Geared for life

BHARAT GEARS LIMITED
Regd. Office & Works :
20 K.M. Mathura Road, P.O. Box 328
P.O. Amar Nagar, Faridabad - 121003 (Haryana) INDIA
Tel. : +91 (129) 4288888, E-mail : info@bglindia.com
Corporate Identity Number : L29130HR1971PLC034365

BGL/SEC/NSE/3/JULY 2024-2025 **BGL/SEC/BSE/2/JULY 2024-2025**

July 17, 2024

The Manager (Listing)
National Stock Exchange of India Ltd
"Exchange Plaza", 5th Floor
Plot No. C-1, G-Block
Bandra Kurla Complex
Bandra (E), Mumbai–400051

SYMBOL: BHARATGEAR

The Manager (Listing)
BSE Limited
1st Floor, New Trading Ring
Rotunda Building
PJ Towers, Dalal Street
Fort, Mumbai–400001

STOCKCODE: 505688

Sub: Compliance of Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report along with the Notice of Annual General Meeting of "Bharat Gears Limited" for the Financial Year ended 31st March, 2024.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For **Bharat Gears Limited**

BHARAT GEARS LIMITED FARIDABAD

Prashant Khattry
Corporate Head (Legal) and Company Secretary

Encl: As above

NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the 52nd Annual General Meeting (AGM) of the members of Bharat Gears Limited will be held as under through Video Conference ("VC")/Other Audio Visual Means ("OAVM") ("hereinafter referred to as "electronic mode"):

Day : Monday

Date : 12 August, 2024

Time : 11:30 A.M.

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, 2024 together with Reports of the Directors and Auditors thereon.

2. To consider the re-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 re-appointed as a Non-Executive Director of the Company liable to retire by rotation upto the conclusion of the 53rd AGM of the Company in the Calendar year 2025.

   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."

SPECIAL BUSINESS:

3. To consider the re-appointment of Mr. Sameer Kanwar as Joint Managing Director 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 under Section 196, 197, 198, 200, 203, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") including any statutory amendment, modifications or re-enactment thereof and further subject to such other requisite approvals, as may be required in this regard, the consent of the members be and is hereby accorded for the re-appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company for a further period of 2 (Two) years with effect from 01 June, 2024 on the terms and conditions including the payment of remuneration less than the maximum permissible remuneration to him as specified in Section II of Part II of Schedule V of the Companies Act, 2013 for a period of 2 (Two) Years with effect from 01 June, 2024 as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement forming part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V of the Companies Act, 2013 in case of no profits/ inadequate profits.

   RESOLVED FURTHER THAT the remuneration as set out in the explanatory statement forming part of this resolution, payable to Mr. Sameer Kanwar, Joint

Managing Director of the Company for a period of 2 (Two) Years with effect from 01 June, 2024, is subject to the condition that:

a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/ Whole-time Directors of the Company and/ or ten percent (10%) of the net profits of the Company for all Managing/Whole-time Directors in accordance with the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendment, modification or re-enactment thereof, as may be made thereto and for the time being in force or

b. if the remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, the remuneration payable shall be within the permissible limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 in case of no profits/ inadequate profits.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequacy of profits in any financial year, the salary, perquisites and statutory benefits as set out in the explanatory statement forming part of this resolution, be paid as minimum remuneration to Mr. Sameer Kanwar, Joint Managing Director.

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 ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates, Cost Auditors of the Company for the Financial Year 2024-25 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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s M.K. Kulshrestha & Associates, the Cost Auditors of the Company appointed by the Board of Directors of the Company in its meeting held on 29 May, 2024 upon recommendation of the Audit Committee, to conduct the audit of the cost records of the Financial Year ending 31 March, 2025, at a remuneration of ₹ 2,25,000/- for the Financial Year 2024-25 be and is hereby confirmed, ratified and approved.

By order of the Board



Prashant Khattry
Corporate Head (Legal) and Company Secretary

Date: 12 July, 2024

NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 09/2023 dated 25 September, 2023 permitted the holding of Annual General Meeting through Video Conference ("VC")/Other Audio Visual Means ("OAVM") without the physical presence of Members at a common venue as per the procedure prescribed by MCA in the General Circular No. 20/2020 dated 05 May, 2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/ CFD/CFD-PoD-2/P/CIR/2023/167 dated 07 October, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with the said Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the members of the Company is being held through VC/OAVM.

2. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Annual

General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Annual General Meeting is being held through VC/OAVM pursuant to the aforesaid MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail at agbcorplegal@gmail.com through their registered e-mail address with copies marked to the Company at investor@bglindia.com and to the Registrar and Transfer Agent (RTA) at delhi@linkintime.co.in.

4. Registration of e-mail ID and Bank Account details:

In case the shareholder's e-mail ID is already registered with the Company/its Registrar and Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered e-mail address. In case the shareholder has not registered his/her/their e-mail address with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

(i) Kindly log in to the website of our RTA, Link Intime India Private Limited, www.linkintime.co.in under Investor Services > E-mail/Bank detail Registration – fill in the details and upload the required documents and submit. **OR**

(ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the e-mail address and bank account details in the demat account as per the process followed and advised by the DP.

5. The Notice of the Annual General Meeting ("AGM") along with the Annual Report for the Financial Year 2023-24 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and Circular issued by the Securities and Exchange Board of India ("SEBI") dated 07 October, 2023. Members may note that the Notice of 52nd AGM and Annual Report for the Financial Year 2023-24 will also be available on the Company's website i.e. www.bharatgears.com; website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the National Stock Exchange of India Limited at www.nseindia.com. Members are requested to download the Annual Report and Notice of the AGM from the website of the Company and the Stock Exchange(s). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. 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 52nd Annual General Meeting by electronic means and the business may be transacted electronically 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 (LIIPL).

The facility for electronic voting system shall also be made available at the 52nd Annual General Meeting (AGM). The Members who have not cast their votes through remote e-voting shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

8. Instructions for Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

a) Members are entitled to attend the Annual General Meeting through VC/OAVM platform "InstaMeet" provided by the Registrar and Transfer Agent,

Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Members are requested to participate on first come first serve basis as participation through VC/ OAVM is limited and will be closed on expiry of 15 (Fifteen) minutes from the scheduled time of the Annual General Meeting. Members holding more than 2% equity shares, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join at 11:15 A.M. IST i.e 15 (Fifteen) minutes prior to the scheduled time of the meeting and window for joining shall be kept open till the expiry of 15 (Fifteen) minutes after the scheduled time. Participation is restricted upto 2000 members only.

b) <u>The details of the process to register and attend the AGM are as under:</u>

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & click on **"Login"**.

➢ Select the "**Company**" and "**Event Date**" and register with your following details:-

A. Demat Account No. or Folio No.: Enter your 16 digit Demat Account No. or Folio No.

- Members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**.
- Members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**.
- Members holding shares in **physical form shall provide Folio Number** registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN). Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your e-mail id, as recorded with your DP/Company.

➢ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet support desk for any support on the dedicated number provided to you in the instruction/InstaMeet website.

c) <u>Instructions for Members to speak during the Annual General Meeting through InstaMeet:</u>

1. Members who would like to speak during the meeting must register their request on or before 05 August, 2024 with the Company on investor@bglindia.com created for the general meeting.
2. Members will get confirmation on first cum first serve basis.
3. Members will receive "speaking serial number" once they mark attendance for the meeting.
4. Other members may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Members are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

d) <u>Instructions for Members to Vote during the Annual General Meeting through InstaMeet:</u>

Once the electronic voting is activated by the scrutinizer/moderator during the meeting,

members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered e-mail Id) received during registration for InstaMeet and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

4. 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".

5. After selecting the appropriate option i.e. "Favour/Against" as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

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

e) Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Members who have voted through remote e-voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

f) Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

g) Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

h) Please note that members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

i) For a smooth experience of viewing the AGM proceedings on InstaMeet, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application by clicking on the link http://www.webex.com

j) In case shareholders/members have any queries regarding login/ e-voting, they may send an e-mail to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

9. Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated 09 December, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various E-voting Service Provider (ESP) portals directly from their demat accounts.

Login method for the individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL:-

    1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

    2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online

for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

    1. Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com and click on New System Myeasi.

    2. After successful login of Easi/Easiest, the user will be able to see the E-Voting Menu. The Menu will have link of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

    3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration.

    4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided link for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants:

    You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the Company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

    A. User ID: Shareholders holding shares in physical form shall provide Event No. + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

    B. PAN: Enter your 10-digit Permanent Account Number (PAN). Shareholders who have not

updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:** Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).

D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.

*Shareholders holding shares in NSDL form, shall provide 'D' above.

- Set the password of your choice (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).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour/Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour/ Against, 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.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at 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.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

Individual Shareholders holding securities in Physical mode have forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot 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 his/her registered e-mail address. Shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. 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.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. + Folio Number registered with the Company.

Individual Shareholders holding securities in demat mode with NSDL/CDSL have forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

10. Brief profile & other details of the Directors proposed to be appointed/re-appointed, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India is annexed to this Notice.

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

12. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under the provisions of Section 103 of the Companies Act, 2013.

13. All the documents referred to in the Notice will be available for electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 12 August, 2024. Members seeking to inspect such documents can send an e-mail to investor@bglindia.com.

14. 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 electronically for inspection by Members of the Company at the meeting.

15. Since the AGM will be held through VC/OAVM, the Route Map to reach to the venue of the 52nd Annual General Meeting has not been annexed to this Notice.

16. 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 12 August, 2024 to enable the management to keep the information ready at the Meeting.

17. Members are requested to note that under Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund ('IEPF') constituted by the Central Government of India. Further; all shares in respect of which dividends remain unclaimed/unpaid for seven consecutive years or more, are required to be transferred to designated Demat Account of the IEPF Authority.

    There was no unclaimed dividend and shares required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24. Further, there is no unclaimed dividend and shares required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2024-25.

    The Company has uploaded the information in respect of unpaid and unclaimed dividends and details of shares transferred to IEPF on the website of the IEPF Authority viz. www.iepf.gov.in and under "Investors Section" on the website of the Company viz. www.bharatgears.com under the link: http://bharatgears.com/details-of-unclaimed-dividend-and-iepf.php

Further, the details of unclaimed fractional proceeds arising out of Bonus Issue of Equity Shares of the Company have also been uploaded under the aforesaid link.

Members who have not encashed their dividend drafts since 2018-19/claimed fractional proceeds are advised to write to the Company or Registrar and Transfer Agent of the Company immediately claiming dividends declared by the Company/fractional proceeds arising out of Bonus Issue of Equity Shares of the Company.

In terms of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the detailed procedure for claim of Dividend/Shares transferred to the IEPF Authority along with the details of Nodal Officer appointed by the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF Authority) as communicated to the IEPF Authority has been provided in the Corporate Governance Report forming part of the Annual Report 2023-24.

Further, the necessary details of Nodal Officer are available on the website of the Company i.e. www.bharatgears.com under the link: http://bharatgears.com/corporate-governance.php

18. Members may please note that in compliance with the Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 3,200 (Three Thousand Two Hundred) Equity Shares of 50 (Fifty) Shareholders attached to undelivered Share Certificates in possession of the Company which remained unclaimed had been transferred into the "Unclaimed Suspense Account" opened with Central Depository Services (India) Limited (CDSL).

    Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

19. 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 benefit of dematerialization viz. easy liquidity, electronic transfer and prevention of forgery.

20. 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 and Transfer Agent for consolidation into a single folio.

21. 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 and Transfer Agent for shares held in physical form and with the respective Depository Participants for the shares held in dematerialized form.

22. Members may please note that the 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 shares. Members holding shares in physical form and intending to transfer their shares are advised to open a demat account with the 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.

23. SEBI vide its circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181, dated 17 November, 2023 prescribed simplified norms for processing investor service requests by Registrars to an Issue and Share Transfer Agents (RTAs) and provided updates on PAN, KYC details, and Nomination processes.

    The circular follows the earlier SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023 which has been rescinded due to the issuance of the Master Circular for Registrars to an Issue and Share Transfer Agents dated 17 May, 2023. The initial circular aimed to simplify norms for processing investor service requests by RTAs and furnishing PAN, KYC details and Nomination.

    In compliance with the aforesaid SEBI circular dated 16 March, 2023, the Company on 13 May, 2023 had sent communication through speed post to furnish the requisite details. Through this exercise, the Company has tried to reach physical shareholders for the updation of records.

    Therefore, the Shareholders holding Shares in physical form are requested to update their KYC with the Company.

For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07 May, 2024 read with SEBI/HO/MIRSD/POD1/P/CIR/2024/81 dated 10 June, 2024, as amended from time to time, has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.). In case any of the aforesaid documents/details are not available in the record of the Company/Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/documents. Further, with effect from 01 April, 2024, any payment of dividend shall only be made in electronic mode to such members.

The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 have been sent to the respective shareholders and are also available on the Company's official Website i.e. www.bharatgears.com.

Members are requested to furnish PAN, Postal Address, E-mail Address, Mobile Number, Specimen Signatures, Bank Account Details and Nomination by submitting the relevant Form(s) as below to the Registrar and Transfer Agent of the Company, Link Intime India Private Limited:

Sr.No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, Mobile number, Bank Account Details or changes/updation thereof	ISR-1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility or further change in nominations.

SEBI has commenced processing of investor complaints in a centralised web based complaints redressal system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

Further, Online Dispute Resolution (ODR) in Indian Securities Market has been introduced by SEBI vide its circular dated 31 July, 2023 read with corrigendum-cum-amendment circular dated 04 August, 2023. In addition to SCORES, Investors/clients and Market Participants (MPs) now have an additional mechanism available for dispute resolution with an objective of time bound online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The Company has registered itself on the ODR Portal.

24. The Securities and Exchange Board of India (SEBI) vide its Circular reference no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 mandated that the listed companies shall issue the securities in dematerialized form only while processing various investor service requests as mentioned below and issue a Letter of Confirmation to the respective shareholder upon receipt of such request that will be submitted by the shareholder to its Depository Participant along with Dematerialisation Request Form for credit of shares electronically in the Demat Account of Shareholder.

    1. Issue of duplicate securities certificate;
    2. Claim from Unclaimed Suspense Account;
    3. Renewal/Exchange of securities certificate;
    4. Endorsement;
    5. Sub-division/Splitting of securities certificate;
    6. Consolidation of securities certificates/folios;
    7. Transmission;
    8. Transposition.

    Further, the said circular provides that in case the securities holder/claimant fails to submit the demat request within 120 days from the date of issuance of letter of confirmation, RTA/Issuer Companies shall credit the securities to the Suspense Escrow Demat Account of the Company.

    In compliance of the above, the shares for the aforesaid investor requests are issued in dematerialized form only and a Letter of Confirmation is issued to the respective shareholder upon receipt of such request

for submission by the shareholder to its Depository Participant along with Dematerialisation Request Form for credit of shares electronically in the Demat Account of Shareholder. Further, in case the securities holder/ claimant fails to submit the demat request within 120 days from the date of issuance of Letter of Confirmation, the said shares are credited to the Suspense Escrow Demat Account of the Company.

General Guidelines for shareholders:

1. 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 e-mail to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186000.

2. The remote e-voting period commences on **Friday, 09 August, 2024 at 9:00 A.M. and ends on Sunday, 11 August, 2024 at 5:00 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 i.e. Monday, 05 Augut, 2024** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. 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 i.e. Monday, 05 August, 2024. The person who is not a member as on the cut-off date should treat this Notice for information purpose only.

4. Any person, who acquire shares of the Company and become member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. Monday, 05 August, 2024, 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 LIIPL for remote e-voting, then you can use your existing user ID and password for casting your vote.

5. 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 e-voting at the AGM.

6. The Company has appointed Ms. Rashmi Aswal, M.com, ACS having her office at 5A/14, 2nd Floor, B.P. NIT-5, Faridabad - 121001 as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the Annual General Meeting in a fair and transparent manner.

7. The Chairman shall, at the AGM, at the discussion on the resolutions on which voting is to be held, allow voting to be cast by use of e-voting facility 'InstaMeet' of LIIPL for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

8. The Scrutinizer shall after the conclusion of voting at the AGM, will first download 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, within Two working 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 shall countersign the same and declare the result of the voting forthwith.

9. 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. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

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

By order of the Board



Prashant Khattry
Corporate Head (Legal) and Company Secretary

Date: 12 July, 2024

EXPLANATORY STATEMENT

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

ITEM NO. 02

Mr. Nagar Venkatraman Srinivasan, aged 80 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 55 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 continued to be associated with the Company as Technical and Management Advisor upto 28 February, 2022.

The members of the Company in their Annual General Meeting held on 20 September, 2023 approved the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director of the Company liable to retire by rotation upto the conclusion of the 52nd Annual General Meeting (AGM) of the Company in the Calendar Year 2024 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) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended which provides that 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 age of Mr. Nagar Venkatraman Srinivasan being more than seventy five years on the commencement of said tenure.

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

The Board of Directors of the Company in its meeting held on 29 May, 2024, in terms of recommendation of the Nomination and Remuneration Committee in its meeting held on 28 May, 2024 considered and approved the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director of the Company liable to retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended, upto the conclusion of 53rd Annual General Meeting of the Company in the Calendar year 2025, subject to the approval of members by way of Special resolution, the age of Mr. Nagar Venkatraman Srinivasan being more than seventy five years at the commencement of his proposed tenure.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India relating to Mr. Nagar Venkatraman Srinivasan has been provided in a separate section of this Notice.

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. 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 re-appoint Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director of the Company liable to retire by rotation upto the conclusion of the 53rd Annual General Meeting (AGM) of the Company in the Calendar year 2025 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. 02 of the Notice in relation to re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director, for the approval by the members of the Company, by way of a Special resolution.

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. 02 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for electronic inspection without fees by the members from the

date of circulation of this Notice up to the date of AGM i.e. 12 August, 2024 and shall also be available at the meeting.

ITEM NO. 03

Mr. Sameer Kanwar, aged 46 years is presently designated as Joint Managing Director of the Company. He holds a Bachelor's Degree in Business Economics from York University, Canada. After completing his Graduation, he completed two years of training in the areas of Planning, Finance and Control at ZF Friedrichshafen AG, Germany, the world's largest maker of drivelines and chassis for Automobiles.

He has an experience of about 24 years in the industry and he has been affiliated with the Company as a member of the Board of Directors since 01 February, 2002. He has been given the core responsibility to diversify the Company into the Non Fossil business in March 2022.

The appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company has expired on 31 May, 2024.

Now therefore, pursuant to the provisions of Section 196, 197, 198, 200, 203, Schedule V as applicable and other applicable provisions, if any of the Companies Act, 2013 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has proposed to re-appoint Mr. Sameer Kanwar as Joint Managing Director of the Company for a further period of 2 (Two) years with the remuneration as stated below basis last tenure performance on the terms and conditions as set out below as recommended by the Nomination and Remuneration Committee in its Meeting held on 29th April, 2024 and further approved by the Board of Directors in its meeting held on 29th May, 2024 subject to the approval of members by way of Special resolution.

A. Salary and Perquisites:

   Salary: Rs. 1,40,00,000/- (Rupees One Crore Forty Lakhs Only) per annum

   Perquisites: Rs. 20,00,000/- (Rupees Twenty Lakhs Only) per annum

B. The Joint Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of ceiling on remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:

   i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

   ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

   iii. Encashment of the leave at the end of the tenure.

C. Other terms:

   1. He shall be entitled to re-imbursement of actual out-of-pocket expenses incurred in connection with the business of the Company.

   2. He shall be entitled to re-imbursement of entertainment expenses incurred for the business of the Company.

   3. As long as he functions as Joint Managing Director, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.

   4. He shall be entitled to earned/privileged leave as per the Rules of the Company.

   5. In the event of inadequacy or absence of profits in any financial year, he will be entitled to the payment of salary and perquisites, as set out under point (A) above, as minimum remuneration, subject to necessary approvals, if required notwithstanding the fact that it may exceed the limits prescribed under Section 196, 197 of the Companies Act, 2013, along with the perquisites stated under point (B) above which are not included in the computation of limits for the remuneration or perquisites aforesaid.

   6. Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Joint Managing Director of the Company and as may be delegated to him from time to time. And his performance shall be regularly assessed by the Board of Directors.

   7. He shall not be liable to retire by rotation.

   8. His employment contract will be as per the rules of the Company.

Further, pursuant to the provisions of Sections 117(3), 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of appointment shall be placed for the approval of the Shareholders in the Annual General Meeting.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India relating to Mr. Sameer Kanwar has been provided in a separate section of this Notice.

Accordingly, the Board recommends the resolution as set out at Item No. 03 of the Notice in relation to the re-appointment of Mr. Sameer Kanwar as Joint Managing Director, for the approval by the members of the Company, by way of a Special resolution.

Except Mr. Sameer Kanwar, himself and his father Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company, no other Director 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.03 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 12 August, 2024 and shall also be available at the meeting.

ITEM NO. 04

The Board of Directors of the Company in its meeting held on 29 May, 2024 on the recommendation of the Audit Committee has approved the appointment of M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company to conduct the audit of the cost records of all the 3 (Three) plants of the Company located at Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the Financial Year ending 31 March, 2025 at a remuneration of ₹ 2,25,000/- (Rupees Two Lakh Twenty five Thousand) pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Rule 4 of the Companies (Cost Records and Audit) Rules, 2014.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

The consent of the members is sought by way of an Ordinary Resolution for ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company for the Financial Year ending 31 March, 2025.

Accordingly, the Board recommends the resolution as set out at Item No. 04 of the Notice in relation to ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company for the Financial Year ending 31 March, 2025, by way of an Ordinary resolution.

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 electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 12 August, 2024 and shall also be available at the meeting.

By order of the Board



Prashant Khattry
Corporate Head (Legal) and Company Secretary

Date: 12 July, 2024

STATEMENT OF PARTICULARS

(PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013)

MR. SAMEER KANWAR, JOINT MANAGING DIRECTOR

I. GENERAL INFORMATION

Sl. No.	Particulars/Subject	Information
1.	Nature of industry	Manufacture of Automobile Gears
2.	Date or expected date of commencement of commercial Production	05 January, 1972
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial performance based on given indicators	In the Financial Year 2023-24, the Company made a turnover of ₹ 666.67 Crores (including other income) and Loss of ₹ 9.74 Crores after tax.
5.	Export performance and net foreign exchange collections	During the Financial Year 2023-24, Export of goods: ₹ 235.53 Crores (Previous Year ₹ 282.79 Crores).
6.	Foreign Investments or collaborators, if any.	No such investment or collaboration except minors shareholding of Non Resident Indians.

II. INFORMATION ABOUT THE APPOINTEE

Sl. No.	Particulars/Subject	Information
1.	Background Details	Mr. Sameer Kanwar, aged 46 years is presently designated as Joint Managing Director of the Company. He holds a Bachelor's Degree in Business Economics from York University, Canada. After completing his Graduation, he received two years training in the areas of Planning, Finance and Control at ZF Friedrichshafen AG, Germany, the world's largest maker of drivelines and chassis for Automobiles. He has an experience of about 24 years in the industry and he has been affiliated with the Company as a member of the Board of Directors since 01 February, 2002. He has been given the core responsibility to diversify the Company into the Non Fossil business in March, 2022.
2.	Past remuneration	During his present tenure as Joint Managing Director of the Company, Mr. Sameer Kanwar has been drawing remuneration as per Section II of Part II of Schedule V of the Companies Act, 2013.
3.	Recognition or awards	The Company has received various recognition and awards, such as: • Carraro - Best Supplier Award • John Deere - Partner Level Performance • John Deere Global Supplier of the Year 2022 • Eaton Corporation - Best Supplier Award • Tuff Torq – Best Supplier Award • Transaxle Manufacturing of America – Best Supplier Award (Partner Level Performance) 2022 • Escorts Kubota Limited - Best Delivery • Escorts Kubota Limited - Association of more than 50 years • Mahindra Swaraj - Special appreciation award (New Product Development)

4.	Job profile and his suitability	He has an experience of about 24 years in the industry and he has been affiliated with the Company as a member of the Board of Directors since 01 February, 2002. He has been given the core responsibility to diversify the Company into the Non Fossil business in March, 2022. In view of his past experience and performance the Company and has suitable knowledge of the business, the Board proposes for the re-appointment of Mr. Sameer Kanwar as Joint Managing Director for a further period of 2 (Two) years w.e.f. 01 June, 2024, as per the details stated in the explanatory statement of Item No. 03 of the Notice.
5.	Remuneration proposed	Salary, other perquisites and other terms as fully set out in the explanatory statement of Item No. 03 of the Notice. The remuneration proposed is within the permissible remuneration as per Schedule V of the Companies Act, 2013.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration proposed is within the permissible remuneration as per Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mr. Sameer Kanwar, Joint Managing Director and Mr. Surinder Paul Kanwar, Chairman and Managing Director are the two Whole time Directors (WTDs) in the Company and both are related as Son and Father. Except the WTDs, no other director or relative is having any material pecuniary relationships with the Company. During the period ended on 31 March, 2024, related party transaction (exclusive of sitting fees) amounted to ₹ 1.76 Crores (FY 2022-23: ₹ 4.54 Crores). The WTDs also drew their remunerations in the period amounting to ₹ 4.42 Crores (FY 2022-23: ₹ 4.33 Crores). The Company discloses the related party transactions annually in the books of accounts of the Company. The Audit Committee discusses and approves such transaction every quarter. The Board of Directors duly approves the related party transactions and in the opinion of Board of Directors of the Company, none of the transaction is prejudicial to the interest of the Company.

