

**MINUTES OF ANNUAL GENERAL MEETING OF MEMBERS OF BHARAT GEARS LIMITED HELD ON THURSDAY, THE 29<sup>TH</sup> JULY, 2010 AT 04.30 P.M. AT FARIDABAD INDUSTRIES ASSOCIATION, FIA HOUSE, BATA CHOWK, FARIDABAD-121 001 (HARYANA)**

---

**PRESENT:**

**MEMBERS:**

IN PERSON : 622 including 4 Corporate Representatives  
(as per Attendance Slips received)

THROUGH PROXIES : 91  
(as per Proxy Register)

**DIRECTORS:**

Mr. Surinder P. Kanwar	Chairman & Managing Director
Mr. Sameer Kanwar	Joint Managing Director
Mr. W. R. SchilhaSD	Director
Dr. Ram S. Tarneja	Director
Mr. N. J. Kamath	Director
Mr. V. K. Pargal	Director

**IN ATTENDANCE:**

Mr. Milind Pujari	Chief Financial Officer
Mr. Prashant Khattry	Group Head (Legal) & Company Secretary

Following registers were placed before the meeting:

1. Register of Members
2. Proxy Register
3. Register of Directors' Shareholding

The Chairman welcomed the members to the 38<sup>th</sup> Annual General Meeting of the Company. He introduced the Directors, Chief Financial Officer and Company Secretary seated on the dais to the Shareholders. He declared that the necessary quorum was present and called the meeting to order.

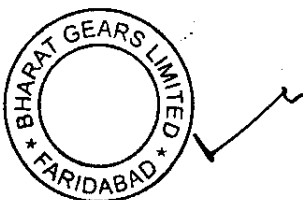
The Chairman, after welcoming the shareholders present, gave his keynote address:

**QUOTE:**

**Ladies and Gentlemen,**

I have pleasure in welcoming you to the 38<sup>th</sup> Annual General Meeting of our company. Directors' Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2010 have been with you for some time and with your permission, I shall take them as read.

Last year at this time we were apprehensive not knowing, how the world economy, and more specifically your Domestic economy, will shape out. I am happy to congratulate the managers of our economy who have done a very good job of keeping the Indian economy very buoyant.



All developed markets suffered a setback in their economy in the last couple of years and have not been able to fully recover. India on the other hand has kept up its economy on the strength of its' domestic market.

The sectors where we operate namely, the Automobile, Agriculture and Construction sector, it has maintained its growth and we have seen many new products being introduced in the market. Naturally it provided us an opportunity to undertake new development and rationalize our product range.

I am happy to inform you friends that our company continues to be the leader in our industry and we continue to enjoy the confidence of all our customers. This has reflected in our results as well.

Though our total sales have not increased but, our contribution and earnings per share have substantially improved. Our company has made net profit of 614.16 lacs against profit of 404.29 lacs in corresponding period of last year.

Thus your Board has recommended a dividend of 12 % for the equity shares and maintained recommendation of 10% for preferential shares.

We are confident that our company will continue to make adequate progress notwithstanding stagnation in the global markets.

At this juncture I would like to convey my appreciation to all personnel of our company who have done a very good job in very trying circumstances.

On your behalf and on behalf of the Board of directors, I would like to thank all customers, all vendors, business associates, bankers and Central and State Governments for their continued support to the Company and its management.

I also thank the staff and other employees of the company whose hard work has made it possible to achieve the desired goals.

Thank you and Best Wishes,

UNQUOTE:

Thereafter, on the request of the Chairman, Mr. Prashant Khattry, Company Secretary read out the Auditors' Report before the Members present. With the permission of members present, the Notice of the 38<sup>th</sup> Annual General Meeting was taken as read.

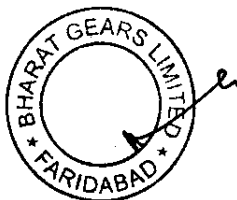
Subsequently, the Chairman proceeded with the business of the meeting as set out in the notice calling the Annual General Meeting.

#### **ORDINARY BUSINESS:**

*The Chairman took up Item No. 1 of the notice, being the adoption of Annual Accounts of the Company, for consideration of the members:*

#### **1. ADOPTION OF ANNUAL ACCOUNTS**

Before putting the resolution to vote, the Chairman invited queries from the members. The queries raised by the members were satisfactorily replied to by the Chairman.



On the motion of Mr. Manjit Singh (Folio No. M12471) and after being seconded by Mr. Chetan Chadha (Folio No. 31916) the following resolution was put to vote by show of hands and was passed unanimously as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2010, Profit & Loss Account along with the Schedules and Notes to Accounts and Cash Flow Statement for the year ended on that date, and the reports of the Directors' & Auditors' thereon be and are hereby adopted.”

*Thereafter, the Chairman took up Item No. 2 of the notice, being the declaration of dividend on preference shares of the Company, for consideration of the members*

## **2. DECLARATION OF DIVIDEND ON PREFERENCE SHARES**

On the motion of Mr. Ravi Shanker (Folio No. 0100644 ) and after being seconded by Mr. V.K. Gupta (Folio No. R100178 ), the following resolution was put to vote by show of hands and was passed unanimously as an Ordinary resolution:

**“RESOLVED THAT** pursuant to the recommendation of the Board of Directors, dividend on preference shares @ Rs. 10/- per preference share for the year 2009-10 be and is hereby declared out of the current profits of the Company for the year ended 31<sup>st</sup> March, 2010.”

