Company/ Alankit Assignments Limited, for receiving all communications from the Company electronically.
13. Members holding shares in electronic mode:
  - (a) are requested to submit their PAN and Bank account details to their respective DPs with whom they are maintaining their demat accounts.
  - (b) are advised to contact their respective DPs for registering the nomination.

- (c) are requested to register/ update their email address with their respective DPs for receiving all communications from the Company electronically.
14. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of Auditors who were appointed in the Annual General Meeting held on 21<sup>st</sup> September, 2017.
  15. Electronic copy of the Annual Report for 2018-19 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.
  16. Electronic copy of the Notice of the Thirty Second Annual General Meeting of the Company indicating the process and manner of e-voting along with 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 along with process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
  17. 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. up to the date of Annual General Meeting. The above said shall also be available on the Company's website at: [www.bharatseats.com](http://www.bharatseats.com).
  18. 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 Registrar 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
  19. 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.
  20. The Company has designated an exclusive e-mail ID namely, [investor\\_relations@bharatseats.net](mailto:investor_relations@bharatseats.net) for receiving and addressing investors' grievances.
  21. 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.
  22. 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, 2015, the Company is providing facility to members to exercise their right to vote on resolutions proposed to be considered at the 32<sup>nd</sup> 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 Annual General Meeting ("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 Annual General Meeting 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 Annual General Meeting, may also attend the Annual General Meeting, but shall not be entitled to cast their vote again.
    - IV) The remote e-voting period begins on Monday, 16<sup>th</sup> September, 2019 at 9:00 a.m. and ends on Wednesday, 18<sup>th</sup> September, 2019 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 12<sup>th</sup> September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
    - 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](http://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](http://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"> <li>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.</li> <li>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.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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 (iii).</li> </ul>

- (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 of 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) 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please



follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) 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](http://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](mailto: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](mailto: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.

VI) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or send email to Company at [Investor\\_relations@bharatseats.net](mailto:Investor_relations@bharatseats.net) or contact the Company or Registrar & Share Transfer Agent.

VII) 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 cutoff date i.e. 12<sup>th</sup> September, 2019.

VIII) Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of Annual General Meeting and holding shares as on the cutoff date i.e. 12<sup>th</sup> Sep., 2019, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or send email to Company at [Investor\\_relations@bharatseats.net](mailto:Investor_relations@bharatseats.net). However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using 'Forgot Use

Details/Password' option available on [www.evotingindia.com](http://www.evotingindia.com).

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 cutoff date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

X) Mr. R.S. Bhatia, Company Secretary in Practice (Membership Number: FCS 2599, CP No. 2514) and failing him Mohd. Akbar, Company Secretary in Practice (Membership Number: ACS 43323, CP No. 16097) 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 Annual General Meeting, 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 Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

XII) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, 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 Annual General Meeting, 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 along with the Scrutinizer's Report shall be placed on the Company's website [www.bharatseats.com](http://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.

By Order of the Board  
For Bharat Seats Limited

Place : New Delhi  
Date : 23<sup>rd</sup> July, 2019

Ritu Bakshi  
Company Secretary  
FCS No. 3401



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013**
**ITEM NO. 3**

Ms. Sharda Relan has confirmed that she is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated 20<sup>th</sup> June, 2018 issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed Companies.

**ITEM NO. 4**

In accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions require prior approval of the Audit Committee and all material Related Party Transactions require approval of the shareholders through Ordinary Resolution. A transaction with a related party shall be considered material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Section 188 of the Companies Act, 2013 deals with Related party Transactions and Sub section (1) of Section 188 of the Companies Act, 2013 provides that nothing in this sub section shall apply to any transactions entered into by the Company with Related party, which are in its ordinary course of business, other than transactions which are not on arm's length basis. In Bharat Seats Ltd., all the related party transactions are in the ordinary course of business and at arm's length basis. Therefore, the approval under section 188 of the Companies Act is not required. Keeping in view the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and intent of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company have approved in their respective meetings held on 23<sup>rd</sup> July, 2019 respectively and recommended for seeking the approval of the shareholders for the financial year 2019-20 and onwards for the following transaction(s):

<b>1</b>	<b>Name of the Party</b>	<b>Suzuki Motorcycle India Private Limited</b>	<b>Suzuki Motor Gujarat Private Limited</b>
<b>2</b>	<b>Nature of Transaction</b>	Sale or supply of Goods/ materials	Sale or supply of Goods/ materials
<b>3</b>	<b>Period of transaction</b>	Transactions are repetitive in nature	Transactions are repetitive in nature
<b>4</b>	<b>Maximum Amount of Transaction per annum</b>	Rs. 200 crores	Rs. 500 crores
<b>5</b>	<b>Indicative Base Price/ Current Contracted Price/ Formula for variation in price, if any</b>	As per pricing of various models	As per pricing of various models
<b>6</b>	<b>Other Terms &amp; Conditions</b>	Not Applicable	Not Applicable

The Board recommends the resolution set forth in item no. 4 for the approval of members.

It may be noted that these Companies do not fall under related party as defined under section 2(76) of Companies Act, 2013, but they are related parties as defined under Ind AS 24 and under Regulation 2(zb) of SEBI (LODR) Regulations, 2015 and the said parties do not hold any shares in the Company. Hence, Regulation 23(4) and Regulation 23(7) of SEBI (LODR) Regulations, which provides that no related party shall vote, are not applicable.

**ITEM NO. 5 & 6**

The existing Memorandum and Articles of Association of the Company are based on the provisions of the Companies Act, 1956. The Ministry of Corporate Affairs ('MCA') has notified most of the sections of the Act replacing the provisions of the Companies Act, 1956. The MCA has also notified the Rules pertaining to the further notified sections under the Act. In order to bring the existing Memorandum and Articles of Association of the Company in line with the provisions of the Act, Memorandum of Association are proposed to be altered and a new set of Articles is proposed to be adopted in substitution of and to the exclusion of the existing Articles of Association. The below table provides a summary of key changes to the existing Memorandum and Articles of Association:

- Memorandum of Association:** There is no major change except that the format of the existing Memorandum has been changed in line with Table A of Schedule I of the Companies Act, 2013.
- Articles of Association:** A new set of The Articles of Association is being adopted in line with Table F of Schedule-I of the Companies Act, 2013. The key changes are summarized as under:

Category	Article Number	Key changes
Quorum for general meeting	52	Quorum requirements have been modified as per the requirements of the Companies Act, 2013
Voting through electronic means	61	The provisions of exercising vote by the shareholders through electronic means have been inserted
Board of Directors	72	The limit of maximum number of Directors has been raised to fifteen from twelve
Appointment of Directors	72	The Independent Directors shall be appointed under the provisions of the Act and other regulations.
Chief Executive Officer, etc.	72	The provisions with regard to the appointment of Key Managerial Personnel under Section 203 of the Companies Act, 2013 have been inserted

According to Section 13 and 14 of the Companies Act, 2013, approval of the shareholders by special resolution is required for alteration in Memorandum of Association and adoption of new set of Articles of Association to replace the existing Articles. A copy of the proposed new set of Memorandum and Articles is available for inspection by the members at the registered office of the Company during normal business hours on all working days and is also available on the website of the Company at <https://www.bharatseats.com/investors/moa-and-aoa.aspx>

None of the Directors/KMPs of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends this resolution for approval of the members.

By Order of the Board  
For Bharat Seats Limited

Place : New Delhi  
Date : 23<sup>rd</sup> July, 2019

Ritu Bakshi  
Company Secretary  
FCS No. 3401