III. OTHER INFORMATION

Sl. No.	Particulars/Subject	Information
1.	Reason of loss or inadequate profits	In the Financial Year ended 31 March, 2024, the Company made Loss after Tax of ₹ 9.74 Crores and Cash Profit of ₹ 9.68 Crores. The remuneration proposed is a permissible remuneration as per Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	The Company has adopted the following measures to improve the profitability: • Diversification into the Non-Fossil business • Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs. • Widening of customer base and better market penetration, especially in overseas market. • Conscious effort to develop products/customers base in alternate market segments. • Technology upgradation by way of investing in state of the art machinery to meet stringent quality requirements of customers. • Focus on significant improvements in operating costs. • Cost control in all areas. • Deeper penetration in the replacement market in India & abroad. • Improvement in OE & Export Sales. • Improving the quality to make products competitive in Indian & Overseas markets.
3.	Expected increase in the productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

Details required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting (AGM) and their Brief Resume have been provided under the Explanatory Statement annexed to this Notice. The other Information/Disclosure in compliance with the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India has been provided herein below:

Particulars	Item No. 02	Item No. 03
Name of the Director	**Mr. Nagar Venkatraman Srinivasan**	**Mr. Sameer Kanwar**
DIN	00879414	00033622
Brief Resume	As detailed in Explanatory Statement above for Item No. 02 of the Notice	As detailed in Explanatory Statement above for Item No. 03 of the Notice
Category of Director	Non-Executive Director	Joint Managing Director
Date of Birth (Age in Years)	04 April, 1944 (80)	24 December, 1977 (46)
Date of Appointment on the Board	03 November, 2017	01 February, 2002
Qualifications	Graduated in Mechanical Engineering, MS in Industrial Engineering and MBA	Bachelor's Degree in Business Economics from York University, Canada
No. of years of Experience	55 Years	24 Years
Expertise in specific functional areas	Knowledge of Core Business i.e. Automotive Gears, Plant Management, Strategic Planning, Product Development and Marketing, Knowledge of Macro Environment vis-à-vis Industry, Financial Literacy, Ability to read Financial Statements	Knowledge of Core Business i.e. Automotive Gears, Plant Management, Strategic Planning, Product Development and Marketing, Knowledge of Macro Environment vis-à-vis Industry, Financial Literacy, Ability to read Financial Statements
Terms and conditions of appointment/re-appointment	As detailed in Explanatory Statement above for Item No. 02 of the Notice The other terms and conditions are available at the website of the Company at www.bharatgears.com under the link: http://bharatgears.com/corporate-governance.php	As detailed in Explanatory Statement above for Item No. 03 of the Notice The other terms and conditions are available at the website of the Company at www.bharatgears.com under the link: http://bharatgears.com/corporate-governance.php
Chairmanship/Membership of Committees of the Company	Member - Stakeholders' Relationship Committee	Member - Finance Committee Member - Corporate Social Responsibility Committee Member - Stakeholders' Relationship Committee
Directorships held in other Companies	Nil	• Nexus EPC Private Limited (Formerly known as Samreet Investment and Management Consultancy Private Limited) • Nexus Driveline India Private Limited • Akasa Design Studio LLP (Designated Partner)* • Ejot-Octaqon Fastening Systems Private Limited
Chairmanships/Memberships of committees of other Companies	Nil	Nil
Listed entities from which the Director has resigned in the past three years	Nil	Raunaq International Limited (Formerly known as Raunaq EPC International Limited)
Number of Board Meetings attended during the year	4	5

Relationships between Directors inter-se	None	Son of Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company
Relationships with Manager and other Key Managerial Personnel of the Company	None	None
Remuneration details (Including Sitting Fees & Commission) and last remuneration drawn	Please refer to the 'Report on Corporate Governance', forming part of the Annual Report 2023-24	Please refer to the 'Report on Corporate Governance', forming part of the Annual Report 2023-24
Number of shares held in the Company	Nil	Nil

*Indicates LLP

By order of the Board



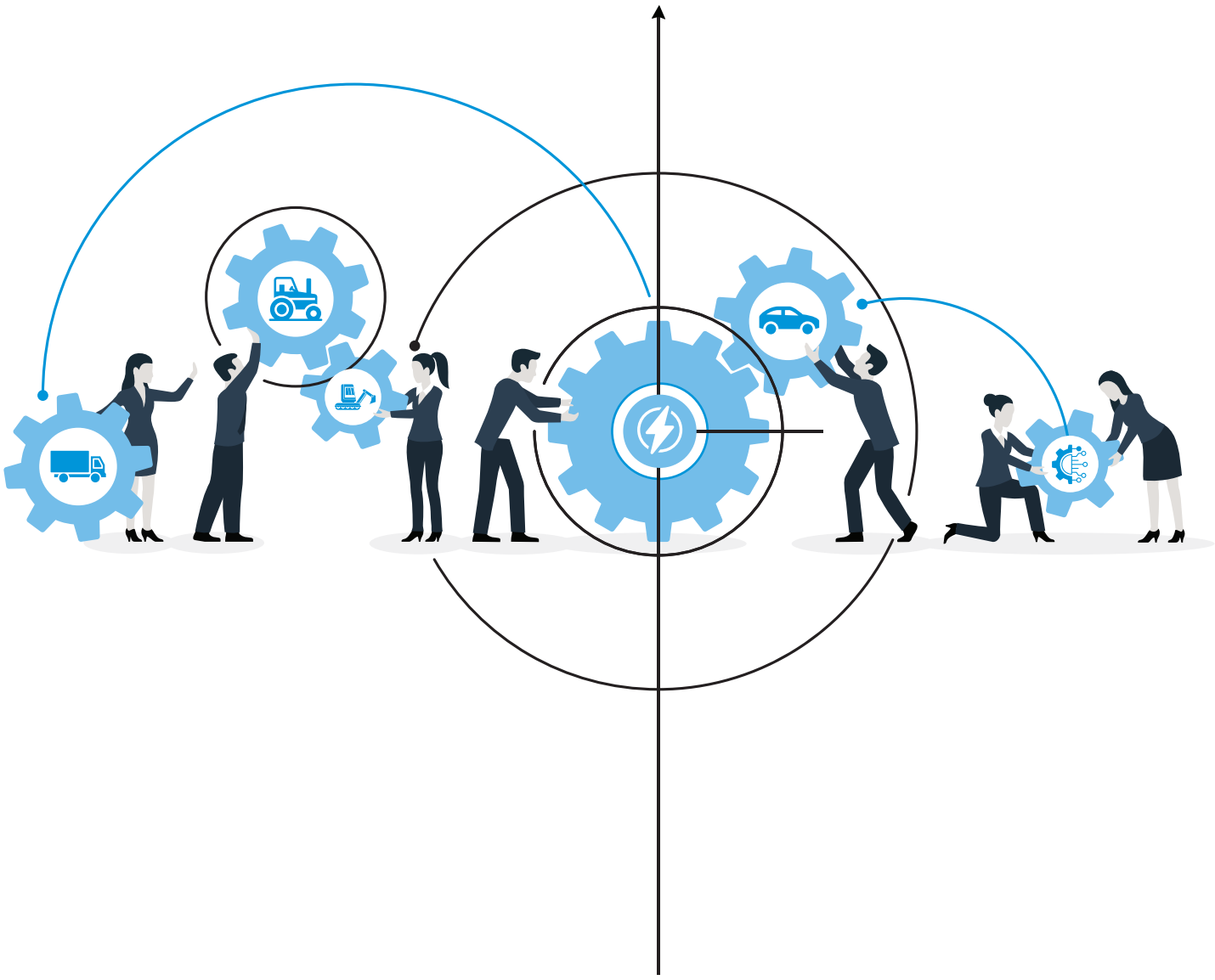
Prashant Khattry
Corporate Head (Legal) and Company Secretary

Date: 12 July, 2024

BHARAT GEARS LIMITED
Geared for Life

Powering Progress by

Expanding Horizons
Expanding Capabilities



2023-24
Annual Report

Inside the Report

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FORWARD-LOOKING STATEMENT

The information and opinion contained in this report do not constitute an offer to buy any of BGL's securities, businesses, products or services. The report might contain forward-looking statements qualified by words such as 'expect', 'plan', 'estimate', 'believe', 'project', 'intends', 'exploit' and 'anticipates', that we believe to be true at the time of preparation of the report. The actual events may differ from those anticipated in these statements because of the risk and uncertainty of the validity of our assumptions. BGL does not take any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

WITH AN ILLUSTRIOUS 50+ YEARS LEGACY, BGL STANDS AS A BEACON OF EXCELLENCE AND TECHNOLOGY LEADERSHIP IN POWERTRAIN PRODUCTS. OUR COMMITMENT TO DELIVER INNOVATIVE, QUALITY PRODUCTS IS POWERED BY DEEP-ROOTED CUSTOMER-CENTRICITY, STATE-OF-THE-ART MANUFACTURING FACILITIES, TECHNOLOGICAL PROWESS, STRATEGIC PARTNERSHIPS AND A DEDICATED TEAM, ENSURING SUSTAINED GROWTH AND EXPANSION.

As a global leader and one of India's leading gear manufacturer, we confidently navigate established and emerging markets, expanding capabilities, boosting efficiencies and seising opportunities in the rapidly-evolving automotive sector.

Embracing a customer-first approach, we strive to enhance our global presence and cater to a diversified customer base through proactive order acquisition across segments and regions. Our focus on cost optimisation, maximising asset utilisation and integrating new technologies sustains our competitiveness, ensuring we remain at the forefront of industry advancements and uphold our technological leadership.

With resilience and determination, we embark on a journey of sustained, profitable and diversified growth, addressing challenges and powering progress through continuous innovation, expanded capabilities and operational excellence.



About Bharat Gears Limited

With 50+ years of rich expertise, Bharat Gears Limited (BGL), a leading global player in gear technology and one of India's leading gear manufacturers, has emerged as a major global supplier of automotive gears. Committed to innovation and precision, we also offer heat treatment furnaces. Established in 1971, our top-quality gear and transmission technology serves diverse industries including automotive, agriculture, construction, utilities and EV segments.



VISION

We shall strive vigorously to delight our customers and stakeholders who are our very purpose, by pursuing excellence and innovation through committed teamwork. To this end, we shall promote continuous learning, achievement orientation and ethical business practices, which will make us shine as a global player.



MISSION

To retain and reinforce our position as a leading Indian manufacturer of automotive gears and aggregates and meet the aspirations of customers in domestic and export markets. This will be achieved through on-time zero defect supplies backed by responsive service, empowered employees, vendor partners and satisfied investors.



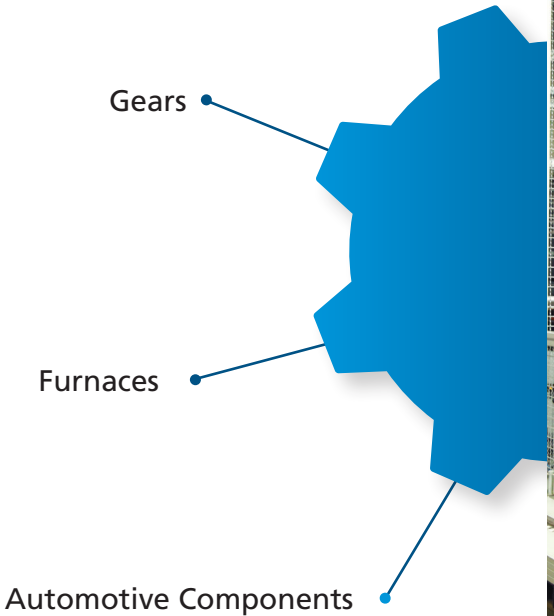
ABOUT US

Harnessing modern manufacturing facilities, cutting-edge technology, team competency and industry best 'speed to market', we remain committed to deliver superior quality products while upholding ethical and professional standards aligned with global benchmarks. Furthermore, our international technical collaborations and robust engineering expertise have established us as a global player of repute.

Our relentless efforts to efficiently meet and exceed customer expectations have made us the preferred partner of leading Original Equipment Manufacturers (OEMs) worldwide. With a significant international presence, our high quality gears are majorly exported across Europe, USA, Mexico, South American and Asian markets.

Gearing for profitable and diversified growth, we remain dedicated to innovation, excellence and continual strengthening of capabilities while upholding our technological leadership.

CORE BUSINESS VERTICALS





HOW WE DIFFERENTIATE

1. A rich legacy spanning 50+ years of operations in manufacturing high-quality and high-engineered gears for the automotive industry
2. Diversified customer base in various segments like Agriculture, construction equipments, commercial vehicles, EV Segment, Recreational vehicles, Railways etc.
3. First Indian auto component manufacturer to build capability for Bevel Gear Grinding
4. Robust technical knowledge in Spiral Bevel gears, differential gears, hypoflex and transmission gears and shaft
5. High quality comprehensive offerings across gears, furnaces and automotive components
6. Largest dry cutting setup in India with cutting-edge infrastructure
7. Customer-centricity as the core value resulting in a strong capability to understand and meet customer goals with streamlined quality and delivery
8. Globally-benchmarked ethical and professional standards
9. Inspired, highly skilled and competent workforce

Reflecting on Our Landmark Moments

2024

- First Indian auto component manufacturer to build capability for Bevel Gear Grinding in Automobile segment by introducing high technology Bevel and Gear Grinder, strongly reinforcing Company's capability to support EV segment

2023

- All time highest turnover since incorporation

2022

- Achieved a turnover of ₹ 700 Crores+ for the first time in Company's history; Entry into Hydraulics, EV & Industrial Gear segments

2019

- Completed second Phase of Lonand plant; Launched single flank testing machine (MTE); Introduced CGCF with Robotic - Automation

2018

- IATF 16949 certification received for all three plants

2015

- Received TS 16949, ISO 14001 and OHSAS 18001 certifications for Lonand plant

2014

- Started commercial production at the Lonand plant

2012

- Foundation stone laid for Lonand plant

2011

- Received OHSAS 18001 certification for Faridabad Plant

2010

- Launched Bevel Gear dry-cutting process with close-loop technology

1972
- Foundation stone laid for Mumbra plant

1974
- Established Hypoid Plant and commenced production with 'Gleason Machines'

1980
- Installation of the first 'Oerlikon Spiromatic Generator'; Was one of the first Indian companies to have both cutting systems under one roof

1981
- Entered technical collaboration with AFC Holcroft, USA for the construction of furnaces in India

1985
- Signed technical and financial collaboration agreement with ZF Friedrichshafen AG, Germany (Till 2007)

1987
- Delivered ZF S6-36 Gears & Shafts to Ashok Leyland and ZF Friedrichshafen AG, Germany; Commenced assembly of ZF S5-24 Gear Boxes for Ashok Leyland

1988
- Established business with DANA Corporation, USA

1994
- Received ISO 9002 certification; First Indian Company to start ground gears and assembly with gas metal arc welding

1996
- Surpassed ₹ 1 Billion revenue mark

1998
- Foundation stone laid for Faridabad plant

2000
- Started commercial production at the Faridabad plant; QS 9000 certification received for Mumbra plant

2004
- Commenced supply to Toyota Kirloskar Auto Parts from Faridabad plant; ISO 14001 certification received for Faridabad plant

2005
- Received TS 16949 certification for Faridabad and Mumbra plants

2008
- Introduced Dry Cut Hobbing process

2009
- Launched Klingelnberg Close Loop CNC Gear Measuring system

Message from the Chairman and Managing Director



We are continuously expanding our product portfolio and technological capacities and capabilities to achieve operational excellence and drive market share gains across all our segments.

Dear Shareholders,

With great pride and gratitude, I present to you the 52nd Annual Report of Bharat Gears Limited for FY 2023-24. As we navigate this journey together, we remain steadfast with our unwavering commitment to excellence in technology, product innovation, manufacturing, engineering capabilities and customer delight. This dedicated focus will continue to power our vision of profitable and diversified growth and sustain our market leadership.

Economic Landscape

I am delighted to share that, despite navigating through global economic challenges, the Indian economy showcased remarkable resilience, achieving a robust growth of 7.6% in FY 2023-24. This growth was underpinned by broad-based expansion across various sectors, with construction and manufacturing emerging as significant drivers.

India's continued status as the world's fastest-growing major economy speaks volumes about our robust domestic demand, supportive government policies and substantial foreign direct investment (FDI) inflows. Amidst global supply chain disruptions, the adoption of the 'China Plus One' strategy to reduce dependency on China has gained traction. Our robust manufacturing sector, coupled with strong R&D capabilities and abundant low-cost skilled labour has further positioned India as an attractive manufacturing destination.

Despite rising inflation, the Reserve Bank of India (RBI) maintained stability by opting to keep repo rates unchanged. Though challenges like underperformance in the agriculture and allied sectors are a key concern, they are being actively monitored and addressed.

Additionally, the government's allocation of significant capital expenditure for infrastructure projects in FY 2024-25 interim budget, alongside initiatives like simplified trade policies, the Make in India campaign and increased digitalisation are all poised to drive economic growth and development. Furthermore, with the general election results announced, India's economic fundamentals remain robust, with the new government expected to continue the pace of governance and administration reforms.

Industry Scenario

Against the backdrop of robust economic growth, the Indian Automobile Industry achieved an impressive growth of 12.5% in the fiscal year, driven by a burgeoning middle class, increased disposable incomes, evolving consumer preferences and enhanced infrastructure. Notably, substantial growth was witnessed across various segments, with Passenger vehicles leading the growth, followed by robust performance in the 2W and 3W segments, albeit marginal CV segment growth.

While the tractor segment faced a decline due to agricultural slowdown and erratic rainfall, we anticipate

a resurgence in the segment backed by the imperative need for enhanced food production and adoption of technology, coupled with farmed backed initiatives like Pradhan Mantri Kisan Samman Nidhi (PM-KISAN). Moreover, the automobile sector showcased its commitment to sustainability and eco-friendly solutions, with a surge in the production of environmentally compliant vehicles and significant growth of 90% in Electric Passenger Vehicles and 30% in Electric Two-Wheelers.

Supported by favourable government schemes like the Production-Linked Incentive (PLI) Scheme and Advance Authorisation and Export Promotion Capital Goods Scheme, along with a promising monsoon outlook, the industry remains optimistic about continued growth in FY 2024-25.

FY 2023-24 Performance

During FY 2023-24, your Company reported revenue from operations at ₹ 66,305 Lakhs vis-à-vis ₹ 76,636 Lakhs reported in FY 2022-23. Owing to the headwinds in the tractor segment – our largest customer segment, we witnessed a sales decline of approximately 13.48% in FY 2023-24 compared to the previous year. Additionally, the global Agriculture Tractor Market has suffered large drop. BGL being market leader in Exports of Tractor Gears for European and American market suffered revenue loss.

Despite this, our strategic focus on diversifying the customer base resulted in significant value order acquisitions across all business segments in the fiscal year.

Our EBITDA stood at ₹ 2,716 Lakhs in FY 2023-24 against ₹ 5,475 Lakhs in FY 2022-23. The sharp drop in EBITDA resulted from decreased volumes, leading to under absorption of fixed costs. Your Company promptly reacted to this drop in demand by implementing significant cost reduction measures such as Plant shut down for a week, lower running of shifts and stopping all discretionary expenses.

Your Company has embarked upon a journey of rigorous efficiency improvement in all aspects, with an aim to further improve the bottom line, with the full impact of such actions to be realised in subsequent periods.

Strategic Priorities

In the dynamic landscape of the automotive industry, your Company continued to be a frontrunner, driving innovation and excellence. We sustained growth by expanding our capabilities, investing in cutting-edge technologies, ensuring cost efficiency and adapting industry trends.

Our commitment to customer-centricity propelled us to diversify our customer base across segments and regions, strengthening partnerships with key OEMs and expanding into emerging sectors like electric and hybrid vehicles.

Continuously reinforcing our technology leadership, we invested in new technologies such as bevel gear grinding and gear honing, setting new benchmarks, leveraging our technical expertise and robust R&D competency to handle complex product development with the latest technologies. Focussing on the next level of growth, we extended our innovation focus to aftermarket offerings, with plans to introduce new products in a phased manner while prioritising forward integration in Sub-assemblies business, enhancing our technical superiority and competitive advantage.

Our Capex investments were directed towards new technologies, quality enhancement and automation, particularly for investing in robotic lines for hybrid vehicles and advanced gear grinding technology.

We made significant strides in driving efficiency and sharpening our competitive edge by optimising costs, particularly focussing on variable costs and asset utilisation alongside revamping our order sourcing model. Furthermore, our commitment to quality led us to improve machine capability to support Built in Quality (BIQ) standards through retrofitting and refurbishing machines. Our focus on reducing manpower by eliminating machinery led to enhanced productivity and operational efficiency at all our plants.

With a keen focus on future trends such as EVs, we ventured into hybrid and EV segments, leveraging our technical expertise and market insight to sustain our leadership position and remain at the forefront of innovation in the automobile ecosystem.

Outlook

Despite potential challenges, I am thrilled to convey that the macroeconomic outlook appears promising.

Brimming with confidence, your Company eagerly anticipates the future, with vigour and optimism. Staying attuned to market dynamics and the Industry 4.0 agenda, we remain dedicated to powering progress and delivering cutting-edge sustainable clean mobility solutions. Our commitment to relentless innovation is evident in our robust next-generation product development, integration of new technologies, implementation of BIQ measures and expanding capabilities to drive operational efficiency and maintain market leadership. Furthermore, we are aggressively pursuing order acquisition across various segments for both domestic and global markets, aiming to expand our customer and market reach.

In conclusion, I extend my heartfelt gratitude to all shareholders, the Board, our management team, business partners, customers, employees and all other stakeholders for their unwavering support and trust in our capabilities to consistently deliver enduring value.

As we reaffirm our commitment to profitable growth, let's remain vigilant, agile and poised to seize opportunities in this dynamic landscape, towards a more sustainable future.

Warm regards,

Surinder Paul Kanwar
Chairman and Managing Director

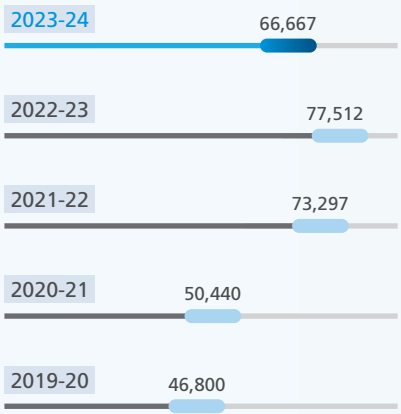
Financial Scorecard

In FY 2023-24, despite industry challenges impacting our revenues and EBITDA, our focus on diversifying the customer base led to significant value order acquisitions across all business segments.

PROFIT AND LOSS INDICATORS

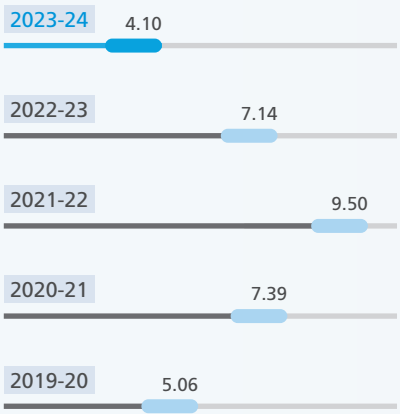
Total income

(₹ in Lakhs)



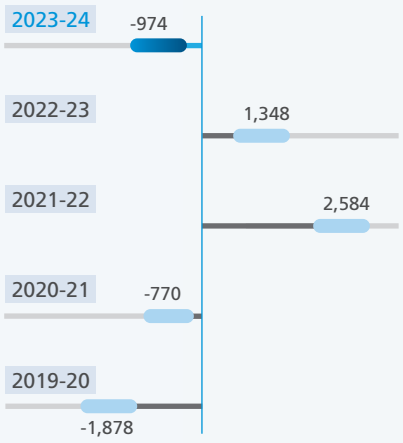
EBITDA margin

(%)



PAT

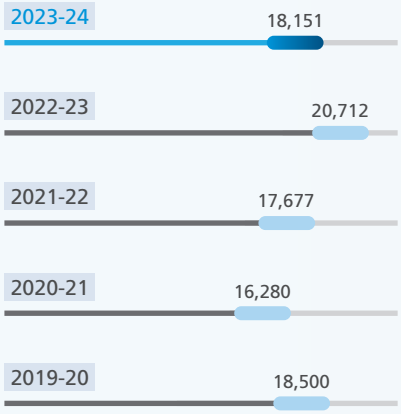
(₹ in Lakhs)



BALANCE SHEET INDICATORS

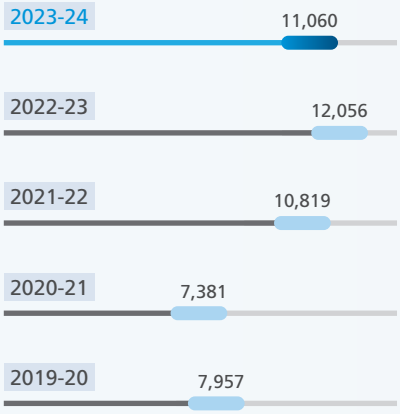
Capital employed

(₹ in Lakhs)



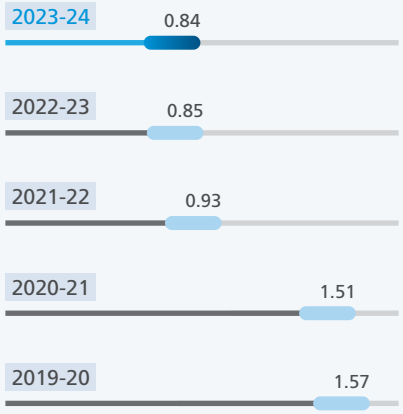
Net worth

(₹ in Lakhs)



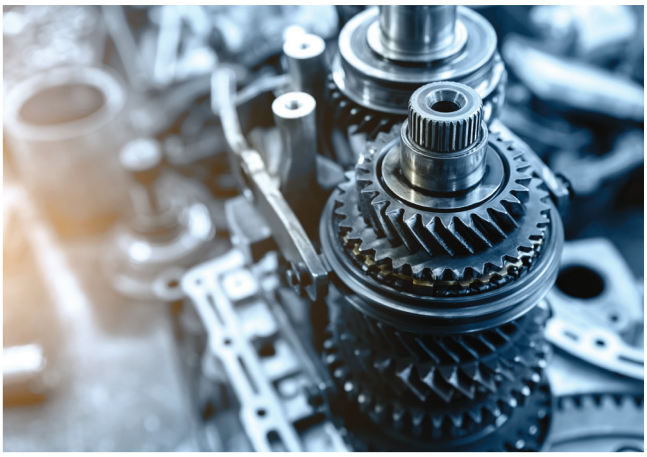
Debt equity ratio

(%)



Diversified Business Verticals

With our steadfast commitment to innovation, quality and customer satisfaction, we have developed a comprehensive portfolio across our three verticals. Additionally, we are diversifying our portfolio with investments in next-generation products.