*The Chairman took up Item No. 3 of the notice, being the declaration of dividend on equity shares of the Company, for consideration of the members.*

## **3. DECLARATION OF DIVIDEND ON EQUITY SHARES**

The following resolution, proposed by Mr. Gulshan Gera (Folio No. G06202) and seconded by Mr. Sarvjeet Singh (Folio No./ Demat A/c No. 100997625 DP ID No. 300206), was put to vote by show of hands and was passed unanimously as an Ordinary resolution:

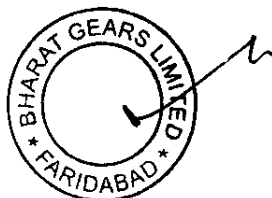
**“RESOLVED THAT** pursuant to the recommendation of the Board of Directors, dividend on equity shares @ Rs. 1.20/- per equity share for the year 2009-10 be and is hereby declared out of the current profits of the Company for the year ended 31<sup>st</sup> March, 2010.

**RESOLVED FURTHER THAT** Equity dividend will be paid to the Members whose names appear in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar on 28<sup>th</sup> July, 2010 and in respect of shares held in electronic form, the dividend will be paid those 'beneficiaries' whose names appear on the statements of beneficial ownership furnished by NSDL and CDSL for this purpose, at the end of business hours on 27<sup>th</sup> July, 2010.

*The Chairman took up Item No. 4 of the notice, being the re-appointment of Mr. W.R. Schilha as Director of the Company, for consideration of the members.*

## **4. RE-APPOINTMENT OF MR. W.R. SCHILHA AS A DIRECTOR**

The following resolution proposed by Mrs. Pushpa Grover (Folio No. 0029934) and seconded by Ms. Parvesh Rani (Folio No. RI00198) was put to vote by show of hands and was passed unanimously as an Ordinary Resolution:



**"RESOLVED THAT** Mr. W.R. Schilha, who retires by rotation in accordance with Article 111 of Articles of Association of the Company and is eligible for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

*After that, the Chairman took up Item No. 5 of the notice, being the re-appointment of Mr. Rakesh Chopra as Director of the Company, for consideration of the members:*

**5. RE-APPOINTMENT OF MR. RAKESH CHOPRA AS A DIRECTOR**

On the motion of Mr. Tony Bhatia (Folio No. T27499), the following resolution was seconded by Mr. M.P. Bhutani (Folio No. R100197) and passed unanimously as an Ordinary resolution after being put to vote by show of hands:

**"RESOLVED THAT** Mr. Rakesh Chopra, who retires by rotation in accordance with Article 111 of Articles of Association of the Company and is eligible for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

*The Chairman took up Item No. 6 of the notice, being the appointment of Statutory Auditors of the Company, for consideration of the members:*

**6. RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY**

On the motion of Mr. Manjit Singh (Folio No. M12471), the following resolution was seconded by Mr. Susheel Arora (Folio No.0032435), and passed unanimously as an Ordinary Resolution after being put to vote by show of hands:

**"RESOLVED THAT** pursuant to the provision of Sections 224(1) and other applicable provisions, if any, of the Companies Act, 1956 Messrs. Deloitte Haskins & Sells, Chartered Accountants, registered with The Institute of Chartered Accountants of India vide Membership No. 117365W be and hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to conduct the audit of the Accounts of the Company for the Financial Year 2010-2011, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, plus service tax and out of pocket expenses."

*As Mr. Surinder P. Kanwar being interested, Dr. Ram S. Tarneja was requested to Chair for Item No.7*

**7. RE-APPOINTMENT OF MR. SURINDER P. KANWAR AS CHAIRMAN AND MANAGING DIRECTOR WITH REVISED REMUNERATION**

On the motion of Mr. Gulshan Gera (Folio No. G06202), the following resolution was seconded by Mr. Chetan Chadha (Folio No.0031916), and passed by more than the 3/4<sup>th</sup> majority of the members present as special resolution after being put to vote by show of hands:

**"RESOLVED THAT** subject to approval of the Central Government, if required, and further subject to such other requisite approvals, as may be required, in this regard and pursuant to the provisions under Sections 198, 269, 309, 310, 311, 316, 317, Schedule XIII as applicable and other applicable provisions, if any, of the Companies Act, 1956 and /or any amendment thereof or any new enactment thereof, the Company hereby approves the reappointment of Mr. Surinder P. Kanwar as Chairman & Managing Director of the Company for a further period of five (5) years with effect from 1<sup>st</sup> October, 2010 and that the remuneration, as set out in the explanatory statement which forms part of this



Resolution, be paid to him notwithstanding that it may exceed the limits prescribed in provisions of Sections 198, 309 and Schedule XIII of the Companies Act, 1956.

**RESOLVED FURTHER THAT** notwithstanding anything contained in Sections 198, 309 and the Schedule XIII of the Act or any amendment/re-enactment thereof or any other revised / new schedule or guidelines thereof, in the event of absence of profits or inadequacy of profits in any financial year, the Company hereby approves the payment of the salary, perquisites and statutory benefits (except commission), as set out in **the explanatory statement** which forms part of this Resolution, as minimum remuneration to Mr. Surinder P. Kanwar, Chairman & Managing Director, subject to approval of the Central Government, if required.

**RESOLVED FURTHER THAT** in absence of the central government approval for payment of remuneration to Mr. Surinder P. Kanwar exceeding the limits prescribed in Section 198, 309 and Schedule XIII of the Companies Act, 1956, as amended from time to time, he shall be entitled to draw remuneration within the limits as prescribed in Section 198, 309 and Schedule XIII of the Companies Act, 1956.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the above resolution."

**There being no other business to transact, the meeting concluded with a vote of thanks to the Chair.**

**Date: August 13, 2010**  
**Place: Faridabad**

**Sd/-**  
**CHAIRMAN**



A handwritten signature in black ink, appearing to be "Surinder P. Kanwar", written over a horizontal line.

**CERTIFIED TRUE COPY**