Gears

We produce essential components for the fast-moving auto industry, including ring gears, pinions, transmission gears, shafts and differential gears. Leveraging our robust engineering and manufacturing capacities, we manufacture high-quality bevel gears and transmission gear products to meet the dynamic and evolving needs of the global automotive sector. As part of our long-term sustainable model for our sub-assemblies business, forward integration has become a top priority. Furthermore, we have ventured into Hybrid vehicle Gears and the EV segment to maintain our technology leadership, seize growing opportunities and build a sustainable ecosystem.

Furnaces

We have tied-up with technology giant AFC-Holcroft, Michigan (USA), to produce high-end batch and continuous heat-treating furnaces. Renowned for their quality, performance, operator-friendliness, and easy maintenance across Indian conditions, our furnaces have transitioned from captive usage to widespread commercial acceptance largely in automotive sector.





Automotive Components

We are the leading supplier of high performance products across various categories. These include automotive clutches and components, turbochargers and components, driveline products, axle shafts, fly-wheel assemblies and rings, propeller shaft components, U-cross, steering components, differential cages and steel wheel rims.

Driving Manufacturing Excellence

Throughout our 50+ years of operations, we have remained committed to investing in modern manufacturing infrastructure to cater to the evolving market demand and sustain our competitiveness. This dedicated focus has led to enhanced capabilities, operational excellence, cost efficiencies and delivery of superior quality products.

THREE WORLD-CLASS MANUFACTURING UNITS



Faridabad, Haryana

The plant covers a total area of approximately 10 acres

Products Manufactured

- Spiral & Hypoid Bevel Gears
- Transmission Gears

Quality Certifications

- IATF - 16949
- ISO - 9001:2015, 14001:2015 & 45001:2018



Mumbra, Thane, Maharashtra

In operation since 1972, the plant is spread across a total area of approximately 32 acres

Products Manufactured

- Spiral & Hypoid Bevel Gears
- Differential Gears & Crosses
- Transmission Gears

Quality Certifications

- IATF - 16949



Lonand, Satara, Maharashtra

The plant is spread across a total area of approximately 10 acres

Products Manufactured

- Transmission Gears

Quality Certifications

- IATF - 16949
- ISO - 14001:2015 & 45001:2018

KEY FOCUS AREAS

Capex Investment

Our Capex investment prioritised new technologies, quality and automation to enhance efficiencies and Built-in Quality (BIQ). We established a complete robotic line for manufacturing of gears for Hybrid vehicle production, right from raw materials to finished products. Additionally, we adopted Bevel Gear Grinding Technology, utilised by leading European and US OEMs, to optimise gear performance and strengthen manufacturing capabilities.

₹2,558 Lakhs

Total Capex investment in FY 2023-24

Enhanced Capabilities

In FY 2023-24, we pursued several initiatives to bolster our manufacturing capabilities. Significant machine condition improvements were undertaken to support the BIQ initiative across all plants. We focussed on improved lean work flow and optimisation of inventory levels. Our focus on layout enhancements and productivity improvements, including the adoption of multi-start hobs, yielded a 10%-15% enhancement across processes. Additionally, at our Mumbra plant, we reduced our manpower through machine elimination, underscoring our commitment to productivity enhancement. We also reduced the number of shifts at our plants without compromising our productivity levels.

OUTLOOK

In FY 2024-25, we will focus on streamlining process flow facilities with BIQ processes and lean manufacturing across all plants. Our future investments will prioritise technology leadership and scaling capacity to meet evolving customer demand. As pioneer in Bevel Gear grinding, we aim to expand our capacity to meet the rising demand in the export market, driven by orders on hand and numerous RFQs in the pipeline. Furthermore, we intend to invest in Gear Honing, a cutting-edge technology for EV and 2W gears.

45 machines

Refurbished across all plants to support the BIQ initiative

Cost Efficiency

Our team initiated a special drive, aided by external consultants, to enhance procurement cost efficiency through various cost optimisation measures. It led to improved procurement processes and the identification of areas for further enhancement. Moreover, significant savings were achieved through material and variable cost-reduction strategies. Potential plans to implement additional actions swiftly in the upcoming financial period were identified.

Safety

Maintaining our focus on safety at our locations, we conduct regular reviews of unsafe conditions and acts. Additionally, elimination of all possibilities of accidents through identification and actions on near-misses were prioritised.

0

Accidents reported across our plants (Mumbra, Faridabad and Lonand)

Robust Market Reach

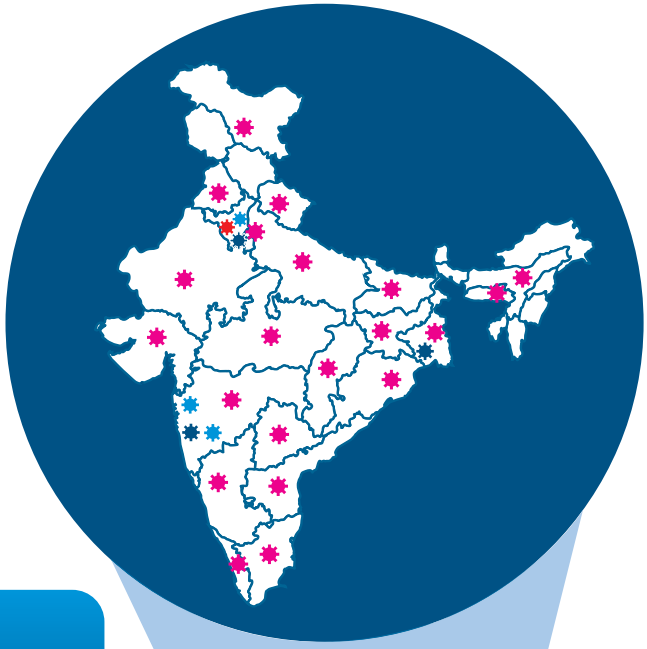
Our strong market network reflects our commitment to acquire new customers, innovating solutions and surpassing milestones. We prioritise customer-centricity, fortifying relationships and key initiatives to expand geographically and diversify our customer base, to bolster our market reach.

Upholding our brand promise, our robust dealer network also plays a crucial role in the value chain by understanding and meeting customer expectations.



OUR GLOBAL PRESENCE

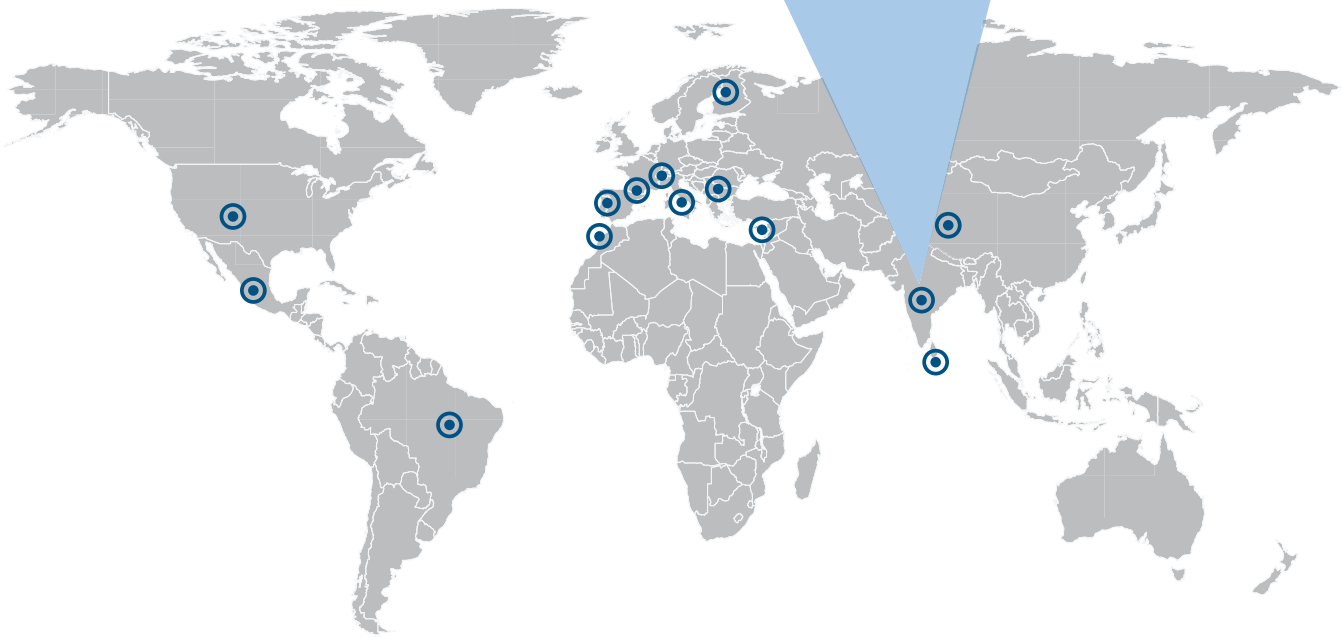
- **Registered Office:** Faridabad, Haryana
- **Manufacturing Units:** Faridabad (Haryana), Mumbra (Maharashtra), Lonand (Maharashtra)
- **India Sales Offices:** Delhi, Mumbai, Kolkata
- **BGL Dealer Network**



70 BGL Dealers across

21 States, pan India

3 Sales Offices in Delhi, Mumbai and Kolkata



Map not to scale. For Illustrative purpose only.

OUR GLOBAL PRESENCE

- India
- USA
- UK
- Germany
- Brazil
- Mexico
- China
- Hungary
- France
- Spain
- Turkey
- Italy
- Finland
- Sri Lanka

Cultivating Long-Term Partnerships

At BGL, we firmly believe that collaborating with our customers as partners has been integral to our growth over the years. This approach has enabled us to grow alongside our customers, fostering trust and mutual progress.

The BGL brand is synonymous with customer satisfaction by offering innovative and cost-effective gears, furnaces and automotive components, supported by efficient delivery systems. Our focus on offering quality and customised products has helped us build a delighted and diversified customer base, that includes prominent industry players.

DIVERSIFIED CLIENTELE

Gears Business

Since 1971, we have forged partnerships with major corporations in the tractors, utility vehicles, commercial vehicles, and construction equipment industries. Maintaining our focus on quality and customer satisfaction, we retained most of our clients and acquired 2 new clients to our list during FY 2023-24.

Action Construction Equipment Ltd.	Ashok Leyland Limited	BRP-ROTAX	Carraro India and Global	CLAAS India and Global
CNH Industrial India Pvt Ltd	Dana India and Global	EATON India and Global	Escorts Kubota Limited	JCB India and Global
John Deere India and Global	KION India	LIEBHERR	Mahindra & Mahindra Ltd.	Paharpur Cooling Towers Ltd.
Parker USA	Schafer Driveline LLC USA	Schaeffler India	Sisu Axles	SML Isuzu Limited
Sonalika International	Tractors and Farm Equipment Ltd.	Transaxle Manufacturing of America	Turk Traktor	Toyota Kirloskar Auto Parts
Tuff Torq Corporation	VST Tillers Tractors Ltd.	Yanmar India	ZF India and Global	

Furnace Business

With our core strength in heat treatment technology, we serve customers through our expertise in design, erection and commissioning.

AAM India Manufacturing (American Axles)

Automotive Axles Limited

Automotive Axles Ltd.

Avdhoot Industries Ltd.

Mahindra & Mahindra Ltd.

National Engineering Industries

Timken India

Varroc

Mukand Bajaj

LEGACY OF SUCCESSFUL PARTNERSHIPS

BGL has a rich history of establishing thriving professional partnerships, valuing each alliance as pivotal to overall business success. We have successfully collaborated with top-notch global technology firms over the years. The success and longevity of these partnerships is attributed to the Company's commitment to deliver quality products with sincerity and a results-driven approach.

ZF AG Germany

Financial & Technical Partnership

Between 1985 and 2007, we enjoyed a successful partnership with ZF AG Germany (ZF) for technical and financial collaboration. ZF held a 26% equity stake in the Company during the period, facilitating the development and production of S5-24 Gear Box and ZF S6-36 Gears & Shafts.

AFC-Holcroft, USA

Technical Partnership

Since 1982, BGL has maintained a longstanding technical collaboration with AFC-Holcroft, USA.



Sustaining Growth with Enhanced Capabilities

With enhanced capabilities, advanced technology and cost efficiency, we navigated growth amidst challenges while broadening our reach and customer base. Pursuing innovation and excellence, maintaining technological leadership, and leveraging our key competencies, we are poised to seize the growing industry opportunities. This strategic approach sets the stage for long-term profitable growth while delivering enduring value to all stakeholders.



RISING MARKET POTENTIAL

During FY 2023-24, the Indian economy displayed robust growth backed by favourable government policies. India is the largest tractor manufacturer, the second-largest bus manufacturer and the third-largest heavy truck manufacturer worldwide. Ranked as the third-largest automobile market globally, the Indian automotive sector accounts for 40% of global R&D and 4.7% of India's exports, contributing 7.1% to India's GDP and employing 37 million people.

While the 2W, 3W, Passenger Vehicles and CV segments reported all-time high sales in FY 2023-24, the tractor segment saw a dip in demand mainly owing to the impact of erratic weather on agriculture produce. Focus on technological advancement and government initiatives for farmers like Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) among others will help to address such challenges and contribute to the segment's potential growth.

Moreover, the government's ongoing support to the automotive and auto components sectors through schemes such as The Production-Linked Incentive (PLI) Scheme and 'Make in India' initiative is aimed at augmenting manufacturing and export of automobiles in the coming years.



The improved PV/3W/CV market conditions bolstered our Company's market share in these segments. With renewed focus, we aim to strengthen our presence in the CV and PV industry. These tailwinds have also helped us to partially mitigate the adverse impact of the drop in the tractor segment. Additionally, our focus on aggressive order acquisition across segments both domestically and internationally, cost optimisation and technology upgrades helped us to address challenges successfully. Looking ahead, we prioritise robust new product development, BIQ and Industry 4.0 agenda to drive profitable growth and expand our scale and scope.

To mitigate future risks, we've intensified our efforts to diversify our customer base. While this might lead to marginal gains in next fiscal year. it's expected to yield significant benefits in the long term.



STRATEGIC PRIORITIES

Delighted and Diversified Customer Base

Focussing on diversifying our customer base, we have strengthened our relationships with existing clients by prioritising customer-centricity. Further, to mitigate future risks in the tractor business, we have intensified our efforts to diversify our customer base which is expected to yield significant benefits over the long term. Embracing a strategy of delighting and diversifying our customer base, we ventured into the domestic Hybrid car business and European leisure vehicle segment. We are exploring opportunities in military and windmill segments to capture market share in these segments. Through targeted customer engagement, aggressive order acquisition and strategic partnerships with leading OEMs, we are poised for sustained growth and expansion into new markets.

Maintaining Technology Leadership

We remain committed to technology leadership, exemplified by advancements in Bevel Gear Grinding and Gear Honing. Our technical proficiency supported by robust R&D efforts across Bevel, Transmission and Differential Gears has helped us stay ahead of the competition. Our focus on rapid technology absorption ensures readiness to serve the EV segment, meeting both domestic and export demand for premium vehicles with quality products at the right price. Understanding the EV market trend, aided by government focus led to successfully acquiring Hybrid and EV vehicle business and mastering Hypoflex technology for noiseless and efficient motion transfer. With ongoing investments in technology and automation, we maintain our leadership position by delivering cutting-edge products and optimising our operations for sustained growth.

Cost Optimisation

We strategically prioritised cost optimisation, especially focussing on reducing material costs, largest component of our cost. Engaging a top consulting firm, we conducted a thorough analysis and implemented measures to enhance cost efficiency.

Key initiatives like reducing vendor charges through machine refurbishment and optimising asset utilisation were undertaken. These efforts align with our goal of boosting competitiveness and securing competitive suppliers through a revamped ordering system.

Nurturing Community Development

Embedded in our corporate culture is a steadfast commitment to supporting underprivileged communities and environmental preservation. By regularly undertaking various CSR initiatives, we strive to build a holistic and sustainable ecosystem, fostering mutual progress for all.









KEY CSR INITIATIVES IN FY 2023-24

Empowering Education

Prioritising children's education, we provided funds to Akhil Deobag Vikas Mandal, Mumbai, for repairing the school building and purchasing necessary items for Dr. Datta Samant English School, Deobag. Additionally, we supported Myra Foundation, Faridabad, to provide education to underprivileged children.

Caring for Children with Special Needs and Disability

We supported The Association of Parents of Mentally Retarded Children (Adhar), which provides lifetime care, training, treatment, and rehabilitation to special children. Additionally, we assisted "Aaddit Charitable Trust", which supports individuals with Autism and related disabilities through various programmes.

Distribution of Foodgrains

We distributed foodgrains, including wheat, flour, rice and pulses to Robin Hood Army, Faridabad, to be distributed to needy people in local areas.

Women Empowerment

A contribution was made to Sarvam Foundation towards women empowerment initiatives during the fiscal year.

₹17 Lakhs

Total CSR spend in FY 2023-24









Awards & Accolades

Recognised with prominent awards and accolades for our unwavering commitment to innovation and excellence, driving growth and delivering long-term stakeholder value.



Eaton Corporation - Premier Supplier Award





Escorts Kubota Limited - Best Delivery





Escorts Kubota Limited - Association of more than 50 years





Mahindra Swaraj - Special appreciation award (New Product Development)





JD Group - Supplier of the year





JD Group - Partner-level achievement (Highest Rating/Score)



Seasoned Leadership

BOARD OF DIRECTORS



Mr. Surinder Paul Kanwar
Chairman & Managing Director



Mr. Sameer Kanwar
Joint Managing Director



Mr. Virendra Kumar Pargal
Non-Executive Independent Director



Mr. Wolfgang Rudolf Schilha
Non-Executive Independent Director



Mr. Nagar Venkatraman Srinivasan
Non-Executive Director



Mr. Rakesh Chopra
Non-Executive Independent Director



Ms. Hiroo Suresh Advani
Non-Executive Independent Director



Mr. Raman Nanda
Non-Executive Independent Director

EXECUTIVE LEADERSHIP TEAM



Mr. Hitendra Mishra
Chief Executive Officer
(w.e.f. 01 January, 2024)



Mr. Jagdeep Singh
Business Head – After Market



Mr. Naresh Verma
Corporate Business Head



Mr. Milind Pujari
Chief Financial Officer



Mr. Prashant Khattry
Corporate Head - Legal &
Company Secretary



Mr. Kiran Rai
Process Leader - OE Marketing &
Business Development

Guided by strategic leadership, we adopt stringent governance practices and policies, to drive overall business excellence, propelling the Company towards profitable growth and enhanced visibility.

Corporate Information

BOARD OF DIRECTORS

Executive Directors
Mr. Surinder Paul Kanwar
Chairman & Managing Director

Mr. Sameer Kanwar
Joint Managing Director

Non-Executive Director
Mr. Nagar Venkatraman Srinivasan

Independent Directors
Mr. Wolfgang Rudolf Schilha
Mr. Rakesh Chopra
Mr. Virendra Kumar Pargal
Ms. Hiroo Suresh Advani
Mr. Raman Nanda

Audit Committee
Mr. Rakesh Chopra, Chairman
Mr. Virendra Kumar Pargal
Ms. Hiroo Suresh Advani

Stakeholders' Relationship Committee
Mr. Rakesh Chopra, Chairman
Mr. Surinder Paul Kanwar
Mr. Sameer Kanwar
Mr. Nagar Venkatraman Srinivasan

Nomination & Remuneration Committee
Mr. Virendra Kumar Pargal, Chairman
Mr. Rakesh Chopra
Mr. Wolfgang Rudolf Schilha
Mr. Surinder Paul Kanwar

Corporate Social Responsibility Committee
Mr. Surinder Paul Kanwar, Chairman
Mr. Sameer Kanwar
Mr. Rakesh Chopra

Finance Committee
Mr. Rakesh Chopra, Chairman
Mr. Surinder Paul Kanwar
Mr. Sameer Kanwar
Mr. Virendra Kumar Pargal

Auditors
Deloitte Haskins & Sells LLP
One International Center, Tower 3,
32nd Floor, Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai - 400013, Maharashtra

Bankers
State Bank of India
IDBI Bank Limited

NBFC
Aditya Birla Finance Limited
Tata Capital Limited

Registrar & Transfer Agent
Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2,
C-1 Block LSC,
Near Savitri Market, Janakpuri,
New Delhi - 110 058

Plant Locations
Kausa Shil, Mumbra,
District Thane - 400 612, Maharashtra

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

Lonand, Taluka Khandala,
District Satara - 415 521, Maharashtra

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

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

Branch Office
1009, Surya Kiran Building,
19, Kasturba Gandhi Marg,
New Delhi - 110 001

G-6, 1, Crooked Lane,
Kolkata - 700 069

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economy

After turbulent couple of years characterised by the COVID-19 pandemic and major disruptions to economic activity, the global economy started to recover. According to the International Monetary Fund (IMF), the global economy grew by 3.2% in 2023.

However, during CY 2023, the overall global economy has also confronted various challenges which include the rising costs of living and an unfavourable business environment. The rising inflation was led by geo-political disruption between Russia and Ukraine which has led to food shortage and supply chain disruption. Further, the Israel-Hamas tension has enhanced the geo-political uncertainty as well as trade disruptions across economies. The major global central banks played a critical role in navigating these challenges. However, their efforts to curb inflation through interest rate hikes slowed economic activity in the major developed markets.

The prolonged tighter monetary policy and higher-for-longer interest rates have led to a faster decline in inflation than expected. Global inflation has declined from 8.7% in 2022 to 6.8% in 2023, with further contraction forecasted to be at 5.9% in 2024. With cooling of inflation and steady growth, likelihood of a hard landing have receded, and risks to global growth are broadly balanced. Moreover, the decrease in inflation could prompt the easing of monetary policy.

The global economy has remained positive as the monetary policy focussed on moderating inflation while stabilising financial markets. Fiscal policy is a potential tool to boost economic growth. Also, the pressure on global supply chains has eased significantly in recent months, while shipping costs have dropped too. Consumer demand is also expected to pick up this year, with excess savings.

Despite the resilience of the labour market and the improving inflation conditions, it is expected that global economic growth to be relatively modest over the next two years. The IMF has estimated a growth rate of 3.2% for both 2024 and 2025. The increased structural reforms could boost productivity and improve the positive cross-border effects. However, persistent geopolitical tensions pose a risk to the overall economic outlook. Moreover, new spikes in commodity prices resulting from geopolitical shocks, such as ongoing attacks in the Red Sea, could disrupt growth. These factors highlight the delicate balance in the global economy despite its positive trajectory.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024, https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2023/03/kpmg-global-economic-outlook-h1-2023-report.pdf)

INDIAN ECONOMY

In the vast landscape of global economies, India stands out with its meteoric rise and unwavering determination to reach new heights by becoming the fifth-largest economy. India has defied global economic challenges and remained amongst the world's fastest-growing major economies for the past two years, despite pressures from global recession, inflation, and supply chain disruption.

According to the Provisional Estimates of Annual GDP for 2023-24, the Indian economy has clocked a growth rate of 8.2% in FY 2023-24 compared to a growth rate of 7% in the previous financial year. The construction and manufacturing sectors are the primary drivers of growth. The construction sector is expected to achieve a double-digit growth rate of 10.7%, while the manufacturing sector is forecasted to grow at 8.5%. This economic success has been driven by several key reforms, including robust domestic demand, moderate inflation, a substantial influx of FDI, and supportive government policies.

Growth Projection by Region

Region	2023	2024	2025
World	3.2%	3.2%	3.2%
United States	2.5%	2.7%	1.9%
Euro Area	0.4%	0.8%	1.5%
Middle East and Central Asia	2.0%	2.8%	4.2%
Emerging and Developing Asia	5.6%	5.2%	4.9%
Latin America and the Caribbean	2.3%	2.0%	2.5%
Sub Saharan Region	3.4%	3.8%	4.0%

The Index of Industrial Production (IIP) indicates that India's industrial output grew by 5.8% in FY 2023-24, compared to 5.2% in the previous financial year. Moreover, GST collections have surged, reaching an all-time high with a growth rate of 11.7% year-on-year, totalling ₹ 20.18 Lakh Crore during FY 2023-24. This upward trend in both IIP data and GST collections signifies broad-based economic growth, indicating that multiple sectors are experiencing robust activity and contributing to the overall health of the economy.

One of the major challenges throughout the year was high inflation rates. In response, the RBI has kept repo rates unchanged at 6.5% for the seventh consecutive policy review to address this issue, successfully keeping the inflation rate within the tolerance band. Moreover, the continued underperformance of the agriculture and allied sectors remains a concern for the economy. The gross value added (GVA) growth in these sectors contracted by 0.8% in the December quarter. Additionally, the farm and related sectors are projected to grow by only 0.7% in FY 2023-24, which would be the slowest expansion in eight years.

In the near future, key downside risks for the Indian economy include geopolitical tensions, inflationary pressures in advanced countries, and ongoing supply chain disruptions. Despite these macroeconomic challenges, the Indian economy is expected to remain resilient, with the IMF forecasting India's growth rate of 6.8% for 2024 and 6.5% for 2025. To support this growth trajectory, the Indian government has increased capital expenditure by allocating ₹ 11.11 trillion for developing infrastructure projects in FY 2024-25. The government has implemented several measures to stimulate the economy, including the PLI scheme, simplified policies to enhance trade and investment, increased FDI limits, and improved infrastructure.

Sources: https://pib.gov.in/PressReleasePage.aspx?PRID=2010223#:~:text=4.-,Real%20GDP%20or%20GDP%20at%20constant%20(2011%2D12)%20prices,per%20cent%20during%202021%2D22.

https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1992123

https://economictimes.indiatimes.com/news/economy/policy/rbi-keeps-rates-unchanged-for-sixth-time-in-a-row/ articleshow/107538882.cms?from=mdr

https://www.mospi.gov.in/sites/default/files/press_release/IIP_PR_12feb24.pdf

INDUSTRY OVERVIEW

Global Tractor Industry

The global tractor market is segmented based on power output, drive type, application, and region. In terms of power output, the market is categorised into four segments: less than 30 HP, 30-50 HP, 50-100 HP, and more than 100 HP. The 30-50 HP segment currently dominates the market. While in the drive type, the market is bifurcated into 2-wheel drive and 4-wheel drive, with the 2-wheel drive segment holding the majority share.

The global tractor market reached a size of USD 77.79 billion in 2023. Tractors play a crucial role in modernising agricultural practices, boosting productivity, and meeting the needs of a growing global population. Recent years have seen significant shifts in consumer preferences and demands in the global tractor market, driven by technological advancements, increased mechanisation in agriculture, and a rising demand for efficient farm equipment. The integration of smart technologies like GPS, precision farming, and automation is driving optimised farm operations, representing major trends in the industry.

Government's initiatives and subsidies aimed at promoting farm mechanisation also contribute significantly. The increasing trend of farm consolidation and the need for larger, more powerful tractors further stimulate market growth. Additionally, many governments are implementing initiatives to promote electric farm tractors which will focus on sustainability and environmental concerns and help to reduce emissions and labour costs.

It is estimated that the global tractor market is poised to grow from USD 77.79 billion in 2023 to USD 119.56 billion by 2031, growing at a CAGR of 5.52%. Asia-Pacific and Latin America are emerging markets experiencing a surge in tractor demand due to ongoing agricultural expansion and modernisation efforts. Moreover, sustainability and environmental considerations are influencing the development of eco-friendly and energy-efficient tractor models.

Source: https://www.skyquestt.com/report/tractor-market#:~:text=Global%20Tractor%20Market%20Insights,period%20(2024%2D2031)

INDIAN TRACTOR INDUSTRY

The tractor market in India has been a significant contributor to the country's agricultural sector and is the largest tractor manufacturer across the globe. Tractors play a crucial role in mechanising agriculture and improving productivity for farmers. The Indian Tractor Market was valued at USD 1,935.72 million in 2023, according to a report by BlueWave Consulting, a market research firm. Also, in the Indian market, two-wheel drive tractors are observed to be more prevalent than four-wheel drive tractors.

In FY 2023-24, tractor sales stood at 8,67,237 units excluding exports, showcasing a contraction of 8.26%, as 9,45,311 units were sold excluding exports during the previous financial year. This drop was primarily due to erratic weather, including an uneven monsoon and insufficient rainfall, which negatively impacted agricultural output and farm income. Consequently, many farmers postponed or cancelled their tractor purchase plans. Diminished reservoir levels, down 18% from the previous year and 5% below the decadal average according to the Central Water Commission, further contributed to the prevailing uncertainty.

In the upcoming years, continuous technological advancements and robust support from both Central and State Governments for farm mechanisation is expected to bolster market growth. Additionally, policies promoting transformation, innovative financing mechanisms and awareness campaigns will foster a more efficient, sustainable, and inclusive tractor industry in India. These developments will benefit farmers and the entire agricultural ecosystem.

Factors Driving the Indian Tractor Market

- The burgeoning need for enhanced food production propels the thriving Indian Tractor Market. Fuelled by factors like increased Kharif sowing, favourable cash flows, and timely monsoons
- Direct financial assistance to 11.8 Crore farmers, under PM-Kisan Samman Yojana
- The Indian government has launched various initiatives for the farmers like Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), Pradhan Mantri Kisan MaanDhan Yojana (PM-KMY). The launch of the Agriculture Infrastructure Fund (AIF) and many others have also contributed to the growth
- Rise in demand for mechanisation in the logistics and agriculture industry

The Indian tractor market will stand at USD 2,676.82 million by 2030, growing at a CAGR of 5.55%. The government's encouraging policies, plethora of purchase-easing schemes by OEMs/dealers, banks' provision of low-interest loans, and other factors will contribute to this sector's growth.

The tractor industry in India plays a vital role in transforming Indian agriculture, but it encounters several challenges that need to be addressed. By focussing on factors such as landholding fragmentation, affordability, technology adoption, infrastructure, decreasing groundwater levels, and environmental concerns, stakeholders can work collaboratively to overcome these hurdles.

Source: https://startuptalky.com/india-tractor-industry-future/
https://www.tmaindia.in/consolidated-monthly-reports-2023.php
https://pib.gov.in/PressReleasePage.aspx?PRID=2001113
https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2002012
https://www.investindia.gov.in/sector/automobile#:~:text=India%20is%20the%20world's%20third,Apr%202021%20to%20Mar%202022.

CONSTRUCTION EQUIPMENT INDUSTRY

Global Construction Equipment Industry

Construction equipment refers to heavy machinery that performs specific construction or demolition functions. This equipment is transportable, semi-permanent, or permanent and is primarily used for earthmoving, lifting containers or materials, drilling holes in the earth or rock, and concrete and paving applications. It is also used in other applications such as infrastructure, residential, commercial, and industrial buildings. The global construction equipment market worldwide size is valued at USD 207.14 billion in 2023. Asia remains the key market for construction equipment with a market share of 43.8% of the global revenue in 2023, though the demand is also substantial in North America and Europe.

The market is primarily fuelled by urban development, infrastructure growth, and mining projects. Opportunities are arising from the integration of telematics and the launch of electric and autonomous construction equipment. New product launches and partnerships with rental service providers are also set to provide lucrative prospects for market players in the upcoming years. The increasing trend towards electrification and advancements in new product launches will shape the construction equipment market.

Moving forward, the market is projected to reach USD 364 billion by 2030, with a CAGR of 8.4% from 2024 to 2030. The U.S. market is expected to grow at a CAGR of 7.1%, while the European and Australian market is forecasted to expand at a rate of 8.7% and 6.1%. Technological advancements in construction equipment are poised to play a significant role, driven by the increasing demand for automation. Manufacturers are developing wireless and autonomous machinery that utilises radio waves for communication, instruction reception, and condition reporting. This development will enhance production efficiency, reduce unplanned maintenance, and improve safety standards.

Source: https://www.marketsandmarkets.com/Market-Reports/construction-mining-equipment-market-179948937.html
https://www.grandviewresearch.com/industry-analysis/construction-equipment-market-analysis

INDIAN CONSTRUCTION EQUIPMENT INDUSTRY

India is the third-largest market for construction equipment after the US and China. India's Construction Equipment Market size is estimated at USD 7.30 billion in 2024. During FY 2023-24, the Indian construction equipment industry has showcased a double-digit growth of 26% and stands at 1,35,650 units. This growth was led by an improvement in road construction infrastructure and an increasing urbanisation rate. Higher investment to boost infrastructure activities served as the major determinant for the growth of construction equipment in India.

In the Union budget of 2024-25, the government has increased the capital allocation of infrastructure by 11.11% to ₹ 11.11 trillion for capex, constituting 3.4% of the GDP. This will provide a great boost to the industry. Further, the National Infrastructure Pipeline (NIP) initiative has been extended to 9,641 projects, with a total project cost of USD 2,000.95 billion during FY 2020-25. Moreover, the PM Gati Shakti Master Plan aims to integrate roads, railways, aviation, urban, and logistics infrastructure to enhance multi-modal connectivity. As part of the BharatMala

Pariyojana, the government's objective is to construct 65,000 km of national and economic corridors, border and coastal roads, and expressways to improve the efficiency of the existing highway infrastructure. These investments in infrastructure and capital allocation will drive the demand for the Indian construction equipment industry.

India Construction Equipment Market

(Market Size in USD Billion)
CAGR 8.30%



Source: Mordor Intelligence

The construction industry is facing some inflationary pressure which may dent the growth. However, RBI's stance of maintaining a higher interest rate has brought inflation to the tolerance band. The outlook for Indian construction and equipment market is looking positive as it is estimated to reach USD 10.90 billion by 2029, growing at a CAGR of 8.30%.

Source: https://www.mordorintelligence.com/industry-reports/india-construction-equipment-market

https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/construction-in-top-gear-equipment-sales-eye-new-highs/articleshow/106114037.cms?from=mdr

https://economictimes.indiatimes.com/industry/services/property-/-cstruction/construction-equipment-sales-rise-30-pc-to-36055-units-in-q3-of-fy24-icema/articleshow/107266312.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

https://indiainvestmentgrid.gov.in/index.jsp

https://www.india.gov.in/spotlight/pm-gati-shakti-national-master-plan-multi-modal-connectivity

AUTOMOBILE INDUSTRY

Global Automobile Industry

The global automotive market size was estimated at USD 29.09 billion in 2023, while the Asia-Pacific automotive market size was valued at USD 12.52 billion in 2023. In terms of geography, the Asia-Pacific region has become the largest market due to growing demand for higher engine performance and rapidly increasing disposable incomes. Europe has also experienced significant growth over the years, attributed to rising demand for advanced facilities. While, North America has emerged as a significant market for automotive vehicles, fuelled by increasing demand for advanced technologies and vehicles among consumers.

In 2023, global automotive sales showed strong momentum, with combined sales of passenger vehicles and commercial vehicles growing by 12.3% year-on-year from 2022. The passenger vehicle segment dominated car sales, accounting for over 60% of the market share. This growth demonstrates the resilience of the automobile industry, despite facing challenges such as geopolitical tensions causing disruptions in the automotive supply chain, leading to increased costs of auto components and raw materials. Additionally, manufacturers are grappling with new environmental regulations in various countries, which require compliance with stringent CO_2 emissions standards.

The electric vehicle (EV) segment saw robust growth of 30-35% in 2023, driven by increasing preference for clean transportation and government incentives. However, growth is expected to moderate in 2024 due to reduced government incentives in key markets and heightened competition. Electrification of commercial vehicles face challenges like range limitations, insufficient charging infrastructure, and performance concerns.

The rapid acceptance of technological development in the automotive sector has boosted the demand for better performance. This, coupled with the rapidly increasing demand for advanced features in high-end vehicles, has emerged as a major growth factor. It is estimated that the global automotive industry will reach around USD 42.86 billion by 2032, with a CAGR of 4.4%.

Source: https://www.rsm.global/insights/finding-opportunity-change/geopolitical-shifts-and-pressures-automotive-industry

https://www.precedenceresearch.com/automotive-motors-market#:~:text=The%20global%20automotive%20motors%20market%20size%20was%20accounted%20at%20USD,4.4%25%20from%202023%20to%202032.

https://www.marketsandmarkets.com/Market-Reports/global-automotive-industry-outlook-77960341.html#:~:text=%5B74%20Pages%20Report%5D%20The%20Global,3.1%25%20during%20the%20forecast%20period.

Indian Automobile Industry

India ranks as the world's third-largest automobile market, with the sector contributing 7.1% to India's GDP and employing 37 million people. Moreover, the industry accounts for 4.7% of share in India's exports and 40% of share in global R&D. India holds a robust position in the global heavy vehicle market, serving as the largest tractor manufacturer, the second-largest bus manufacturer, and the third-largest heavy truck manufacturer worldwide.

In FY 2023-24, total automobile production increased to 28.43 million units, with domestic sales reaching 23.85 million units. The Passenger Vehicles (PV) and Commercial Vehicles (CV) segments recorded robust volume growth of 8.45% and 0.56%, respectively, during the financial year, with PV sales reaching 42,18,746 units and CV sales reaching 9,67,878 units. This growth was driven by India's expanding middle class, rising disposable incomes, changing consumer preferences, and improved infrastructure availability.

The Indian government is providing ongoing support to the automotive and auto components sectors. The Production-Linked Incentive (PLI) Scheme has been successful in attracting a proposed investment of ₹ 67,690 Crore against the target estimate investment of ₹ 42,500 Crore over a period of five years.

Furthermore, the government has implemented proactive measures, including initiatives like 'Make in India', the Foreign Trade Policy (FTP), and schemes such as the Advance Authorisation and Export Promotion Capital Goods Scheme. These efforts are aimed at boosting the manufacturing and export of automobiles.

One of the key drivers of the Indian automobile industry is the adoption of electric vehicles (EVs). Registrations have surged from 1.25 Lakh units in 2020 to 10.25 Lakh units in 2023. This significant change was also highlighted in the FY 2022-23 Economic Survey in which the government set ambitious goals for the Indian EV market. It projects a robust 49% CAGR from 2022 to 2030, aiming to achieve annual EV sales of one Crore units by 2030.

ICRA anticipates steady demand in the automotive industry in the near term, with growth levels across segments expected to vary in FY 2024-25 largely due to differing base levels. While volumes in the two-wheeler, passenger vehicle, and three-wheeler segments are expected to continue trending upward, supported by favourable demand drivers, the commercial vehicle industry is expected to see stable volumes. The higher input cost, soaring fuel prices, higher interest rates, and inflation rate remain key downside risks for the industry.

Source: https://auto.economictimes.indiatimes.com/news/auto-components/automotive-sector-growth-momentum-to-moderate-in-fy25-icra/107374815

https://auto.economictimes.indiatimes.com/news/industry/understanding-why-india-is-witnessing-rapid-ev-adoption/105125958

https://www.investindia.gov.in/sector/automobile

COMPANY OVERVIEW

Established in 1971, Bharat Gears Limited (BGL) is renowned as one of India's top gear manufacturer and stands out as a key global supplier of automotive gears. Our Company has established a strong presence in various geographical

AUTOMOBILE PRODUCTION TREND

Category	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Passenger Vehicles	40,28,471	34,24,564	30,62,280	36,50,698	45,87,116	49,01,844
Commercial Vehicles	11,12,405	7,56,725	6,24,939	8,05,527	10,35,626	10,66,429
Three-Wheelers	12,68,833	11,32,982	6,14,613	7,58,669	8,55,696	9,92,936
Two-Wheelers	2,44,99,777	2,10,32,927	1,83,49,941	1,78,21,111	1,94,59,009	2,14,68,527
Quadricycles	5,388	6,095	3,836	4,061	2,897	5,006
Tractors	8,98,052	7,77,752	9,65,231	9,61,100	10,71,310	9,47,143
Grand Total	**3,18,12,926**	**2,71,31,045**	**2,36,20,840**	**2,40,01,166**	**2,70,11,654**	**2,93,81,885**

AUTOMOBILE DOMESTIC SALES TREND

Category	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Passenger Vehicles	33,77,389	27,73,519	27,11,457	30,69,523	38,90,114	42,18,746
Commercial Vehicles	10,07,311	7,17,593	5,68,559	7,16,566	9,62,468	9,67,878
Three-Wheelers	7,01,005	6,37,065	2,19,446	2,61,385	4,88,768	6,91,749
Two-Wheelers	2,11,79,847	1,74,16,432	1,51,20,783	1,35,70,008	1,58,62,087	1,79,74,365
Quadricycles	627	942	(12)	124	725	725
Tractors	7,80,032	7,05,011	8,99,407	8,42,266	9,45,311	8,67,237
Grand Total	**2,70,46,211**	**2,22,50,562**	**1,95,19,640**	**1,84,59,872**	**2,21,49,473**	**2,47,20,700**

regions, including North America, Europe, and Asia. We are known for our relentless customer-focussed strategies, consistent value addition, and commitment to excellence and superior technology.

Our Company has an extensive product portfolio comprising Ring Gears and Pinions, Transmission Gears and Shafts, Differential Gears, sub-assemblies covering automotive, agriculture, construction, utilities & EVs, and many others. We are catering these varied products through our 3 state-of-the-art manufacturing facilities located at Mumbra near Mumbai, Faridabad near New Delhi, the capital of India, and Lonand near Pune.

Being one of the major players in complex gear requirements, we serve leading OEMs on a global level which includes John Deere, Eaton, Carraro, Escorts Kubota, Dana, CNH, JCB, Toyota, Parker, M&M, and several others. We serve our clients through three business divisions:

Business Divisions

Gears

The Company produces a diverse array of gear and transmission technologies, including ring gears, pinions, transmission gears, shafts, differential gears, and sub-assemblies, primarily for automotive applications. BGL supplies these components to major OEMs in India and abroad for various automobile segments, including heavy, medium, and light trucks, tractors, utility vehicles, construction equipment, and off-highway vehicles.

Automotive Components

Bharat Gears Limited provides a comprehensive range of automotive components in addition to gears. These include automotive clutch and components, turbochargers and components, driveline products, axle shafts, flywheel assemblies and rings, propeller shaft components, U-joints, steering components, differential cages, steel wheel rims, and more.

Heat-Treating Furnaces

The Furnace division of the Company manufactures reliable batch and continuous heat-treating furnaces based on the designs of AFC-HOLCROFT, USA. These furnaces are equipped with end-to-end capabilities, feature an operator-friendly design, and offer hassle-free and economical maintenance suitable for Indian conditions.

Industry Segments

The Company's customer base can be broadly categorised into the following four industry segments:

Agricultural Machinery: Tractors are the primary product line under the segment. While Agriculture Machinery generates the highest share of revenue.

Automotive: Engineering goods for medium and heavy commercial vehicles, such as heavy, medium, and light trucks, utility vehicles, and off-highway vehicles, are provided by the Company.

Construction Equipment: BGL serves multiple sectors with its product lines, which include earth-moving equipment, material handling equipment, and road construction equipment.

Others: The Company's products find applications in various sectors requiring engineering goods, such as windmills, oil drilling, hydraulics, cooling towers, and material handling systems.

BUSINESS (PLANTS) OPERATIONS

BGL operates manufacturing facilities at three locations: two in Maharashtra (Mumbra and Lonand) and one in Haryana (Faridabad). All three plants are IATF certified, ensuring high standards of quality and efficiency. The Faridabad and Lonand plants have ISO 14001:2015 and ISO 45000:2018 certifications. The Mumbra plant is the oldest among them and specialises in producing bevel, transmission, and differential gears. While the Lonand

GEAR SALES BREAK-UP OF THE COMPANY

FY 2022-23

Agricultural Machinery	Construction Equipment	Commercial Vehicle	Others
63%	10%	15%	12%

FY 2023-24

Agricultural Machinery	Construction Equipment	Commercial Vehicle	Others
64%	13%	15%	08%

plant manufactures transmission gears and the Faridabad Plant manufactures Bevel and Transmission gears. We consistently invest in upgrading our manufacturing plants with the latest technology.

The Company has gained international recognition for its commitment to quality and technological advancements. BGL has continually upgraded its manufacturing facilities with the latest technology and implements industry best practices such as Kaizen, Total Quality Management (TQM), 5S Systems, autonomous maintenance, and visual management at all plants. Safety is a top priority at BGL, reflected in its impressive safety record.

Key Focus Areas

Production and Manufacturing Excellence:

Maintaining its market leadership, BGL continuously enhances productivity and efficiency. The Company focusses on optimising quality and productivity by reducing cycle times, eliminating waste in labour and material movement, investing in improved and faster machines, upgrading existing machines with new technology, implementing automation, and adjusting labour allocation. BGL also optimises preventive and corrective maintenance processes to maximise machine efficiency and productivity. Further, the Company has successfully implemented multi-machine layouts in the gear-cutting section and the grinding section.

At the Mumbra Plant, the Company has focussed on enhancing its manufacturing capabilities by adding partially refurbished machines. During the second half of the financial year, BGL experienced a demand drop for its products. To address this challenge, the Company implemented various measures to reduce variable costs. These initiatives included reducing overtime, extending break durations for contract labour, working for reduced number of shifts, and reducing manpower, as well as lowering consumption and inventory. Additionally, the Company removed old & surplus machines in the last quarter of the financial year, which will save costs on power and hydraulic oil consumption in the coming year.

To enhance production efficiency at the Faridabad plant, BGL has refurbished numerous equipment and machinery. Additionally, the Company has increased its production capacity by 20% through integrating the Escorts and PTL hard cells into its operations. Furthermore, BGL has focussed on manpower savings by optimising the layout of machines, such as the hobber and shaver.

To counter the drop in demand and reduce variable costs, the plant has implemented robust inventory and manpower management strategies. Also, the plant had a planned shutdown during December, 2023 for a week.

Bharat Gears Limited has enhanced its production efficiency at its Lonand Plant by reorganising equipment in cells and the Toyota line, introducing 5-star and 7-star grinding wheels and replacing gear grinding fixtures with collet-type or hydraulic fixtures. The Company has increased cutting velocity from 50 m/s to 60 m/s which has boosted gear grinding capacity. During the year, BGL has also improved its productivity by adopting cluster cycles and carbide fixtures, resulting in better throughput in finishing operations, thereby reducing handling time, rejections, and also saving manpower for the Company.

Built In Quality:

The Company is committed to enhance quality for long-term success through customer satisfaction. Every employee at BGL values 'Quality' and actively participates in improving processes, products, services, and the overall culture. Bharat Gears implements various quality methodologies, some of which as detailed below have shown impressive results in the reported financial year.

- Partial reconditioning of machines such as Broaching and CNC Hard turning was undertaken in the Mumbra Plant to eliminate various quality issues. Modifications were made to both vertical and horizontal welding machines to improve welding quality. Further, new versions of PLCs and new power sources were installed on the machines, and water-based solutions were introduced for better cleaning operations.
- In the Company's Lonand Plant, quality enhancement measures include the installation of multi-gauging checking units to substantially improve quality levels and rationalise costs. Moreover, BGL has supported Tier-2 suppliers near the plant to ramp-up production; these efforts have fostered a culture of "zero defect" and "zero customer complaints" from the key customers of the Company.
- At the Company's Faridabad Unit, auto gauging with auto-correction was introduced at the hard turning machine to minimise defects and rework due to human error. Material handling was improved by introducing Clip-Lok boxes with VFC-type separators to reduce in-house rejections and rework caused by dents and damages.

ENERGY CONSERVATION

The Company is committed to achieve its sustainability goals, focussing on energy conservation by reducing energy intensity in manufacturing processes and infrastructure. BGL plants have incorporated various initiatives which include regular audits to improve energy performance and ensure energy-efficient operations.

- In-house automatic power factor panels (APFC) were installed in the LT Room to control the power factor effectively

- Cleaning of all transparent roof sheets in Mumbra and Lonand Plant increased natural light on the shop floor, reducing power usage
- The power factor is maintained in unity throughout the year

During FY 2023-24, the Lonand Plant implemented several energy efficiency measures, including the installation of a 1,300 Kwp solar plant and vertical transparent sheets in the heat treatment plant to maximise daylight use. BGL also replaced old HPMV lamps with LEDs, enhancing Lux levels and conserving energy. Cleaning all transparent sheets after the monsoon further improved daylight utilisation and power savings. Additionally, preheating and tempering times for low-weight components were reduced by 30 minutes, resulting in further power savings. Electrostatic precipitators were installed on four hobbers to eliminate oil fumes from cutting machines.

In Faridabad Plant, various measures have been taken to save energy such as motor optimisation, motion sensors installed on office lights at various departments to save on electricity, and conservation of energy through drive.

SAFETY MANAGEMENT

The Company has implemented stringent safety measures across all manufacturing facilities, including the use of safety parameters in systems and processes. Hazardous materials like kerosene and asbestos are prohibited in all the plants, and employees are provided with protective gear and uniforms to prevent health hazards. Safety measures include employee awareness programmes, machine selection based on compatibility with the '5S System', and following Kaizen principles to maintain a safe work environment. Monthly safety committee meetings and audits, quarterly fire drills and mock drills, and monthly training in firefighting and first aid are conducted. An emergency preparedness plan is regularly updated, and top management commitment to Environmental, Health, and Safety (EHS) ensures safety in systems.

Throughout the year, the Company has regularly conducted housekeeping & safety audits, as well as safety training sessions and mock drills for its workers. Additionally, the plant has identified and corrected unsafe conditions and ensured strict discipline in handling hazardous materials. Lonand Plant has completed ISO 45001 re-certification audits from BVIL (Bureau Veritas India Limited). Further, the Company has made a Separate Safety Department headed by a qualified safety officer who will be assisted by a Safety Marshal nominated by HODs from each department. These initiatives have tightened the safety measures during the year.

SUPPORT SYSTEM

Bharat Gears utilises strong IT systems, including a customised Enterprise Resource Planning (ERP) system, to effectively oversee its core and support business operations. IT is also heavily employed in engineering and manufacturing processes to enhance products, manage knowledge, foster customer relationships for reporting, and resolve issues.

The Company's proficient Human Resource team evaluates and supports the workforce involved in manufacturing processes, ensuring the timely and optimal availability of skilled personnel to achieve the business goals of industry leadership, process efficiency, product quality, and customer satisfaction. The Company's HR policy is well-crafted, promoting competitiveness, work-life balance, and harmonious work culture. Regular training and engagement programmes are conducted to enhance employee skills and capabilities. As of 31 March, 2024, the Company had a permanent workforce of 1,157 employees.

FINANCIAL HIGHLIGHTS (₹ IN LAKHS)

Particulars	FY 2023-24	FY 2022-23	Variance (%)
Operating Revenue	66305	76636	(13.48%)
Other Income	362	876	(58.68%)
EBITDA	2716	5475	(50.39%)
Interest	1749	1708	2.40%
Cash Profit	967	3767	(74.33%)
Depreciation	2255	2007	12.36%
Profit/(Loss) Before Tax	(1288)	1760	(173.18%)
Tax	(314)	411	(176.40%)
Net Profit/(Loss)	(974)	1349	(172.20%)

KEY FINANCIAL RATIOS

Particulars	FY 2023-24	FY 2022-23	Variance (%)
Debtors Turnover Ratio	5.56	5.74	(3.14%)
Inventory Turnover Ratio	7.29	8.05	(9.44%)
Interest Coverage Ratio	1.55	3.20	(51.56%)
Current Ratio	1.26	1.44	(12.50%)
Debt Equity Ratio	0.84	0.85	(1.18%)
Operating Margin (%)	0.69%	4.47%	(84.55%)
Net Profit Margin (%)	(1.00%)	2.00%	(150.00%)
Return on Net Worth (%)	(8.00%)	12.00%	(166.67%)

Key Explanations for the Variance

Erratic monsoon affected agriculture output in India. This led to a drop in capital investment by farmers, thereby resulting in a drop in domestic tractor volumes. Accordingly, demand from domestic customers was subdued.

Due to multiple factors such as the Russia-Ukraine & Israel-Hamas war, the El Niño effect & rising inflation in the USA & European countries, demand in overseas markets slowed down drastically & off-take from export customers cooled down.

Ratios relating to profitability (i.e., interest coverage, operating profit margin, net profit margin and return on net worth) have been impacted on account of lower absorption of fixed costs due to the drop in volumes. An increase in the current maturities of long-term debts has resulted in the deterioration of the current ratio. Debt-equity ratio has marginally improved on account of scheduled debt repayment.

Key Operational Highlights

- The Company has made substantial efforts in lowering the operation cost, with particular emphasis on material costs, which is the largest component of cost. To achieve this, the Company collaborated with a leading consulting firm to conduct a thorough cost analysis and implement cost-optimising strategies. In line with the market's competitive nature, the Company has made significant progress in reducing costs, including revamping its ordering system and forging partnerships with highly competitive suppliers as part of its sourcing strategy
- The Company has initiated a diversification drive in order to ensure sustained growth despite some geography and segments not growing to the desired level. The company secured orders from Hybrid cars manufacturer and further expanded its customer base in Europe by winning business from in Tractor segment and EV segments
- The Company continued to invest in Technology leadership by investing in state-of-the-art Bevel grinding technology which will serve an European customer in the initial phase. This will improve noise levels & reduce motion transmission errors
- During the year, the Company undertook various measures for working capital augmentation. One such initiative was inventory management, which led to improvement in inventory turnover ratio

  The focus on lean operation will continue in future also.

OUTLOOK

Looking ahead, the Indian economy is poised for robust growth, and the automobile sector is also showing positive signs. To support both the economy and the industry, the government has implemented various initiatives aimed at boosting economic growth and other industries. Increased capital expenditure towards infrastructure development is a key focus, providing stimulus for businesses in India and acting as a catalyst for manufacturing. The construction of roads, highways, and infrastructure will contribute to overall economic growth.

However, there are some downside risks facing the economy and the industry, including geopolitical tensions and persistently high inflation globally. Further, higher interest rates and a tightening monetary policy have slowed down economic growth.

The Company has focussed on diversifying its customer base and strengthening its relationship with existing customers by providing a high level of customer-centric service. With focussed investment strategy BGL aims to serve both domestic and global customers. The Company is expected to return to growth from FY 2024-25 onwards. Through its rigorous efforts to cater to its "2Ds" (Diversified and Delighted) customers, the Company is confident of achieving sustained growth in the future.

BGL also remains committed to advance its technological capabilities, quality standards, and automation to enhance product efficiency and quality. The Company has made significant investments in establishing a comprehensive robotic line for Hybrid vehicles, spanning from raw material processing to finished product assembly. Additionally, the Company has adopted Bevel Gear Grinding Technology, a cutting-edge approach utilised by leading European and US OEMs.

Risks and Concerns

Effective risk management is a crucial aspect of the Company's operations, as it diligently monitors both the internal and external environments for potential hazards. By constantly staying vigilant, the Company can identify emerging risks and promptly implement appropriate measures to mitigate them. With a proactive approach to risk reduction, the Company strives to maintain a secure and resilient business environment.



Risk	Impact	Mitigation
Macro Environment Risk	A slowdown in the economy can have an adverse impact on business operations. Any declines or recessions can greatly affect the demand for industrial and automotive components, thereby potentially disrupting the Company's operations.	The Company conducts regular reviews of its order book, execution strategies, market opportunities, and changes in the business environment in various markets to develop effective growth strategies. By analysing these factors, the Company can tailor its approach on sector/geographic diversification to capitalise on opportunities and adjust its strategies to meet new challenges as they arise.
Technological Risk	Adopting new manufacturing technologies like automation and digitalisation poses challenges that could affect both production efficiency and quality. Moreover, not leveraging the latest technology may hamper the Company's ability to meet evolving global market demands, potentially resulting in lost business opportunities.	The Company prioritises and invests proactively in modern and sustainable technologies to uphold product quality and enhance its product portfolio. Moreover, it conducts research and development in emerging technologies, applications, and market trends to enhance manufacturing processes, quality, and product upgrades.
Financial Risk	The Company faces risks from foreign exchange fluctuations, rising interest rates, and changes in credit availability and liquidity due to its global operations. These factors can affect the Company's margins and profitability. Moreover, unexpected inventory write-offs due to inadequate protection or obsolescence could damage the Company's reputation and lead to financial losses.	The Company actively tracks exchange rate movements and employs a hedging strategy to reduce the impact of unfavourable currency fluctuations. Its strong credit policies, efficient collection methods, and long-standing banking relationships banking relationships helps in mitigating the risks related to liquidity and credit availability. The Company regularly evaluates inventory targets and policies for slow-moving items. It has implemented proper storage facilities and material handling systems to enhance material storage practices.

Risk	Impact	Mitigation
Supply Chain Risk	Any disruptions to the supply chain, could lead to shortages of materials or components. This could lead to loss in sales or increase in costs. Also, the recent geopolitical tensions has impacted the supply chain network.	The Company has enhanced its supply chain network and cultivated robust relationships with suppliers and vendors to ensure smooth operations. Where possible, dual sourcing has been implemented to mitigate risks.
Raw Material & Inflation Risk	The increase in the prices of key inputs such as steel, energy, and other raw materials can significantly impact the Company's overall cost structure. This rise in input costs poses a risk to the Company's profitability and its ability to deliver finished products on time, within budget, and meet quality standards. The fluctuation in raw material prices, such as alloy steel, further exacerbates this risk, potentially affecting the Company's margins.	The Company mitigates inflation and raw material risks through a comprehensive strategy. The Company monitors inflation and adjusts export contract prices accordingly. It enters into contracts with clients to pass on raw material cost variations, protecting margins. Cost-saving measures include process automation, transitioning to renewable energy, and improving supply chain efficiency. Additionally, the Company maintains strong vendor relationships and strict inventory control to procure materials at competitive prices. These efforts collectively safeguard the Company's profitability and operational efficiency.
Regulatory Risk	The Company's products are utilised in numerous critical industrial and commercial applications where a breakdown can lead to significant losses. Therefore, it is imperative that these products adhere to stringent compliance norms, as well as quality and technical standards established by OEMs or regulatory bodies. Failure to maintain these standards could result in a loss of business and damage to the Company's reputation.	To maintain precision, quality, and productivity standards, the Company consistently invest in upgrading its manufacturing facilities and developing employee skills. In addition to the quality control tests conducted by the Inspection and Quality Assurance team, the Company regularly solicit feedback from clients on product quality. Moreover, the Company undertakes product liability insurance to protect the Company from financial losses.
Natural Calamities & Crisis Risk	Natural calamities, global or national crises such as pandemics, earthquakes, geopolitical instability, and wars pose a risk to the Company. These events could lead to operational disruptions, shutdowns, production cuts, project delays, supply chain hurdles, and increased construction costs.	The Company's priority is the safety of its stakeholder community and ensuring business continuity during unpredictable crises. It focusses on strategies such as deferring capital expenditures, managing liquidity, establishing alternate supply and manufacturing options, and reducing costs to revive business operations during such challenging circumstances.

Risk	Impact	Mitigation
People Risk	Having excess manpower can lead to various issues such as industrial relations problems, erosion of gross margins, lower productivity norms, and adverse effects on support systems. Additionally, the absence of talent for critical business roles can hinder the organisation's growth potential. Insufficient leadership team and succession planning can also pose significant challenges for the Company.	Across all its plants, the Company engages in benchmark studies to embrace best practices and enhance the deployment of manpower. It prioritises measures such as enhancing machine health to boost productivity and implementing lean layouts. Furthermore, critical positions necessitating succession planning are identified through a structured process.





INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Bharat Gears is a system-driven Company. Our effective internal control system plays a crucial role in maintaining efficient day-to-day operations. The Company follows a systematic method of financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statutes and regulations. Our structured audit system is an on-going process. It forms a basis for reviewing the adequacy of internal control systems. Our internal control is aptly designed, to ensure the reliability and accuracy of financial and other records necessary for the preparation of financial information and other related data.

The internal audit is conducted by the appointed internal auditors with the support of Company's functional teams. The reports of the Internal Auditors are reviewed during the Audit Committee meetings. Recommendations for enhancing internal controls are proposed and carefully considered. Additionally, the suggestions from the Internal Auditors are reviewed and deliberated upon by the Board's Audit Committee on a quarterly basis. The overarching goal is to continuously improve the internal controls and systems within the Company.

CAUTIONARY STATEMENT

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking' statements within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply, and price conditions in the domestic & overseas markets in which the Company operates, changes in Government regulations, tax laws & other statutes, and other incidental factors. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in the future.

Board's Report

(SECTION 134 OF THE COMPANIES ACT, 2013)

To The Members

The Directors are pleased to present the 52nd Annual Report and the Audited Financial Statements for the year ended 31 March, 2024.

(₹/Crores)

Financial Results	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue from operations and other income (gross)	666.67	775.12
Profit before finance costs and depreciation and amortisation expense	27.16	54.75
Finance costs	17.49	17.08
Depreciation and amortisation expense	22.55	20.07
Profit/(loss) before exceptional items and tax	(12.88)	17.60
Exceptional items	-	-
Profit/(loss) before tax	(12.88)	17.60
Less: Tax expense/(benefit)	(3.14)	4.11
Profit/(Loss) after tax	(9.74)	13.49
Other comprehensive income	(0.22)	(1.12)
Total comprehensive income	(9.96)	12.37
Statement of other equity		
Opening balance	105.20	97.96
Add: Profit/(Loss) for the year	(9.96)	12.37
Add: Equity component of Liability	-	-
Add: Premium on rights issue of equity shares	-	-
Less: capitalization of Capital redemption reserve on bonus issue of equity shares	-	(5.13)
Less: Dividend	-	-
Closing balance	95.24	105.20

DIVIDEND

In view of losses for the year, the directors of the Company have decided not to recommend any dividend on equity shares of the Company for the year ended 31 March, 2024.

FINANCIAL PERFORMANCE

Erratic monsoon affected agriculture output in India. This led to a drop in capital investment by farmers, resulting in a drop in domestic tractor volumes. Accordingly, demand from domestic customers was subdued.

Due to multiple factors such as the Russia-Ukraine & Israel-Hamas war, the El-Nino effect & rising inflation in the USA & European countries. Demand in overseas markets slowed down drastically & off-take from export customers cooled down.

EBITDA margins for the year have been impacted on account of lower absorption of fixed costs due to the drop in volumes. Higher capital investment led to higher depreciation. The Company has been quick to control the cost wherever possible by various means like reduction in shift working at plants wherever possible, reduction in overtime & casual labour deployment. As a result, the EBITDA improved significantly in the last quarter as compared to the previous quarter and has controlled the loss for the year.

Loss after tax for year ended 31 March, 2024 was ₹ 9.74 crores against profit after tax of ₹ 13.49 crores in previous year.

Considering the current subdued market outlook, funding of Capex budget of FY 2023-24 wholly from internal accruals was not feasible. Hence, we have availed a finance lease facility from Siemens Financial Services Private Limited (Siemens) of ₹ 15 crores. This facility has been primarily used for financing import of Hofler cylindrical generating grinding machine – Speed Viper 300 from Klingelnberg, AG, Germany. Machine has been commissioned in May, 2024.

Considering low earnings for FY 2023-24, capex & repayment of debt obligations have been met by utilization of working capital. There is a need to replenish working capital by long term funds. Hence, we have applied for an additional funding of ₹ 15 crores by way of a term loan towards reimbursement of capex & augmentation of long-term working capital.

INDIAN ACCOUNTING STANDARDS ("IND AS")

The financial statements for the year ended 31 March, 2024 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as required under the provisions of Section 133 of the Companies Act, 2013 read with rules made there under, as amended.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's operations in terms of performance in markets, manufacturing activities, business outlook, risks and concerns forms part of the Management Discussion and Analysis, a separate section of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, your Directors confirm that:-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2024 and of the Profit and Loss of the Company for the period ended on that date;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY CONTRACTS AND ARRANGEMENTS

The contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Companies Act, 2013 were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into the contract/arrangement/transaction with related parties which could be considered 'material' in accordance with the related party transaction policy of the Company. Thus, there are no transactions which are required to be reported in the prescribed Form AOC-2 of the Companies (Accounts) Rules, 2014.

Further, during the Financial Year 2023-24, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large.

As all the related party transactions are at arm's length price and in the ordinary course of business, the same are placed before the Audit Committee for its approval. There was no related party transaction which requires approval of the Board. During the Financial Year under review, the Audit Committee has approved the related party transactions through the omnibus mode in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"). Related party transactions were disclosed to the Board on regular basis as per Ind AS-24. Details of related party transactions as per Ind AS-24 may be referred to in the Notes forming part of the Financial Statements.

The policy on Related Party transactions as approved by the Board in terms of the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") is available on the official website of the Company i.e. www.bharatgears.com under the link: http://bharatgears.com/pdf/related_party_transaction_policy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the period under review, the Company has not made any loan, guarantee or investment in terms of the provisions of Section 186 of the Companies Act, 2013.

DIRECTORS

During the Financial Year 2023-24, the members of the Company vide their special resolution passed at the Annual General Meeting held on 20 September, 2023 approved the:

- Re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company liable to retire by rotation upto the conclusion of the 52nd AGM of the Company in the Calendar year 2024 in terms of the provisions of Section 152 of the Companies Act, 2013;

  in terms of the applicable provisions of the Companies Act, 2013 and the Regulations, in read with 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 tenure.

The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company is expiring on 31 May, 2024. The Board of Directors of the Company in its meeting held on 29 May, 2024 has re-appointed Mr. Sameer Kanwar as Joint Managing Director of the Company for a further period of 2 (Two) years w.e.f. 01 June, 2024 subject to the approval of shareholders at the ensuing Annual General Meeting of the Company by way of special resolution in terms of the applicable provisions of the Companies Act, 2013 and the Regulations.

In terms of the provisions of Section 149 of the Companies Act, 2013, Ms. Hiroo Suresh Advani had been re-appointed as a Non Executive Independent Director at the Annual General Meeting (AGM) of the Company held on 06 August, 2019 for second consecutive term for a further period of 5 (Five) Years upto the conclusion of the 52nd AGM of the Company in the Calendar year 2024.

In purview of the same, the tenure of Ms. Hiroo Suresh Advani as Non Executive Independent Director of the Company shall conclude at the ensuing Annual General Meeting (AGM).

Therefore, in terms of the provisions of Section 152 of the Companies Act, 2013, it has been proposed to re-appoint Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company upto the conclusion of the next Annual General Meeting (AGM) of the Company in the Calendar Year 2025 by way of special resolution pursuant to the applicable provisions of the Companies Act, 2013 and the Regulations, in read with 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.

BOARD'S OPINION REGARDING INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED/RE-APPOINTED DURING THE YEAR

The Board is of the opinion that the Independent Directors appointed/re-appointed during the year under review are person(s) of integrity and possess core skills/expertise/ competencies (including the proficiency) as identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for the Company to function effectively.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2023-24, 5 (Five) Board Meetings (including 1 (One) adjourned Board Meeting) were held on the following dates:-

- 25 May, 2023;
- 10 August, 2023;
- 03 November, 2023*;
- 09 November, 2023*; and
- 30 January, 2024.

Board Meeting held on 09 November, 2023 was an adjournment to the Board Meeting held on 03 November, 2023.

The gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Regulations.

INDEPENDENT DIRECTORS

In terms of the provisions of Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of the Regulations, all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors held on 09 April, 2024 stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Regulations, and are not being disqualified to act as an Independent Director. Further, they have declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors fulfill the conditions specified in the Companies Act, 2013 read with the Rules made there under and the Regulations, and are independent of the management.

In terms of Regulation 25(7) of the Regulations, the Company has adopted a familiarization programme for the Independent Directors to familiarize them with working of the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities and other relevant details. The details of familiarization programme during the Financial Year 2023-24 are available on the official website of the Company i.e. www.bharatgears.com

under the link: http://bharatgears.com/pdf/details-of-familiarization-programme-for-independent-directors-fy23-24.pdf

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Regulations, the Nomination and Remuneration Committee ('NRC') has formulated a policy relating to appointment and determination of the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel which has been adopted by the Board of Directors of the Company. The NRC has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to the Executive and Non-Executive Directors of the Company.

Your Directors affirm that the remuneration paid to the Directors, Key Managerial Personnel, Senior Management Personnel and other employees is as per the Nomination and Remuneration Policy of your Company.

The salient features of the Nomination and Remuneration Policy are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
    - ➢ For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
        a. use the services of an external agencies, if required;
        b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
        c. consider the time commitments of the candidates.
- Identification of persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in the Nomination and Remuneration policy.
- Recommendation to the Board for appointment and removal of Director, KMP and Senior Management Personnel.
- Formulation of the criteria for devising a policy on diversity of Board of Directors.
- Deciding that whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommendation to the Board, all remuneration, in whatever form, payable to senior management.

The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/nomination_and_remuneration_policy_BGL.pdf

EVALUATION PROCESS

The Nomination and Remuneration Committee has established a framework for the evaluation process of performance of the Board, its Committees and Individual Directors and the same was adopted by the Board.

During the period under review, the Board of Directors at its meeting held on 09 April, 2024 have carried out the evaluation of the performance of Independent Directors and their independence criteria and the Independent Directors in their meeting held on 29 March, 2024 have evaluated the performance of the Chairman, Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of flow of information between the Board and Company management.

Further, all the Committees of the Board of Directors have evaluated the performance of their respective Committee in their scheduled meetings.

KEY MANAGERIAL PERSONNEL

The following Directors/Officials of the Company have been designated as Key Managerial Personnel (KMP) of the Company by the Board of Directors in terms of the provisions of Section 203 of the Companies Act, 2013 and the Regulations:

1. Mr. Surinder Paul Kanwar, Chairman and Managing Director
2. Mr. Sameer Kanwar, Joint Managing Director
3. Mr. Hitendra Narain Mishra, Chief Executive Officer
4. Mr. Milind Pujari, Chief Financial Officer
5. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

During the Financial Year 2023-24, Mr. Hitendra Narain Mishra had been appointed as Chief Executive Officer (CEO) of the Company w.e.f. 01 January, 2024. No Key Managerial Personnel (KMP) of the Company has resigned during the financial year ended 31 March, 2024.

DISCLOSURES UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure -"A"** to this report.

PARTICULARS OF EMPLOYEES

Information regarding employees in accordance with the provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing particulars of top ten employees in terms of the remuneration drawn and employees drawing remuneration in excess of the limits set out in Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided as part of the Board' Report. However, in terms of provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company and others entitled thereto, excluding the said statement. Any member interested in obtaining such particulars may write at investor@bglindia.com. The said information is also available for inspection at the Registered Office of the Company during working hours till the date of Annual General Meeting.

RISK MANAGEMENT

A robust and integrated enterprise risk management framework is in existence under which the common prevailing risks in the Company are identified, the risks so identified are reviewed on periodic basis by the Audit Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed.

A risk management policy under the above said enterprise risk management framework as approved by the Board has been adopted by the Company.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") is in existence to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: http://bharatgears.com/pdf/corporate-social-responsibility-policy-01072021.pdf

The CSR Committee comprises of Mr. Surinder Paul Kanwar, Mr. Sameer Kanwar and Mr. Rakesh Chopra.

The role of the Corporate Social Responsibility Committee includes:

(a) Formulation and recommendation to the Board, a Corporate Social Responsibility Policy (CSR Policy) and annual action plan in pursuance of CSR Policy consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.

(b) Monitoring the Corporate Social Responsibility Policy and annual action plan of the Company from time to time.

(c) Recommendation of the amount of expenditure to be incurred on the activities referred to in clause (a) above.

(d) Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

During the Financial Year 2023-24, the Company was required to spend Rs. 25,87,000/- (Rupees Twenty Five Lakhs Eighty Seven Thousand Only) on the Corporate Social Responsibility (CSR) projects or programmes undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013 in terms of the provisions of Section 135 of the Companies Act, 2013.

Further, the Board of Directors of the Company vide its resolution passed through circulation on 30 March, 2023 based on the recommendation of CSR Committee approved an Annual Action Plan for the Financial Year 2023-24 in pursuance of CSR policy of the Company wherein the Board approved the spending of upto Rs. 20,00,000/- (Rupees Twenty Lakhs Only) during the Financial Year 2023-24 further taking into account the surplus amount of Rs. 10,87,843/- (Rupees Ten Lakhs Eighty Seven Thousand Eight Hundred Forty Three Only) as summarized below already spent during the previous years on the Corporate Social Responsibility (CSR) projects or programmes undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013.

Financial Year	Amount Required to be Spent (Rs.)	Cumulative Unspent Amount of Previous Years (Rs.)	Amount Actually Spent (Rs.)	Surplus Amount Spent (Rs.)
2018-19	1,54,250.00	0.00	0.00	0.00
2019-20	17,97,000.00	1,54,250.00	0.00	0.00
2020-21	2,75,000.00	19,51,250.00	24,23,083.00	1,96,833.00
2021-22	0.00	0.00	0.00	0.00
2022-23	0.00	0.00	8,91,010.00	8,91,010.00
	22,26,250.00		**33,14,093.00**	**10,87,843.00**

In purview of the above, the Company was required to spend the following actual amount during the Financial Year 2023-24 on the Corporate Social Responsibility (CSR) projects or programmes undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013:

Financial Year	Amount Required to be Spent (Rs.)	Surplus Amount of Previous Years (Rs.)	Balance Amount required to be Spent (Rs.)
2023-24	25,87,000.00	10,87,843.00	14,99,157.00
	25,87,000.00	**10,87,843.00**	**14,99,157.00**

Therefore, in pursuance of the above, the Company had spent Rs. 17,00,000/- (Rupees Seventeen Lakhs Only) in the Financial Year 2023-24 on CSR activities in terms of the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 on following CSR activities:

AMOUNT SPENT ON CSR ACTIVITIES IN THE FINANCIAL YEAR 2023-24	
Particulars	**Amount (₹)**
Donation to "Akhil Deobag Vikas Mandal, Mumbai" for repairing of school building and purchasing of various necessary items of Dr. Datta Samant English School, Deobag, Tal. Malvan. Dist. Sindhudurg, Maharashtra regulated by "Akhil Deobag Vikas Mandal, Mumbai" which educates children up to the 10th standard in Deobag and Tarkarli at Sindhudurga District, Maharashtra	10,00,000.00
Donation to "The Association of Parents of Mentally Retarded Children ("Adhar")"which provides life time care, training, treatment & rehabilitation to the special children	2,00,000.00
Donated to "Myra Foundation, Faridabad" for education of underprivileged children	50,000.00
Donating food grains viz. Wheat Flour, Rice, Pulses etc. to "Robin Hood Army, Faridabad" for distribution to needy people in local areas	1,50,000.00
Donation to "Aaddit Charitable Trust" which extends support to individuals with Autism and related Disabilities through various programs	1,00,000.00
Donation to "Sarvam Foundation" for the initiatives towards Women Empowerment	2,00,000.00
TOTAL	**17,00,000.00**

Now therefore, the surplus amount spent on CSR activities during the Financial Year 2023-24 is as summarized below:

Financial Year	Amount Required to be Spent (Rs.)	Surplus Amount of Previous Years (Rs.)	Balance Amount required to be Spent (Rs.)	Actual Amount Spent (Rs.)	Surplus Amount Spent (Rs.)
2023-24	25,87,000.00	10,87,843.00	14,99,157.00	17,00,000.00	2,00,843.00
	25,87,000.00	**10,87,843.00**	**14,99,157.00**	**17,00,000.00**	**2,00,843.00**

The report on CSR activities with other details in terms of the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 for the Financial Year 2023-24 is enclosed as **Annexure-"B"** to this report.

Further, a Certificate issued by Mr. Milind Pujari, Chief Financial Officer of the Company certifying that the funds of CSR have been utilized for the purposes and in the manner as recommended by the CSR Committee and approved by the Board is enclosed as **Annexure-"C"** to this report.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Rakesh Chopra, Mr. Virendra Kumar Pargal and Ms. Hiroo Suresh Advani.

Further, the details on the Audit Committee and its terms of reference etc. have been furnished in the Corporate Governance Report forming part of this Report. During the year under review, all recommendations of the Audit Committee were accepted by the Board of Directors of the Company unanimously.

INTERNAL COMPLAINTS COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) at all its Units (i.e. Faridabad, Mumbra and Lonand) where any grievance of sexual harassment at workplace can be reported.

The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace free from harassment/discrimination and every employee is treated with dignity and respect. The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: http://bharatgears.com/pdf/policy-for-prevention-of-sexual-harassment.pdf

During the year under review, ICC of all units of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

DEPOSITS

During the year under review, the Company did not accept any deposits.

Investor Education and Protection Fund (IEPF)

In terms of the provisions of Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and further amendments thereto, no unclaimed dividend was required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24, and there were no equity shares liable to be transferred into IEPF during the Financial Year 2023-24.

AUDITORS

The Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No. 117366W/W-100018) had been appointed as Statutory Auditors of the Company in the 50th Annual General Meeting held on 20 September, 2022 for a period of 5 (Five) years in terms of the provisions of Section 139 of the Companies Act, 2013 to hold office from the 50th AGM to 55th AGM in the calendar year 2027.

REPORT ON FINANCIAL STATEMENTS

The report of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No. 117366W/W-100018), the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31 March, 2024 is annexed to the financial statements in terms of the provisions of Section 134(2) of the Companies Act, 2013. The observations of the Auditors in their report are self-explanatory and/or explained suitably in the Notes forming part of the Financial Statements. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

SECRETARIAL AUDIT

The Board has appointed M/s TVA & Co. LLP, Practicing Company Secretaries as Secretarial Auditor for the Financial Year 2023-24 in terms of the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report of the Company for the Financial Year ended 31 March, 2024 in the prescribed Form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure -"D"** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct

of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. During the year, such controls were tested and no material weakness in the design or operations were observed.

COST RECORDS AND AUDIT

During the year under review, the Company had been mandatorily required to maintain the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records have been made and maintained.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended, M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad has conducted the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ended 31 March, 2023 and submitted their report thereon within the prescribed time limits. Subsequently, M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad shall conduct the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ended 31 March, 2024 and shall submit their report thereon within the prescribed time limits during the Financial Year 2024-25.

Further, on recommendation of the Audit Committee, the Board of Directors of the Company in its meeting held on 29 May, 2024 has approved the appointment of M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad as Cost Auditors of the Company to conduct the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ending 31 March, 2025.

CORPORATE GOVERNANCE

The Company is committed to maintain the quality standards of Corporate Governance. The Report on Corporate Governance as stipulated under Schedule V(C) of the Regulations forms part of this Report.

The requisite Certificate of Compliance from Statutory Auditors, M/s Deloitte Haskins & Sells LLP, confirming compliance with the conditions of Corporate Governance is attached to this Report.

VIGIL MECHANISM/WHISTLE BLOWER MECHANISM

In terms of the provisions of Section 177 of the Companies Act, 2013 and the Regulations, the Company has established an effective mechanism called Vigil Mechanism (Whistle Blower Mechanism). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees or by any other person who avails such mechanism. It protects employees or any other person who avails such mechanism wishing to raise a concern about serious irregularities, unethical behavior, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

Protected disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year under review, no complaint has been received and no employee was denied access to the Audit Committee.

The functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company is reviewed by the Audit Committee on Annual basis.

The policy on vigil mechanism is available on the official website of the Company i.e. www.bharatgears.com under the link: http://bharatgears.com/pdf/policy_on_vigil_mechanism.pdf

RECONCILIATION OF SHARE CAPITAL AUDIT

In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the Reconciliation of Share Capital Audit is undertaken by a firm of Practicing Company Secretaries on quarterly basis. The audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the Company.

The Reconciliation of Share Capital Audit Report(s) as submitted by the Auditor on quarterly basis were filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited (BSE) through BSE Listing Centre, where the original shares of the Company are listed.

LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure-"E"** to this Report.

ANNUAL RETURN

In terms of the provisions of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 and the relevant rules made thereunder, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013, as amended shall be made available on the official website of the Company www.bharatgears.com under the link: https://www.bharatgears.com/pdf/annual-return-for-2023-24.pdf

COMPLIANCE OF SECRETARIAL STANDARDS

During the period under review, the Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

COURT/TRIBUNAL ORDERS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DETAILS OF APPLICATION/PROCEEDING UNDER THE INSOLVENCY AND BANCRUPTCY CODE, 2016

Neither any application has been made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

INSTANCES OF DIFFERENCE IN VALUATION

There is no such instance where there is difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

INDUSTRIAL RELATIONS

During the year under review, industrial relations in the Company continued to be cordial and peaceful.

ACKNOWLEDGEMENTS

The Board of Directors thank the shareholders for their continued support and they would like to place on record their appreciation for the dedicated services rendered by the Employees at all levels.

The Directors wish to convey their gratitude to the Financial Institutions, Banks, Customers, Suppliers and Collaborators for the assistance and confidence reposed by them in the Company.

For and on behalf of the Board of Directors



Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 29 May, 2024
Place: Mumbai

Annexure-"A"

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

S.No.	Name of the Director	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Mr. Surinder Paul Kanwar Chairman and Managing Director	50.28
2.	Mr. Sameer Kanwar Joint Managing Director	33.90

Other directors have been paid sitting fees only, details of which are mentioned in the Corporate Governance Report.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

S.No.	Name of the Director/KMP	% increase in Remuneration in the Financial Year 2023-24
1.	Mr. Surinder Paul Kanwar Chairman and Managing Director	0%
2.	Mr. Sameer Kanwar Joint Managing Director	5%
3.	Mr. Hitendra Narain Mishra* Chief Executive Officer	*
4.	Mr. Milind Pujari Chief Financial Officer	7%
5.	Mr. Prashant Khattry Corporate Head (Legal) and Company Secretary	26%

* Mr. Hitendra Narain Mishra has been appointed as Chief Executive Officer (CEO) of the Company w.e.f. 01 January, 2024.

3. Percentage increase in the remuneration of the median employee is 7% in the Financial Year 2023-24.
4. There were 1157 permanent employees on the rolls of the Company as on 31 March, 2024.
5. The average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2023-24 was 7% whereas percentage increase in the managerial remuneration was 6% for the same financial year.
6. It is affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 29 May, 2024
Place: Mumbai

Annexure-"B"

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR policy of the Company

   A brief outline of the Company's CSR policy has been provided in the "Nurturing Community Development" section under the Annual Report.

2. Composition of the CSR Committee:-

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Surinder Paul Kanwar	Chairman/Chairman and Managing Director	1	1
2.	Mr. Sameer Kanwar	Member/Joint Managing Director	1	1
3.	Mr. Rakesh Chopra	Member/Non-Executive Independent Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:-

   https://www.bharatgears.com/pdf/corporate-social-responsibility-policy-01072021.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:-

   NOT APPLICABLE

5. (a) Average net profit of the Company as per section 135(5) - ₹ 1293.56 lakhs

   (b) Two percent of average net profit of the Company as per section 135(5) - ₹ 25.87 lakhs

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – (₹ 10.88 lakhs)

   (d) Amount required to be set-off for the financial year, if any – Nil

   (e) Total CSR obligation for the financial year (5b+5c-5d) - ₹ 14.99 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) - ₹ 17.00 lakhs

   (b) Amount spent in Administrative overheads – Nil

   (c) Amount spent on Impact Assessment – Nil

   (d) Total amount spent for the Financial Year (6a+6b+6c) - ₹ 17.00 lakhs

   (e) CSR Amount spent or unspent for the Financial Year - ₹ 17.00 lakhs

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
17.00	-	-	-	-	-

(f) Excess amount for set off, if any

Sl.No.	Particulars	Amount (in Rs.)
i.	Two percentage of average net profit of the company as per section 135(5)	25.87
ii.	Total amount spent for the Financial Year	17.00
iii.	Excess amount spent for the Financial Year [ii-i]	(8.87)
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	(10.88)
v.	Amount available for set-off in succeeding Financial Years [iii-iv]	2.01

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Name of the Fund	Amount (in Rs.)	Date of transfer		
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

NO

If Yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or assets(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-
-	TOTAL	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135

Surinder Paul Kanwar
Chairman of CSR Committee
DIN: 00033524

Sameer Kanwar
Joint Managing Director
DIN:00033622

Dated: 29 May, 2024
Place: Mumbai

Annexure-"C"

CERTIFICATE AS PER RULE 4 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, AS AMENDED

This is to certify that funds of ₹ 17,00,000/- (Rupees Seventeen Lakhs Only) so disbursed for Corporate Social Responsibility (CSR) activity for Financial Year 2023-24 has been utilized for the purpose and in the manner as recommended by the CSR Committee in its meeting held on 29 March, 2023 and approved by the Board on even date as per Rule 4 of Companies (CSR) Rules, 2014, as amended and Schedule VII of the Companies Act, 2013.

Details of CSR expenditure are as follows:

Particulars	(₹)
Amount Outlay (Budgeted)	14,99,157.00
Amount spent on the projects	17,00,000.00
Amount unspent	0.00
Excess amount spent	2,00,843.00

For **Bharat Gears Limited**

Milind Pujari
Chief Financial Officer

Dated: 29 May, 2024
Place: Mumbai

Annexure-"D"

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad - 121003
Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharat Gears Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minutes Book, Forms and Returns filed and other records maintained by the Company for the financial year ended on 31 March, 2024 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with the client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE).

(iii) Codes and Policies adopted by the Company.

We report that during the period under review, the following Regulations and Guidelines were not applicable to the Company:

(i) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to the Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(v) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

We further report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review.

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions carried through by the Board do not have any dissenting views and hence no relevant recordings were made in the minutes book maintained for the purpose.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

We further report that the Nomination and Remuneration Committee, through resolution passed by circulation dated 02 January, 2024 and in its subsequent meeting held on 03 January, 2024, had approved and recommended the appointment of Mr. Hitendra Narain Mishra as the Chief Executive Officer (CEO) of the Company, with effect from 01 January, 2024, to the Board of Directors of the Company. However, the Board, through resolution passed by circulation dated 02 January, 2024 and in its subsequent meeting held on 30 January, 2024, had confirmed the appointment of Mr. Hitendra Narain Mishra as CEO of the Company with effect from 01 January, 2024. Nevertheless, the Company has duly filed necessary intimations in this regard with the stock exchange and Registrar of Companies.

We further report that the Audit Committee in its meeting held on 24 May, 2023 had approved and recommended the appointment of M/s M.K. Kulshrestha & Associates, Cost Accountants, as the Cost Auditors of the Company, to the Board of Directors. Further, the Board in its meeting held on 25 May, 2023, had appointed M/s M.K. Kulshrestha & Associates, Cost Accountants, as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the Financial Year 2023-24 and further their remuneration was also ratified and approved by the shareholders of the Company in the Annual General Meeting held on 20 September, 2023. The Company has duly filed necessary intimations in this regard with the Registrar of Companies.

We further report that the Audit Committee in its meeting held on 24 May, 2023 had approved and recommended the appointment of M/s KPMG Assurance and Consulting Services LLP as the Internal Auditors of the Company to the Board of Directors. Further, the Board in its meeting

held on 25 May, 2023, had appointed M/s KPMG Assurance and Consulting Services LLP as the Internal Auditors of the Company to conduct the internal audit for the Financial Year 2023-24. The Company has duly filed necessary intimations in this regard with the Registrar of Companies.

We further report that during the audit period, there were no events/actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. having a major bearing on the Company's affairs.

For TVA & Co. LLP
Company Secretaries



Tanuj Vohra
Partner
M.No.: F5621, C.P. No.: 5253
UDIN: F005621F000462374
PR No - 708/2020

Dated: 29 May, 2024
Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of our report.

Annexure-A

To,
The Members
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad- 121003, Haryana

1. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances but the maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion and the compliance of the provisions of Corporate and other applicable Laws, Rules and Regulations is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.

3. We have not verified the correctness and appropriateness of the financial records and Books of accounts of the Company.

4. We have obtained necessary management representation about the compliance of various laws, correctness of information shared and happening of events, wherever required.

5. Compliance with respect to the filings of various Reports, Returns, Forms, Certificates and Documents under the various statutes as mentioned in our report is the responsibility of the management of the Company. Our examination was limited to checking the execution and timeliness of filing and we have not verified the contents of such Reports, Returns, Forms, Certificates etc.

6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure-"E"

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo and forming part of Board's Report for the year ended 31 March, 2024

(A) Conservation of energy:

(i) the steps taken or impact on conservation of energy:

- Solar Plant having capacity 1300 Kwp is started which has resulted in big saving in per month energy charges.
- Vertical transparent sheets were installed in Heat treatment plant which has resulted in increase day light & saving in energy cost.
- This is consecutive fifth year we have replaced old HPMV Lamps with LED for energy conservation. This has not only ensured much better Lux levels, but also lead to savings in energy consumption. All transparent sheets were cleaned after monsoon which resulted in good day light & saving in power.
- Power factor is maintained to unity throughout the year.
- For all sleeve type components preheating & tempering timing was reduced by 30 minutes which has resulted in power saving.
- Electrostatic precipitators are installed on 4 hobbers to avoid oil fumes during gear cutting.
- Hard Turning process for groove was eliminated on shifter sleeve by adopting heavy shot blasting after heat treatment.
- SQF furnace agitator motor stops automatically after the hardening process is completed resulting in saving in power consumption upto 70% in the process.
- Auto Timer provided to Air compressor for switching off during lunch breaks and shift change times as a major to save power.
- PVC transparent sheets placed at the shed roof for better lux level less usage of electricity.
- Old conventional machines removed from shop floor and 19 cell layout changed to reduce power and fuel consumption.
- Conservation of energy through Motor optimization.
- Motion sensors installed on office lights at various departments to save on electricity.
- Conservation of energy through drive .

(ii) the steps taken by the company for utilizing alternate sources of energy:

- 1300 KWP Solar power is installed with the help from TATA Power Renewable Energy.
- Installation and ongoing cleaning of transparent sheets on the plant roofing to use natural day light.
- Old furnaces run on LPG fuel are going to be replaced by Electric furnaces. One furnace set is removed and 3 will be removed next year.

(iii) the capital investment on energy conservation equipment's:

Planning solar green energy next year. Order under process for 3.125 MWAC supply at Mumbra Plant.

Impact of the measures of above for reduction of energy consumption and consequent impact on the cost of production of goods

- The result of above initiatives is reduction in the energy costs.

(B) Technology Absorption:

1.	The efforts made towards technology absorption	1.	Successful implementation of multi-machine layouts in transmission hard line.		
		2.	Retrofitting/reconditioning of hobbers/conventional machines to CNC.		
		3.	Changed CNC old outdate CNC system.		
		4.	Fixed & hydraulic operated de-burring system is installed on Hobbers & shaping machines. By this manual de-burring has got eliminated. This has resulted in handling reduction & saving of manpower.		
		5.	A layout in gear cutting section was changed to avoid multiple handling & ease to operate multi-machine.		
		6.	Chamfering machine is installed on C machines. This has resulted in elimination of manual de-burring operation with same operator & also improve throughput, reduce handling, manpower & rejection		
2.	The benefits derived like product improvement, cost reduction, product development or import substitution	1.	Increase in production, improved quality, improves throughput and machine utilization.		
		2.	Reduction in PPM levels and reduction in manufacturing costs and release of capacity for addition of new business.		
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):				
	a) The details of technology imported		-	**Klingelnberg CNC-C30 Bevel Gear cutting machine is made operational.**	-
	b) the year of import		**2021-22**	**2022-23**	**2023-24**
	c) whether the technology been fully absorbed		NO	YES	NO
	d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof		N.A.	N.A.	N.A.
4.	The expenditure incurred on Research and Development		The Company is in the business of manufacturing and supplying automotive gears to OEMs and for aftermarket sales both for domestic and overseas markets. The nature of business activity carried on by the Company at present does not entail any Research and Development as such.		

(C) Foreign Exchange Earnings and Outgo:

(₹ In Lakhs)

	2023-2024	2022-2023
Foreign Exchange earned	23747.71	29078.27
Foreign Exchange used	804.94	1460.38
Net Foreign Exchange earnings	22942.77	27617.89

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 29 May, 2024
Place: Mumbai

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 MARCH, 2024

[Pursuant to Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Regulations")]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance at Bharat Gears Limited takes care of overall well-being, sustainability and transparency of the system and takes into account the stakeholders' interest in every business decision. Corporate Governance is a combination of voluntary practices and compliances of laws and regulations leading to effective control and management of the Organization and its valuable resources through effective and transparent business conduct, integrating communication, integrity and accountability towards its stakeholders.

The following three pillars of Corporate Governance are followed by the Company, that are critical in successful running of a Company and forming solid professional relationships among its stakeholders' viz. the Board of Directors, employees, suppliers, creditors, and most importantly, shareholders:



The Company is committed to pursue growth by adhering to the highest national standards of Corporate Governance. Company's philosophy on Corporate Governance is based on the following principles:

- Lay solid foundations for management.
- Promote ethical and responsible decision-making.
- Structure the Board to add value.
- Encourage enhanced performance.
- Safeguard integrity in financial reporting.
- Respect the rights of the shareholders.
- Recognise the legitimate interest of shareholders.
- Remunerate fairly and responsibly.
- Recognise and manage business risks.
- Make timely and balanced disclosures.
- Legal and statutory compliances in its true spirit.

The Board of Directors ("the Board") is committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our corporate governance practices, under which we strive to maintain an effective, informed and Independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices.

Your Company is following transparent and fair practices of good Corporate Governance and its constant endeavor is to continually improve upon those practices. The Company recognizes communication as key element in the overall Corporate Governance framework and therefore, emphasizes on keeping abreast its stakeholders including investors, lenders, vendors and customers on continuous basis by effective and relevant communication through Annual Reports, quarterly results, corporate announcements and reflecting the same on the Company's official website i.e. www.bharatgears.com.

2. GOVERNANCE STRUCTURE

The Company's Governance comprises a two fold layer, the Board of Directors and the Committees of the Board at the apex level and the Management of the Company at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the Management to achieve these objectives within a given

framework. This professionally managed process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

3. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

Your Company has an optimum combination of Executive and Non-Executive Directors on the Board which includes one Woman Director in compliance of Regulation 17(1) of the Regulations. As on 31 March, 2024, the Board consists of 8 (Eight) members, the Chairman of the Board is an Executive Director and more than half of the strength of the Board consists of Non-Executive Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge, expertise and experience that enables the Board to discharge its responsibilities efficiently and provide effective leadership to the business in line with the Company's present requirements.

There is no Nominee Director in the Company.

A brief profile of the members of the Board is also available on the Company's website i.e. www.bharatgears.com.

A. Board's definition of Independent Director

Independent Director shall mean a Non-Executive Director, other than a Nominee Director of the Company:

a. who, in the opinion of the Board of Directors, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company or member of the promoter group of the Company;

(ii) who is not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company;

c. who, apart from receiving Director's remuneration has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, during the three immediately preceding financial years or during the current financial year;

d. none of whose relatives—

(i) is holding any security of or interest in the Company, its holding, subsidiary or associate Company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two per cent of the paid-up capital of the Company, its holding, subsidiary or associate Company or such higher sum as may be prescribed;

(ii) is indebted to the Company, its holding, subsidiary or associate Company or their promoters or directors, in excess of such amount as may be prescribed during the three immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate Company or their promoters or directors of such holding Company, for such amount as may be prescribed during the three immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the Company, or holding, subsidiary or associate Company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii) provided that the pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company or their promoters or directors in relation to points (i) to (iii) above shall not exceed two percent of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be specified from time to time, whichever is lower;

e. who, neither himself/herself nor whose relative(s) —

(i) holds or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate Company or any Company belonging to the promoter group of the Company in any of the three financial years immediately preceding the current financial year;

Provided that in case of a relative, who is an employee other than Key Managerial Personnel, the restriction under this clause shall not apply for his/her employment.

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —

(A) a firm of Auditors or Company Secretaries in Practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

f. who is not less than 21 years of age.

g. who is not a Non-Independent Director of another Company on the Board of which any Non-Independent Director of the Company is an Independent Director.

It has been confirmed by all the Independent Directors of the Company that as on 31 March, 2024, they fulfill the criteria of being "Independent Director" as stipulated under Regulation 16 of the Regulations and Section 149(6) of the Companies Act, 2013 and the rules framed thereunder that they are independent of the management. Further, the Independent Director(s) have declared that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. Based on the disclosure received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions of Independence as specified in the Companies Act, 2013 and the regulations. During the Financial Year ended 31 March, 2024, no Independent Director has resigned from the directorship of the Company.

The **Table-1** gives the Composition of the Board, the Attendance record of the Directors at the Board Meetings and the last Annual General Meeting (AGM); Number of their outside Directorships and their Memberships/ Chairmanships in Board Committees.

Table-1

S.No.	Name of Director(s)	Category	No. of Board Meetings held/ attended	Attendance at last AGM	No. of outside Directorships held[A]	No. of Memberships/ Chairmanships in Board Committees[B]	
						Member	Chairman
1.	[C]Mr. Surinder Paul Kanwar	Chairman and Managing Director - Promoter	5/5	Present	1	2	-
2.	[C]Mr. Sameer Kanwar	Joint Managing Director - Promoter	5/5	Present	-	1	-
3.	Mr. W.R. Schilha	Non-Executive Independent Director	5/5	Present	-	-	-
4.	[D]Mr. V.K. Pargal	Non-Executive Independent Director	5/5	Present	-	1	-
5.	Mr. N.V. Srinivasan	Non-Executive Non-Independent Director	5/4	Present	-	1	-
6.	Mr. Rakesh Chopra	Non-Executive Independent Director	5/4	Present	-	-	2
7.	Ms. Hiroo Suresh Advani	Non-Executive Independent Director	5/5	Present	-	1	-
8.	Mr. Raman Nanda	Non-Executive Independent Director	5/4	Present	1	-	-

The **Table-2** gives the details of Directorships of the aforesaid Directors in other listed Companies and the category of directorship.

Table-2

S.No.	Name of Director(s)	Category	Name of other Listed Company	Category of directorship in other Listed Company
1.	Mr. Surinder Paul Kanwar	Chairman and Managing Director	Raunaq International Limited (Formerly known as Raunaq EPC International Limited)	Chairman and Managing Director
2.	Mr. Sameer Kanwar	Joint Managing Director	NIL	N.A.
3.	Mr. W.R. Schilha	Non-Executive Independent Director	NIL	N.A.
4.	Mr. V.K. Pargal	Non-Executive Independent Director	NIL	N.A.
5.	Mr. N.V. Srinivasan	Non-Executive Non-Independent Director	NIL	N.A.
6.	Mr. Rakesh Chopra	Non-Executive Independent Director	NIL	N.A.
7.	Ms. Hiroo Suresh Advani	Non-Executive Independent Director	NIL	N.A.
8.	Mr. Raman Nanda	Non-Executive Independent Director	NIL	N.A.

[A]excluding directorship in Private Limited Companies, alternate directorship, Companies registered under Section 8 of the Companies Act, 2013 and Foreign Companies and high value debt listed Companies.

[B]For the purpose of considering the limit of the Committees on which a Director can serve, all Public Limited Companies, whether listed or not, are included and all other Companies including Private Limited Companies, Foreign Companies, high value debt listed Companies and the Companies under Section 8 of the Companies Act, 2013 are excluded and further, it includes Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only in terms of Regulation 26(1) of the Regulations. None of the Directors of your Company is a Member of more than 10 (Ten) Committees or is the Chairman of more than 5 (Five) Committees across all Public Limited Companies in which he/she is a Director. The Membership/Chairmanship also includes Membership/Chairmanship in Bharat Gears Limited.

[C]Mr. Surinder Paul Kanwar is the father of Mr. Sameer Kanwar.

[D]Mr. V.K. Pargal holds 150 Equity Shares of the Company. No other Non-Executive Independent Director holds any shares and convertible instruments.

Apart from this, no other Non-Executive Director is related to any other Director inter-se and has any material pecuniary relationships/transactions via-a-vis the Company (other than the sitting fees for attending the Board/ Committee meetings).

As on 31 March, 2024, None of the Directors of the Company is a Director in more than 7 (seven) listed Companies. Further, None of the Whole time Director(s) of the Company is serving as an Independent Director in more than 3 (three) listed Companies.

The terms of appointment of the Directors appointed at the Annual General Meeting of the Company held on 20 September, 2023 are available on the official website of the Company i.e. www.bharatgears.com.

In terms of Regulation 17(1A) of the Regulations, the consent of the members has been obtained vide special resolution(s) for the appointment and continuation of Non-Executive Directors who have attained the age of Seventy Five Years, upto their respective present tenure.

In terms of Regulation 25(7) of the Regulations, the Company has adopted a familiarization programme

for the Directors that covers familiarizing the Directors about the nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities, and other relevant details by way of:

- *Convening of meetings of the Board of Directors of the Company at regular intervals and providing therein a brief idea to the Directors of the production processes and operations of the Company.*
- *Circulation of an elaborated note on business operations with regard to the operations and financial position of the Company as at the end of each quarter with the Agenda of each Board Meeting.*
- *Updating the Directors of any amendments in laws, rules and regulations as applicable on the Company through various presentations at the Board Meeting(s) in consultation with the Statutory Auditors, Internal Auditors and the Secretarial Auditors of the Company likewise the Companies Act, SEBI Laws, Listing Regulations and such other laws and regulations as may be applicable.*
- *Various presentations are conducted at meetings of the Board/Committees of the Board periodically to familiarize the Directors with the business performance, business strategy, operations and functions of the Company. Such presentations help Directors to understand the Company's Strategy, Operations, Market Competition, Organization Structure, Risk Analysis and such other areas.*

The details of familiarization programme during the Financial Year 2023-24 are available on the official website of the Company i.e. www.bharatgears.com under the link i.e. http://bharatgears.com/pdf/details-of-familiarization-programme-for-independent-directors-fy23-24.pdf

The **Table-3** gives the details of core skills/expertise/ competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for Company to function effectively and those actually available with the Board.

Table-3

S.No.	Core skills/ expertise/ competencies	Available with the Board (YES/NO)	Name of Directors who have such Core skills/ expertise/competencies
1.	Knowledge of Core Business i.e. Automotive Gears	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda
2.	Plant Management	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. V.K. Pargal Mr. N.V. Srinivasan Mr. Rakesh Chopra Mr. Raman Nanda
3.	Strategic Planning	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. V.K. Pargal Mr. N.V. Srinivasan Mr. Rakesh Chopra Mr. Raman Nanda
4.	Product Development and Marketing	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Rakesh Chopra Mr. Raman Nanda
5.	Knowledge of Macro Environment vis-à-vis Industry	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. V.K. Pargal Mr. N.V. Srinivasan Mr. Rakesh Chopra Ms. Hiroo Suresh Advani Mr. Raman Nanda
6.	Financial Literacy	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. V.K. Pargal Mr. N.V. Srinivasan Mr. Rakesh Chopra Ms. Hiroo Suresh Advani Mr. Raman Nanda
7.	Ability to read Financial Statements	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. V.K. Pargal Mr. N.V. Srinivasan Mr. Rakesh Chopra Ms. Hiroo Suresh Advani Mr. Raman Nanda

B. Board Meetings

During the Financial Year 2023-24, 5 (Five) Board Meetings (including 1 (One) adjourned Board Meeting) were held on the following dates. The gap between any two meetings was not more than 120 (one hundred and twenty) days as mandated in Regulation 17(2) of the Regulations:-

- 25 May, 2023;
- 10 August, 2023;
- 03 November, 2023*;
- 09 November, 2023*; and
- 30 January, 2024

* Board Meeting held on 09 November, 2023 was an adjournment to the Board Meeting held on 03 November, 2023.

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director, Joint Managing Director and Chief Financial Officer and circulates the same in advance to the Directors. The Board meets at least once every quarter inter alia to review the quarterly results. Additional meetings are held, when necessary. Wherever it is not possible to convene a Board Meeting, resolutions are passed by circulation in order to meet the business exigencies. Presentations are made to the Board on the business operations and performance of the Company. The minutes of the proceedings of the meetings of the Board of Directors are noted and the draft minutes are circulated amongst the members of the Board for their perusal in terms of the Secretarial Standards issued by the Institute of Company Secretaries of India. Comments, if any received from the Directors are also incorporated in the minutes, in consultation with the Chairman and Managing Director. The Minutes are signed by Chairman of the Board at the next meeting and signed minutes are circulated amongst the members of the Board for their perusal in terms of the Secretarial Standards issued by the Institute of Company Secretaries of India. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when considered necessary.

Post Meeting Follow Up System: The Company has an effective post Board Meeting follow up procedure. Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

C. Information supplied to the Board

The Board has complete access to all information with the Company. The information is provided to the Board on regular basis and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes the following, extent to the applicability during the year as per Regulation 17(7) read with Schedule II to the Regulations.

- Annual Operating Plans and Budgets and any updates;
- Capital budgets and any updates;
- Quarterly, Half Yearly and Yearly Results of the Company;
- Minutes of the Meetings of Audit Committee and other Committees of the Board of Directors;
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

The Board periodically reviews the compliance reports of all laws applicable to the Company prepared by the Company along with the declaration made by all the respective departmental heads and by the Chairman and Managing Director regarding compliance with all applicable laws.

4. BOARD COMMITTEES

A. Audit Committee

I. *Constitution and Composition*

In terms of the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Regulations, the "Audit Committee" comprises the following Independent Directors, who have financial/accounting acumen to specifically look into internal controls and audit procedures. All the members are financially literate and have accounting and financial management expertise. The **Table-4** gives the composition of the Audit Committee and attendance record of members of the Committee:

Table-4

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. Rakesh Chopra	Chairman	5/5*
2.	Mr. V.K. Pargal	Member	5/5*
3.	Ms. Hiroo Suresh Advani	Member	5/5*

* Including 1 (One) Adjourned Audit Committee Meeting.

In addition to the Members of the Audit Committee, the Chief Executive Officer, Chief Financial Officer, Internal Auditors and the Statutory Auditors attended the meetings of the Committee as invitees. Members held discussions with the Statutory Auditors during the meetings of the Committee. The Audit Committee reviewed the quarterly, half-yearly and year to date un-audited and annual audited financials of the Company before submission to the Board of Directors for its consideration and approval. The Committee also reviewed and evaluated the internal control systems, Enterprise Risk Management system, internal audit reports, internal controls for prevention of insider trading and functioning of whistle blower mechanism.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Audit Committee Meetings as aforesaid.

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

II. *Audit Committee Meetings*

During the Financial Year 2023-24, 5 (Five) meetings of the Audit Committee (including 1 (One) adjourned Audit Committee Meeting) were held on the following dates. The gap between any two meetings was not more than 120 (one hundred and twenty) days as mandated in Regulation 18(2) of the Regulations:-

- 24 May, 2023;
- 10 August, 2023;
- 03 November, 2023*;
- 09 November, 2023*; and
- 29 January, 2024

* Audit Committee Meeting held on 09 November, 2023 was an adjournment to the Audit Committee Meeting held on 03 November, 2023.

III. *Powers of Audit Committee*

The Audit Committee has been empowered with the adequate powers as mandated in Regulation 18 of the Regulations which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

IV. *Role of Audit Committee*

The role of the Audit Committee in terms of Regulation 18 of the Regulations includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    b. changes, if any, in accounting policies and practices and reasons for the same.
    c. major accounting entries involving estimates based on the exercise of judgment by management.
    d. significant adjustments made in the financial statements arising out of audit findings.
    e. compliance with listing and other legal requirements relating to financial statements.
    f. disclosure of any related party transactions.
    g. modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. In case of a subsidiary Company, reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee may also review such matters as may be referred to it by the Board or which may be specified as role of the Audit Committee under amendments, if any, from time to time, to the Regulations, the Companies Act, 2013 and other Statutes.

V. *Review of Information by Audit Committee*

The Audit Committee reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;

2. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;

3. Internal Audit Reports relating to internal control weaknesses;

4. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and

5. Statement of deviations, if required.

B. Nomination and Remuneration Committee

I. *Constitution and Composition*

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Regulations, the Nomination and Remuneration Committee constitutes of following 4 (Four) Directors as members. **Table-5** gives the composition of the Nomination and Remuneration Committee and the attendance record of the members of the Committee.

Table-5

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. V.K. Pargal	Chairman	2/2
2.	Mr. Rakesh Chopra	Member	2/2
3.	Mr. W.R. Schilha	Member	2/2
4.	Mr. Surinder Paul Kanwar	Member	2/2

Mr. V.K. Pargal, Mr. Rakesh Chopra and Mr. W.R. Schilha are Non-Executive Independent Directors and Mr. Surinder Paul Kanwar is Chairman and Managing Director of the Company.

II. *Nomination and Remuneration Committee Meetings*

In terms of Regulation 19 of the Regulations, at least 1 (One) meeting of the Nomination and Remuneration Committee is held in each Financial Year.

During the Financial Year 2023-24, 2 (Two) meetings of the Nomination and Remuneration Committee were held. **Table-6** gives the details of the date and purpose of the meeting of Nomination and Remuneration Committee:-

Table-6

S.No.	Date of Meeting	Purpose
1.	25 May, 2023	Consideration and recommendation of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director of the Company liable to retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013.
		Noting of the performance evaluation by the Independent Directors in their Separate Meeting.
		Consideration and recommendation of the: ➢ Revised templates covering parameters for the performance evaluation of Independent Directors on the Board of the Company in terms of the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
		➢ Templates covering parameters for the performance evaluation of Various Committees of the Board of Directors of the Company.
		Consideration and recommendation of the Remuneration of Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.
2.	03 January, 2024	Consideration and recommendation of the appointment of Mr. Hitendra Narain Mishra as Chief Executive Officer (CEO) of the Company.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Nomination and Remuneration Committee meeting as aforesaid.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their satisfaction.

III. *Role of Nomination and Remuneration Committee*

The role of the Nomination and Remuneration Committee in terms of the Regulations includes the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

   For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and

capabilities required of an Independent Director and ensures that the person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee, if required:

a. uses the services of an external agency;

b. considers candidates from a wide range of backgrounds, having due regard to diversity; and

c. considers the time commitments of the candidates.

2. formulation of criteria for evaluation of performance of Independent Directors and the Board;

3. devising a policy on Board diversity;

4. identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

5. deciding whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

6. recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Pursuant to Schedule V to the Companies Act, 2013, in case of no profits or inadequate profits, the Nomination and Remuneration Committee has been empowered to consider, approve and recommend the remuneration of Whole Time Director/Managing Director.

IV. *Nomination and Remuneration Policy*

Pursuant to the provisions of the Companies Act, 2013 read with Regulation 19 of the Regulations, the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management as approved by the Board is available on the official website of the Company i.e. www.bharatgears.com.

The objectives and purpose of the said policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component industry.
- To carry out evaluation of the performance of Independent Directors and the Board, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

While deciding the remuneration for Directors, Key Managerial Personnel and other employees, the Board and the Nomination and Remuneration Committee takes into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), positive attributes, their independence, expertise, past performance and other relevant factors. The Board/Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review the Company's remuneration policy from time to time.

V. *Policy on Board Diversity*

In terms of Regulation 19 of the Regulations, the Nomination and Remuneration Committee has formed the policy on Board Diversity to provide for having a broad experience and diversity on the Board. The said policy is a part of Nomination and Remuneration Policy

VI. *Succession Plans for Board, KMPs and Senior Management*

The Nomination and Remuneration Committee has a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a Director, KMP or Senior Management Personnel of the Company as the case may be based on his/her educational qualifications, experience and track record.

The Committee has formed a Nomination and Remuneration Policy in accordance with the applicable

provisions of the Companies Act, the Regulations and other laws as applicable to the Company to guide the Board in relation to the appointment, re-appointment or removal of the person at the Board, KMP and Senior Management level.

The Committee carries out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.

Further, the Audit Committee under the Risk Management frame work evaluates and reviews the succession planning, skill development process and training requirements for the Senior Management Personnel and KMPs on half yearly basis.

VII. *Performance Evaluation*

In terms of Regulation 17 of the Regulations, the Board of Directors in its meeting held on 09 April, 2024 evaluated the performance of Independent Directors in terms of criteria of performance evaluation as laid down by Nomination and Remuneration Committee which covers the area relevant to their role as Independent Director in the Company, including but not limited to:

(a) Performance of the Directors; and

(b) Fulfillment of the independence criteria as specified in the Regulations and their independence from the management.

In the above evaluation, the Director(s) who were subject to evaluation did not participated respectively.

During the Financial Year 2023-24, a separate meeting of the Independent Directors of the Company was held on 29 March, 2024 in terms of Regulation 25 of the Regulations.

The Independent Directors in their separate meeting:

i. reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Committee Members evaluated performance of their respective Committees in the meeting of respective Committees.

VIII. *Remuneration of Directors for 2022-23*

Table-7

(₹ In Lakhs)

Name of Director	Sitting Fees#		Salaries and Perquisites		Total
	Board Meetings	Committee Meetings			
NON-EXECUTIVE DIRECTORS					
Mr. V.K. Pargal	2.00	2.30	Nil		4.30
Mr. W.R. Schilha	2.00	0.30	Nil		2.30
Mr. Rakesh Chopra	1.50	2.90	Nil		4.40
Mr. N.V. Srinivasan	2.00	0.15	Nil		2.15
Ms. Hiroo Suresh Advani	2.00	2.00	Nil		4.00
Mr. Raman Nanda	2.00	0.00	Nil		2.00
				Sub-Total (A)	**19.15**
EXECUTIVE DIRECTORS					
Mr. Surinder Paul Kanwar($)		• Salary		200.00	
		• Contribution to provident and other funds (*)		25.50	
		• Monetary value of perquisites (**)		38.47	263.97
Mr. Sameer Kanwar($)		• Salary		140.00	
		• Contribution to provident and other funds (*)		18.30	
		• Monetary value of perquisites (**)		19.67	177.97
				Sub-Total (B)	**441.94**
				Grand Total	**461.09**

GST as applicable paid directly by the Company. No Sitting Fees paid for adjourned Audit Committee Meeting and adjourned Board Meeting respectively held on 09 November, 2023.

* Excludes provision for gratuity which is determined on the basis of actuarial valuation done on an overall basis for the Company.

** Excludes provision for compensated absences which is made based on the actuarial valuation done on an overall basis for the Company.

There is no notice period or severance fee in respect of appointment of any of the above Managerial Personnel. Neither Mr. Surinder Paul Kanwar nor Mr. Sameer Kanwar is entitled for any performance linked incentives and the "Bharat Gears Limited - Employee Stock Option Scheme – 2021".

The Company has paid remuneration to the Non-Executive Directors by way of sitting fees at the rate of ₹ 50,000/- (Rupees Fifty Thousand Only) for attending each meeting of the Board and Audit Committee and ₹ 15,000/- (Rupees Fifteen Thousand Only) for other Committees of the Board of Directors of the Company.

$The remuneration payable to Mr. Surinder Paul Kanwar, Chairman and Managing Director and Mr. Sameer Kanwar, Joint Managing Director is subject to the approval of the shareholders by special resolution in general meeting, if the aggregate remuneration payable to them exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and fresh approval of the shareholders is sought at the beginning of each tenure of their appointment.

C. Stakeholders' Relationship Committee

I. *Constitution and Composition*

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Regulations, the "Stakeholders' Relationship Committee" constitutes of following 4 (Four) Directors as members. The **Table-8** gives the composition of the Stakeholders' Relationship Committee and the attendance record of Members of the Stakeholders' Relationship Committee:

Table-8

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. Rakesh Chopra	Chairman	1/1
2.	Mr. Surinder Paul Kanwar	Member	1/1
3.	Mr. Sameer Kanwar	Member	1/1
4.	Mr. N.V. Srinivasan	Member	1/1

Mr. Rakesh Chopra is a Non-Executive Independent Director, Mr. N.V. Srinivasan is a Non-Executive Director, Mr. Surinder Paul Kanwar is Chairman and Managing Director of the Company and Mr. Sameer Kanwar is Joint Managing Director of the Company.

II. *Role of Stakeholders' Relationship Committee*

The role of the Stakeholders' Relationship Committee in terms of the Regulations includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

III. *Stakeholders' Relationship Committee Meetings*

In terms of Regulation 20 of the Regulations, at least 1 (One) meeting of the Stakeholders' Relationship Committee is held in each Financial Year.

During the Financial Year 2023-24,1 (One) meeting of the Stakeholders' Relationship Committee was held.

Table-9 gives the details of the date and purpose of the meeting of Stakeholders' Relationship Committee:-

Table-9

S.No.	Date of Meeting	Purpose
1.	25 May, 2023	Noting of status of grievances of the Shareholders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. during the Financial Year 2022-23.
		Review of measures taken for effective exercise of voting rights by shareholders.

S.No.	Date of Meeting	Purpose
		Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent i.e Link Intime India Private Limited.
		Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Stakeholders' Relationship Committee Meeting as aforesaid.

The Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their satisfaction.

IV. *Sub-Committee*

In order to have speedy disposal of the Shareholders'/ Investors' requests for transfers and transmissions, a Sub-Committee consisting of the following Directors/ Officers of the Company is in place for effecting transfer/ transmission/split/consolidation of shares:

a. Mr. Surinder Paul Kanwar, Chairman and Managing Director

b. Mr. Sameer Kanwar, Joint Managing Director

c. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

Any two of the above are authorized to consider and approve the transfer/transmission/split/consolidation of shares. The Sub-Committee is attending to Share Transfer formalities as and when required.

However, the Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities. Therefore, the Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI.

V. *Status of Investor Complaints/Requests*

No. of Complaints received during the Financial Year 2023-24	2 (Shares Transferred into IEPF)
No. of Complaints resolved to the satisfaction of stakeholders during the Financial Year 2023-24	2

No. of pending requests for share transfers, transmissions (under permissible mode(s)), dematerialisations and rematerialisations as on 31 March, 2024.

Particulars	No. of Requests	No. of Securities
Transfers and Transmissions(Under Permissible Mode(s))	NIL	NIL
Dematerialisations and Rematerialisations	NIL	NIL

In terms of Regulation 13 of the Regulations, the Company has filed the status of investor complaints at the end of each quarter with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with the BSE Limited (BSE) through BSE Listing Centre duly signed by Mr. Prashant Khattry, Compliance Officer of the Company.

D. Corporate Social Responsibility Committee ("CSR Committee")

I. *Constitution and Composition*

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") constitutes of following 3 (Three) Directors as members to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on the official website of the Company i.e. www.bharatgears.com.

The **Table-10** gives the composition and the attendance record of Members of the CSR Committee:

Table-10

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. Surinder Paul Kanwar	Chairman	1/1
2.	Mr. Sameer Kanwar	Member	1/1
3.	Mr. Rakesh Chopra	Member	1/1

Mr. Surinder Paul Kanwar is Chairman and Managing Director, Mr. Sameer Kanwar is Joint Managing Director and Mr. Rakesh Chopra is a Non-Executive Independent Director of the Company.

II. *Role of Corporate Social Responsibility Committee*

The role of the Corporate Social Responsibility Committee in terms of the Companies Act, 2013 includes the following:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 ("the Act").

(b) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

(c) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.

(d) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

III. *CSR Committee Meetings*

During the Financial Year 2022-23, 1 (One) meeting of CSR Committee was held. **Table-11** gives the details of the date and purpose of the meeting of CSR Committee:-

Table-11

S. No.	Date of Meeting	Purpose
1.	29 March, 2024	Consideration and recommendation of spending on Corporate Social Responsibility (CSR) activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 during the Financial Year 2023-24 as per the Annual Action Plan approved by the Board of Directors.
		Consideration and recommendation of the Annual Action Plan for spending on Corporate Social Responsibility (CSR) activities for the Financial Year 2024-25 to the Board of Directors.

E. Finance Committee

The "Finance Committee" of the Board of Directors of the Company is in existence which has been empowered to take care of the financing and other day to day requirements of the Company. The said Committee is authorised to borrow monies, make loans, issue shares, etc. and matters related or incidental thereto.

The **Table-12** gives the composition and the attendance record of Members of the Finance Committee:

Table-12

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	Mr. Rakesh Chopra	Chairman	2/2
2.	Mr. Surinder Paul Kanwar	Member	2/2
3.	Mr. Sameer Kanwar	Member	2/2
4.	Mr. V.K. Pargal	Member	2/0

Mr. Rakesh Chopra and Mr. V.K. Pargal are the Non-Executive Independent Directors, Mr. Surinder Paul Kanwar is Chairman and Managing Director and Mr. Sameer Kanwar is Joint Managing Director of the Company.

During the Financial Year 2023-24, 2 (Two) meetings of Finance Committee were held on 25 April, 2023 and 13 October, 2023 respectively to discharge the functions delegated to the Committee.

Each of these Committees of the Board have requisite expertise to handle the issues relevant to their field and spend considerable time and give focused attention to the various issues placed before it and guidance by these Committees lend immense values and enhances the decision making process of the Board. The Board reviews the functioning of these Committees from time to time. The Meetings of each of the Committee are convened by the respective Chairman, who also informs the Board about the summary of discussion held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all the Directors individually and tabled at the respective Board/Committee Meeting.

5. SENIOR MANAGEMENT

In terms of the provisions of Section 178 of the Companies Act, 2013 and the Regulations, the "Senior Management" of the Company includes the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and specifically includes the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

The **Table-13** gives the details of person covered under the Senior Management of the Company as on 31 March, 2024:

Table-13

S.No.	Name of Senior Management Personnel	Designation
1.	Mr. Hitendra Narain Mishra	Chief Executive Officer (CEO)
2.	Mr. Milind Pujari	Chief Financial Officer (CFO)
3.	Mr. Prashant Khattry	Corporate Head (Legal) and Company Secretary (CS)
4.	Mr. Jagdeep Singh Sachdeva	Business Head (After Market)
5.	Mr. Naresh Verma	Corporate Business Head
6.	Mr. Kiran Rai	Process Leader-OE Marketing and Business Development

During the Financial Year 2023-24, Mr. Kiran Rai, Process Leader - OE Marketing and Business Development of the Company has been designated as a "Senior Management Personnel" of the Company w.e.f. 10 August, 2023. Further, Mr. Hitendra Narain Mishra has been appointed as Chief Executive Officer (Senior Management Personnel) of the Company with effect from 01 January, 2024. No "Senior Management Personnel" of the Company as on 31 March, 2023 has ceased to be a "Senior Management Personnel" during the Financial Year 2023-24.

6. COMPLIANCE OFFICER

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary is the Compliance Officer of the Company.

7. DIRECTORS

Appointment/Re-appointment of existing Executive Director/Non-Executive Director

During the Financial Year 2023-24, the members of the Company vide their special resolution passed at the Annual General Meeting held on 20 September, 2023 approved the:

- Re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company liable to retire by rotation upto the conclusion of the 52nd AGM of the Company in the Calendar year 2024 in terms of the provisions of Section 152 of the Companies Act, 2013;

in terms of the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, the age of Mr. N.V. Srinivasan being more than seventy five years at the commencement of his tenure.

The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company is expiring on 31 May, 2024. The Board of Directors of the Company in its meeting held on 29 May, 2024 has re-appointed Mr. Sameer Kanwar as Joint Managing Director of the Company for a further period of 2 (Two) years w.e.f. 01 June, 2024 subject to the approval of shareholders at the ensuing Annual General Meeting of the Company by way of special resolution in terms of the applicable provisions of the Companies Act, 2013 and the Regulations.

In terms of the provisions of Section 149 of the Companies Act, 2013, Ms. Hiroo Suresh Advani had been re-appointed as a Non Executive Independent Director at the Annual General Meeting (AGM) of the Company held on 06 August, 2019 for second consecutive term for a further period of 5 (Five) Years upto the conclusion of the 52nd AGM of the Company in the Calendar year 2024.

In purview of the same, the tenure of Ms. Hiroo Suresh Advani as Non Executive Independent Director of the Company shall conclude at the ensuing Annual General Meeting (AGM).

In terms of the provisions of Section 152 of the Companies Act, 2013, it has been proposed to re-appoint Mr. N.V. Srinivasan as a Non-Executive Director liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company upto the conclusion of the next Annual General Meeting (AGM) of the Company in the Calendar Year 2025 by way of special resolution pursuant to the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, the age of Mr. N.V. Srinivasan being more than seventy five years at the commencement of his proposed tenure.

As required under Regulation 36 of the Regulations, the information or details pertaining to the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting has been furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

8. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as detailed below:

Annual General Meetings

Table-14

Financial Year	Venue	Date & Time	Special Resolution(s) Passed	
2022-23	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of Link Intime India Private Limited)	20 September, 2023 11:30 A.M.	Yes	
			1.	Consideration and approval of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company.
2021-22	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of Link Intime India Private Limited)	20 September, 2022 11:30 A.M.	Yes	
			1.	Consideration and approval of the appointment of Mr. Raman Nanda, Additional Director of the Company, as a Non-Executive Independent Director on the Board of the Company.
			2.	Consideration and approval of the payment of remuneration to Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company for a further period of 3 (Three) years w.e.f. 01 April, 2022 of his present tenure.
			3.	Consideration and approval of the payment of remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company for a period of 2 (Two) years w.e.f. 01 June, 2022 of his present tenure.
			4.	Consideration and approval of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company.
			5.	Consideration and approval of the issue of Bonus Shares to the Members of the Company by way of capitalisation of reserves.
2020-21	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of Link Intime India Private Limited)	22 September, 2021 11:30 A.M.	Yes	
			1.	Consideration and approval of the re-appointment of Mr. Wolfgang Rudolf Schilha as a Non-Executive Independent Director on the Board of the Company.
			2.	Consideration and approval of the re-appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company.
			3.	Consideration and approval of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company.
			4.	Consideration and approval of the "Bharat Gears Limited – Employee Stock Option Scheme 2021".

Extra-ordinary General Meetings

No Extraordinary General Meeting of the Company was held during the Financial Year ended 31 March, 2024.

Postal Ballot

There are no special resolutions passed during 2023-24 through postal ballot and no special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results during the year were duly furnished to both the stock exchanges i.e. the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) and the same were published by the Company as under:

Table-15

Financial Results	Name(s) of Newspapers	Date(s) of Publication
Quarter/Year ended 31 March, 2023	Financial Express# Jansatta (Hindi)##	26 May, 2023
Quarter ended 30 June, 2023	Financial Express# Jansatta (Hindi)##	11 August, 2023
Quarter/Half Year ended 30 September, 2023	Financial Express# Jansatta (Hindi)##	11 November, 2023
Quarter/Nine Months ended 31 December, 2023	Financial Express# Jansatta (Hindi)##	31 January, 2024

Financial Express - Delhi, Mumbai, Ahmedabad, Bengaluru, Chandigarh, Chennai, Hyderabad, Kochi, Kolkata, Lucknow, Pune Editions.

Jansatta (Hindi) - Delhi Edition.

COMPANY'S WEBSITE

Pursuant to Regulation 46 of the Regulations, the Company's official website i.e. www.bharatgears.com contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the shareholders is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, details of unpaid/unclaimed dividends and various policies of the Company.

NSE ELECTRONIC APPLICATION PROCESSING SYSTEM ('NEAPS')

NEAPS is a web-based application designed by the National Stock Exchange of India Limited (NSE) for corporate filings. All periodical compliance related filings, like shareholding pattern, corporate governance report, media releases and corporate actions are filed electronically on NEAPS.

BSE CORPORATE COMPLIANCE AND LISTING CENTRE ('LISTING CENTRE')

The Listing Centre of BSE Limited is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

Further, any interviews given by Company Executives/ Management during the year are also displayed on the Company's official website i.e. www.bharatgears.com.

ANNUAL REPORT

The Annual Report containing, inter-alia, the Audited Financial Statements, Board's Report, Auditors' Report, the Management Discussion and Analysis (MDA) Report and other important information is circulated to the shareholders and other stakeholders and is also available on the Company's official website i.e. www.bharatgears.com.

Green Initiative:

In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), the Company had sent soft copies of the Annual Report for the Financial Year 2023-24 to all those shareholders whose email addresses were made available to the depositories or the Registrar and Transfer Agent (RTA). Further, physical copies were not sent to any shareholder in view of the relaxations provided by the Securities and Exchange Board of India (SEBI).

Besides the above, no other presentations were made to any institutional investor or to the analysts.

10. GENERAL SHAREHOLDERS' INFORMATION

A. Company Registration Details:

The Company is registered under the Registrar of Companies, NCT of Delhi and Haryana.

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29130HR1971PLC034365.

B. Annual General Meeting Details:

The forthcoming AGM of the Company shall be held at 11:30 A.M. on Monday, the 12th August, 2024 at Faridabad.

C. Financial Year:

Financial year of the Company commences on 01 April and ends on 31 March. The four Quarters of the Company ends on 30 June, 30 September, 31 December and 31 March respectively.

D. Listing on Stock Exchanges and Stock Code:

The Shares of the Company are listed on the following Stock Exchanges:

1. BSE Limited [BSE]
   [Stock Code: 505688]
   Phiroze Jeejeebhoy Towers
   Dalal Street
   Mumbai - 400 001

2. National Stock Exchange of India Limited [NSE]
   [Symbol: BHARATGEAR]
   Exchange Plaza, C-1, Block G
   Bandra Kurla Complex
   Bandra (E)
   Mumbai – 400 051

The Annual Listing Fees for the year 2024-25 has been paid in advance to the aforesaid Stock Exchanges.

E. Market Price Data:

High and Low prices during each month of Financial Year 2023-24 on National Stock Exchange of India Limited and BSE Limited are as under:

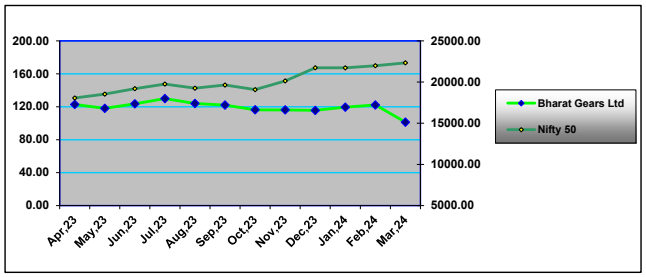
The Closing Price represents the price on the last trading day of each month of Financial Year 2023-24.

Table-16

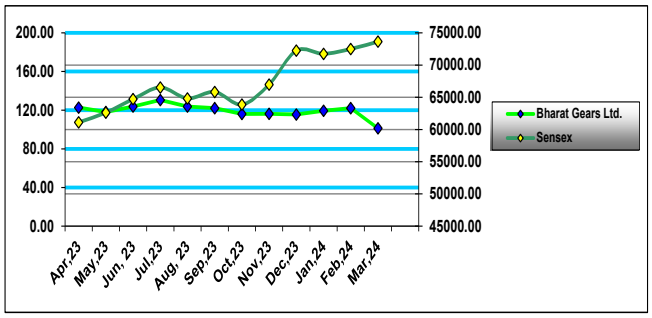
Month	High (₹)		Low (₹)		Closing (₹)	
	NSE	BSE	NSE	BSE	NSE	BSE
April	136.00	137.10	104.80	101.55	122.75	122.75
May	133.70	133.70	117.30	117.00	118.10	118.15
June	127.45	143.00	118.20	117.00	123.55	123.75
July	136.35	153.00	121.50	120.05	129.90	130.55
August	132.85	152.00	117.50	117.40	124.00	123.75
September	134.75	140.00	121.25	120.00	122.05	122.15
October	123.50	127.95	110.00	110.50	116.30	116.15
November	122.40	135.00	113.00	113.00	116.20	116.30
December	120.80	122.00	105.65	110.00	115.60	115.50
January	128.65	129.15	114.00	114.00	119.50	119.35
February	134.00	134.10	112.50	113.55	122.20	122.15
March	125.65	124.80	99.45	99.75	101.30	101.25

The graphical presentations of movement of closing share prices of the Company on NSE and BSE during the year are as under:

a. BHARAT GEARS' PRICES VERSUS NIFTY 50



b. BHARAT GEARS' PRICES VERSUS SENSEX



F. Registrar and Transfer Agent:

Link Intime India Private Limited is the Registrar and Transfer agent for handling both the share registry work relating to shares held in physical and electronic form at single point. The Share Transfers were duly registered and returned in the normal course within stipulated period, if the documents were clear in all respects.

The Shareholders are therefore advised to send all their correspondences directly to the Registrar and Transfer Agent of the Company at the address mentioned below:

Link Intime India Private Limited
Noble Heights, 1st Floor,
Plot No NH-2, LSC, C-1 Block,
Near Savitri Market,
Janakpuri,
New Delhi – 110058
Tel Nos.: 011 - 49411000
Fax No.: 011 - 41410591
Email: delhi@linkintime.co.in

However, for the convenience of Shareholders, correspondence relating to Shares received by the Company are forwarded to the Registrar and Transfer Agent for action thereon.

In terms of Regulation 7 of the Regulations, the Company has filed a compliance certificate with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with the BSE Limited (BSE) through BSE Listing Centre duly signed by Mr. Prashant Khattry, Compliance Officer of the Company and the authorized representative of Registrar & Transfer Agent of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by the Registrar and Transfer Agent of the Company.

G. Share Transfer System:

The Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities.

The requests for the transfers of Shares under the aforesaid permissible mode(s) are accepted for registration at the Registered Office of the Company in addition to the office of Registrar and Transfer Agent (RTA), Link Intime India Private Limited. LinkIntime India Private Limited is fully equipped to undertake the activities of Share Transfers and redressal of Shareholders grievances.

In order to have speedy disposal of the shareholders'/ investors' requests for transfers and transmissions, a sub-committee consisting of the following directors/officers of the Company is in place for effecting Transfer/Transmission/ Split/Consolidation of Shares.

a. Mr. Surinder Paul Kanwar, Chairman and Managing Director

b. Mr. Sameer Kanwar, Joint Managing Director

c. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

Any two of the above are authorized to consider and approve the Transfer/Transmission/Split/Consolidation of Shares. The Sub-Committee is attending to Share Transfer formalities as and when required.

After approved by the Sub-Committee, the Share Transfers are affected by the Registrar and Transfer Agent of the Company.

The Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI within the statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. However, pursuant to the proviso of Regulation 40(1) of the Listing Regulations, the requests for effecting transfer of securities in physical mode shall not be processed by the Company unless the securities are held in the dematerialized form with a depository which now includes transmission or transposition of securities also. Further, in terms of the circular reference no. SEBI/ HO/MIRSD/MIRSD_RTAMB P/CIR/2022/8 dated 25 January, 2022 issued by the Securities and Exchange Board of India (SEBI), the securities for the aforesaid requests are issued in dematerialized form only as per the procedure prescribed under the said circular.

As per the requirements of Regulation 40(9) of the Regulations, the Company has obtained the Yearly Compliance Certificate from a Company Secretary in Practice for due compliance of Share Transfer formalities and the same has been filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with the BSE Limited (BSE) through BSE Listing Centre accordingly.

H. Shareholding pattern of the Company as per category of shareholders as on 31 March, 2024:

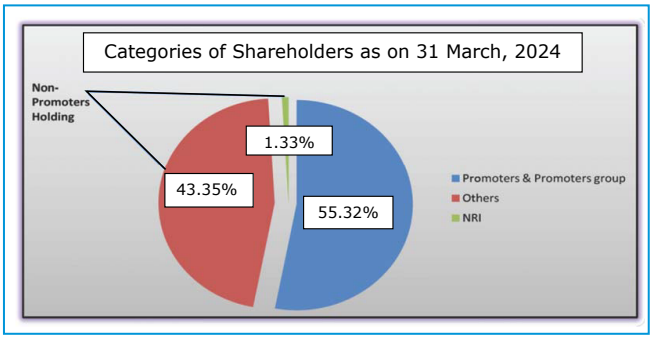


Table-17

			Category	No. of Shares Held	% age of Share Holding
A.	**Promoters' holding**				
	1.		Promoters		
		-	Indian Promoters	5681896	37.00
		-	Foreign Promoters	0	0.00
	2.		Persons acting in Concert	2812514	18.32
B.	**Non-Promoters' Holding**				
	3.		Institutional Investors		
		a.	Mutual Funds and Unit Trust of India	300	0.00
		b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	4377	0.03
		c.	Foreign Institutional Investor	201819	1.31
	4.		Others		
		a.	Private Corporate Bodies	187773	1.22
		b.	Indian Public	6090851	39.67
		c.	Non Resident Indians/Overseas	203516	1.33
		d.	Any Other		
			(Investor Education and Protection Fund)	171028	1.11
			(Clearing Members)	984	0.01
			Total	**15355058**	**100.00**

I. Distribution of Shareholding as on 31 March, 2024:

Table-18

No. of Equity shares held	Number of Shareholders	Number of Shares	%age to total shares
Up to 500	24876	2156388	14.04
501 to 1000	1160	891620	5.81
1001 to 2000	545	789894	5.14
2001 to 3000	146	368159	2.40
3001 to 4000	66	238730	1.55
4001 to 5000	54	252724	1.65
5001 to 10000	57	411771	2.68
10001 and above	62	10245772	66.73
Total	**26966**	**15355058**	**100.00**

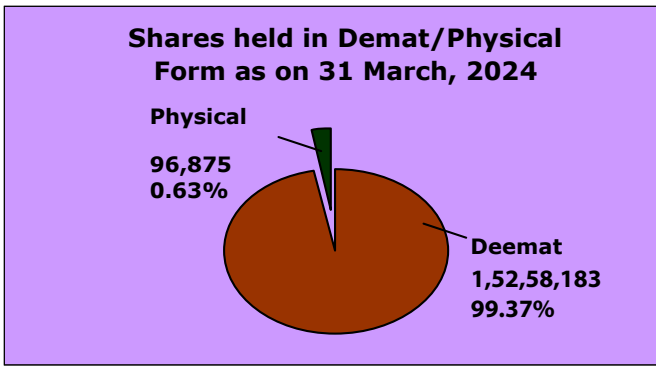
J. Share Dematerialisation System:

The requests for dematerialisation of shares are processed by the Registrar and Transfer Agent (RTA) expeditiously and the confirmation in respect of dematerialisation is entered by RTA in the depository system of the respective depositories, by way of electronic entries for dematerialisation of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System.

In terms of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations 2018, the Company has filed a compliance certificate with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS), with the BSE Limited (BSE) through BSE Listing Centre and the Depositories concerned duly signed by the authorized representative of the Registrar and Transfer Agent of the Company confirming that the securities received from the depository participants for dematerialization were confirmed (accepted/rejected) to the depositories by them and that securities comprised in the said certificates have been listed on the stock exchanges where the earlier issued securities are listed and further confirming that the securities certificates received for dematerialization have been mutilated and cancelled after due verification by the depository participant and the name of the depositories have been substituted in register of members as the registered owner within the prescribed timelines.

K. Dematerialization of Shares and Liquidity:

The Company's Equity Shares are compulsorily traded in the Stock Exchanges in the dematerialized mode and are available for trading under both the Depository Systems in India i.e. National Securities Depository Limited and Central Depository Services (India) Limited.



As on 31 March, 2024, a total of 1,52,58,183 equity shares of the Company of ₹ 10/- each, which form 99.37% of the paid up Equity Share Capital, stand dematerialized.

Table-19

PARTICULARS					
DEMAT				PHYSICAL	
NSDL		CDSL			
No. of shares	%	No. of shares	%	No. of shares	%
1,19,67,343	77.94	32,90,840	21.43	96,875	0.63

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

L. Transfer of Unclaimed Shares to Investor Education and Protection Fund:

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") and further amendments thereto, 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 and a statement containing such details are required to be filed with the Ministry of Corporate Affairs (MCA).

During the Financial Year 2023-24, the Company was not required to transfer any equity share to the IEPF Account established by the Central Government in respect of which dividends have remained unclaimed for a period of seven consecutive years. Further, 4 (Four) valid request(s) covering 390 (Three Hundred Ninety) Equity Shares have

been received by the Company from the shareholders whose Equity Shares are held in the demat account of IEPF Authority. The verification report clear in all the aspects for the release of said Shares has been forwarded by the Nodal Officer of the Company to the IEPF Authority pursuant to the due verification of the claims(s) so received. The said claims are pending for approval by the IEPF Authority.

As on 31 March, 2024, 1,71,028 (One Lakh Seventy One Thousand Twenty Eight) Equity Shares of the Company in aggregate are held in demat account of IEPF Authority.

Since no unclaimed dividend is required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2024-25, there are no equity shares liableto be transferred into IEPF during the Financial Year 2024-25.

Investor Education and Protection Fund claim Guidelines

With reference to Rule 7 of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the Investors/Depositors whose unpaid dividends and shares have been transferred to IEPF under the Companies Act, 2013 can claim the amounts and shares from the IEPF authority as per the procedures/guidelines stated below:

a. Download the Form IEPF-5 from the website of the IEPF Authority (http://www.iepf.gov.in) for filing the claim for the refund of dividend/shares. Read the instructions provided on the website/instruction kit alongwith the e-form carefully before filling the form.

b. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the IEPF website. On successful uploading, an acknowledgement challan will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.

c. Take a print out of the duly filled Form IEPF-5 and the acknowledgement challan issued after uploading the form.

d. Submit an indemnity bond in original, copy of the acknowledgement and self attested copy of e-form IEPF-5 along with other necessary documents as mentioned in the Form IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund from IEPF Authority"/"Claim for shares from IEPF" as the case maybe. Kindly note that submission of documents to the Company is necessary to initiate the refund process.

e. Claim form completed in all respects will be verified and submitted online by the Company along with the Verification Report and other necessary documents to the IEPF Authority. Subsequently, on the basis of Company's Verification Report and other documents submitted by the Company with the IEPF Authority, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

In terms of the Rule 2 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of Nodal Officer and Deputy Nodal Officer appointed by the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF Authority) as communicated to the IEPF Authority are as follows:

Nodal Officer:

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary
Bharat Gears Limited
20 K.M. Mathura Road
Faridabad – 121003
Phone: 0129 - 4288888
Email: prashant.khattry@bglindia.com

Deputy Nodal Officer:

Mr. Kaushal Narula, Senior Manager (Secretarial)
Bharat Gears Limited
20 K.M. Mathura Road
Faridabad – 121003
Phone: 0129 - 4288888
Email: kaushal.narula@bglindia.com

Further, the necessary details of Nodal Officer and Deputy Nodal Officer are available on the official website of the Company i.e. www.bharatgears.com.

M. Corporate Benefits:

Dividend History:

Table-20

Financial Year	Rate (%)	Amount (₹ in Lakhs)
2023-24	**NIL**	**NIL**
2022-23	NIL	NIL
2021-22	NIL	NIL
2020-21	NIL	NIL
2019-20	NIL	NIL

N. Plant locations:

The Company's Plants are located at the addresses mentioned below:

- 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad, Haryana, Pin–121003
- Kausa Shil, Mumbra, District Thane, Maharashtra, Pin-400612
- Lonand, Taluka Khandala, District Satara, Maharashtra, Pin-415521

O. Addresses for Correspondence:

For Share transfer/demat/remat of shares or any other query relating to shares:-

Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No NH-2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi – 110058, Tel Nos.: 011-49411000, Email:delhi@linkintime.co.in.

For Investor Assistance:-

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary, Bharat Gears Limited, 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad – 121 003, Phone: 0129-4288888, Fax No. 0129-4288822-23, Email: prashant.khattry@bglindia.com

P. Credit Ratings:

The details of the Credit Ratings assigned to the Company for its Banking Facilities by various rating agency(ies) as on 31 March, 2024 and changes thereof during the Financial Year 2023-24 are as per following details:

Table-21

Instrument Description	Rating Agency(ies)	Rating Assigned as on 31 March, 2023	Rating Assigned as on 31 March, 2024	Changes in Rating during the Financial Year 2023-24
Banking Facilities-Long-Term	CRISIL	BBB-/Positive	BBB-/Stable	Revision in Outlook from "Positive" to "Stable"
	CARE	BBB; Stable (Triple B; Outlook: Stable)	BBB-; Stable (Triple B-; Outlook: Stable)	Downgraded from BBB
Banking Facilities-Short-Term	CRISIL	A3	A3	Reaffirmed
	CARE	A3+ (A Three Plus)	A3	Downgraded from A3+

11. OTHER DISCLOSURES

A. Related Party Transactions:

During the year 2023-24, there were no material individual transactions with related parties, which are not in the normal course of business or are not on an Arm's Length basis in terms of Regulation 23 of the Regulations. The statements in summary form of transactions with Related Parties in the ordinary course of business are placed periodically before the Audit Committee for its consideration and approval. All disclosures related to financial and commercial transactions where Directors are interested are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters. The details of the Related Party Transactions during the year are given in the Notes forming part of the financial statements.

Further, the Company has formulated a policy on materiality of Related Party Transactions in accordance with the Regulation 23 of the Regulations and the same is available on the official website of the Company i.e. www.bharatgears.com under the link http://bharatgears.com/pdf/related_party_transaction_policy.pdf

In terms of Regulation 23(9) of the Regulations, the Company has filed the disclosures of related party transactions on a consolidated basis with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with the BSE Limited (BSE) through BSE Listing Centre on a half yearly basis.

B. Disclosure of Accounting Treatment in preparation of Financial Statements:

Bharat Gears Limited has followed the guidelines of Accounting Standards as mandated by the Central Government in preparation of its financial statements.

C. Risk Management Framework:

In pursuance to the Companies Act, 2013 and Regulation 17(9) of the Regulations, the Board of Directors of the Company has adopted a comprehensive Enterprise Risk Management Framework wherein the risks faced by the Company have been identified and assessed and on the basis of the same, the various risks have been prioritized and further the procedures have been devised upon to

mitigate such risks. The progress checks on all the risks are done at the Senior Management level and the summary of the same is placed before the Board on a quarterly basis.

The process of risk identification, assessment, prioritization and the devising of the procedures for mitigation of risks is repeated on an annual basis to make the risk management framework inline with the changing requirements of the Industry vis-à-vis the operations of the Company.

A detailed note on Risk Management is given in the Management Discussion and Analysis section forming part of the Board's Report.

D. Management:

Management Discussion and Analysis forms part of the Annual Report to the Shareholders for the Financial Year 2023-24.

E. Compliance by the Company:

During the year 2022-23, the Company had moved an application for waiver of fine thereby providing appropriate justifications upon payment of fine and due compliance in respect of the Non-Compliance with the Constitution of Nomination and Remuneration Committee, as per the intimation received from the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) advising the Company to pay fine in terms of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22 January, 2020 issued by Securities and Exchange Board of India (SEBI).

The waiver application filed by the Company is pending with the Stock Exchange(s) as on date. If the said application is considered by the Stock Exchange(s) favourably, the fine paid by the Company to NSE shall be refunded.

F. Whistle Blower Policy/Vigil Mechanism:

The Whistle Blower Policy/Vigil Mechanism of the Company has been formulated as per Regulation 22 of the Regulations and Section 177 of the Companies Act, 2013. The policy provides a channel to the employees, Directors and any other person who avails such mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The mechanism of policy provides for adequate safeguards against victimization of employees, Directors and any other person who avails such mechanism and also provide for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The said policy has been communicated to all the personnel of the Company and is available on the official website of the Company i.e. www.bharatgears.com. Protected disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year under review, no complaint has been received and no unethical behavior has been reported. Further, the Company has not denied any personnel access to the Audit Committee and it will provide protection to Whistle Blower, if any, from adverse personnel action.

Further, the Audit Committee, in its meeting held on 29 January, 2024 reviewed the functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company and found the same satisfactory.

G. Policy on Preservation of Documents/Archival Policy on Website Disclosure:

The Policy on Preservation of Documents/Archival Policy on Website Disclosure in accordance with Regulation 9 and Regulation 30(8) of the Regulations is in existence which provides the framework for preservation of documents and records of the Company for a specified period and the records of the Company which are no longer needed or are of no value are discarded after following the due process for discarding the same. This Policy aids the employees of the Company in understanding their obligations in retaining and preserving the documents and records which are required to be maintained as per the applicable statutory and regulatory requirements. The said policy is available on the official website of the Company i.e. www.bharatgears.com.

H. Policy on criteria for Determining Materiality of Events:

The Policy on criteria for determining Materiality of Events has been framed in accordance with Regulation 30 of the Regulations which defines the criteria for determining the materiality of events or information related to the Company, provides that such information should be adequately disseminated in pursuance with the Regulations and further provides for the overall governance framework for such determination of materiality. The said policy is available on the official website of the Company i.e. www.bharatgears.com.

I. CEO/CFO certification:

Certificate from Mr. Hitendra Narain Mishra, Chief Executive Officer and Mr. Milind Pujari, Chief Financial Officer in terms of Regulation 17(8) of the Regulations for the Financial Year ended 31 March,2024 was placed before the Board of Directors of the Company in its meeting held on 29 May, 2024.

J. Code of Conduct and Corporate Ethics:

Code of Business Conduct and Ethics

Bharat Gears Limited believes that Good Corporate Governance is the key to the Conduct of the Company's Business in a transparent, reliable and vibrant manner. It is of paramount importance for any Company to create an atmosphere of faith, integrity, accountability, responsibility and financial stability by adhering to commitment, ethical business conduct, a high degree of transparency thereby unlocking the individual intellectual capabilities and enabling its Board of Directors to conduct its duties under a moral authority, which ultimately leads to enhance legitimate needs and value of the stakeholders. A copy of this code formulated in terms of Regulation 17 of the Regulations has been posted on the official website of the Company i.e. www.bharatgears.com.

Code of Conduct for Prevention of Insider Trading

The Company has a comprehensive Code of Conduct for its Management, Staff and Directors for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code lays down the guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company and cautioning them on the consequences of non–compliances. The pieces of the price sensitive information are disseminated to the Stock Exchanges timely, adequately and promptly on a continuous basis for prevention of Insider Trading. The Company Secretary has been appointed as Compliance Officer and is responsible for adherence to Code for prevention of Insider Trading.

A copy of same has been posted on the official website of the Company i.e. www.bharatgears.com.

Further, in terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements as stipulated in the said regulations. During the year under review, the Audit Committee, in its meeting held on 29 January, 2024 reviewed the same and verified that the systems for internal control for prevention of Insider Trading are adequate and are operating effectively.

K. Legal Compliance Reporting:

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations in terms of Regulation 17 of the Regulations. The Company has developed a very comprehensive Legal compliance manual, which drills down from the Senior Management Personnel to the executive-level person (who is primarily responsible for compliance) within the Company. The process of compliance reporting is fully automated, using the legal compliance software. System based alerts are generated till the user submits the compliance report, with provision for escalation to the higher-ups in the hierarchy. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

L. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) at all its Units (i.e. Faridabad, Mumbra and Lonand) where any grievance of sexual harassment at workplace can be reported.

The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace free from harassment/discrimination and every employee is treated with dignity and respect. The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link http://bharatgears.com/pdf/policy-for-prevention-of-sexual-harassment.pdf

During the Financial Year 2023-24, ICC of all units of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

Status of Complaints as on 31 March, 2024:

Table-22

No. of Complaints filed during Financial Year 2023-24	NIL
No. of Complaints disposed of during Financial Year 2023-24	NOT APPLICABLE
No. of Complaints pending as on 31 March, 2024	NOT APPLICABLE

M. Certificate on Non-disqualification of Directors:

Certificate from a Company Secretary in practice to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

N. Fees paid to Statutory Auditors:

The details of fees paid by the Company to the Statutory Auditors of the Company and all entities in the network firm/network entity of which the statutory auditors are a part for the Financial Year 2023-24 are as follows:

Table-23

(₹ lakhs)

Particulars	For the year ended 31 March, 2024
Fees for audit and related services paid to Deloitte Haskins & Sells LLP	42.93
Other fees paid to the network firm of which the statutory auditor is a part	0.00
Total	**42.93**

O. Mandatory Requirements:

The Company has complied with all the mandatory requirements of Regulation 17 to 27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Regulations. Details of compliances are given below:

Table-24

I.	Disclosure on website in terms of Listing Regulations	Compliance status (Yes/No/NA)
	Item	
	Details of business	Yes
	Terms and conditions of appointment of independent directors	Yes
	Composition of various committees of board of directors	Yes
	Code of conduct of board of directors and senior management personnel	Yes
	Details of establishment of vigil mechanism/Whistle Blower policy	Yes
	Criteria of making payments to non-executive directors	Yes
	Policy on dealing with related party transactions	Yes
	Policy for determining 'material' subsidiaries	NA
	Details of familiarization programmes imparted to independent directors	Yes
	Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances	Yes
	Email address for grievance redressal and other relevant details	Yes
	Financial results	Yes
	Shareholding pattern	Yes
	Details of agreements entered into with the media companies and/or their associates	NA
	Schedule of analyst or institutional investor meet and presentations made by the Company to analysts or institutional investors simultaneously with submission to stock exchange	NA
	Audio or video recordings and transcripts of post earnings/quarterly calls	NA
	New name and the old name of the Company	NA
	Advertisements as per regulation 47 (1)	Yes
	Credit rating or revision in credit rating obtained	Yes
	Separate audited financial statements of each subsidiary of the Company in respect of a relevant financial year	NA
	Secretarial Compliance Report	Yes
	Materiality Policy as per Regulation 30 (4)	Yes
	Disclosure of contact details of KMP who are authorized for the purpose of determining materiality as required under regulation 30 (5)	Yes
	Disclosures under regulation 30 (8)	Yes
	Statement of deviation(s) or variation(s) as specified in regulation 32	NA
	Dividend Distribution policy as per Regulation 43A (1)	NA
	Annual return as provided under section 92 of the Companies Act, 2013	Yes

Confirmation that the above disclosures are in a separate section as specified in regulation 46 (2)	Yes
Compliance with regulation 46 (3) with respect to accuracy of disclosures on the website and timely updating	Yes

II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A), 17(1C), 17(1D) & 17(1E)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board under the Explanatory Statement of Proposed Resolutions	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Role of Audit Committee and information to be reviewed by the Audit Committee	18(3)	Yes
Composition of Nomination and Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Role of Nomination and Remuneration Committee	19(4)	Yes
Composition of Stakeholders' Relationship Committee	20(1),20(2)& 20(2A)	Yes
Meeting of Stakeholders' Relationship Committee	20(3A)	Yes
Role of Stakeholders' Relationship Committee	20(4)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Meeting of Risk Management Committee	21(3A)	NA
Quorum of Risk Management Committee Meeting	21(3B)	NA
Gap between the meetings of the Risk Management Committee	21(3C)	NA
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(1A),(5),(6)&(8)	Yes
Prior or Omnibus approval of Audit Committee for all Related Party Transactions	23(2),(3)	Yes
Approval for material Related Party transactions	23(4)	NA
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of Company	24(2),(3),(4),(5) & (6)	NA

Alternate Director to Independent Director	25(1)	NA
Maximum Tenure	25(2)	Yes
Appointment, Re-appointment or removal of an Independent Director through special resolution or the alternate mechanism	25(2A)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
Directors and Officers insurance	25(10)	Yes
Confirmation with respect to appointment of Independent Directors who resigned from the Company	25(11)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Approval of Board and shareholders for compensation or profit sharing in connection with dealing in securities of the Company	26(6)	NA
Vacancies in respect of Key Managerial Personnel	26A(1) & 26A(2)	NA

P. Non-Mandatory Requirements:

The Company has set up a Finance Committee, details whereof are given in the Board Committee section of this report.

Further, the internal Auditors of the Company report directly to the Audit Committee.

Q. Investor Relations:

The growing requirements of disclosure, transparency and corporate governance have made it imperative for companies to manage information flow and communicate more effectively with shareholders. Investor Relations at Bharat Gears Limited aims at seamless two way communication with the Investor Community. It is based on the tenets of transparency, accuracy and timeliness of disclosures. There is a conscious effort towards the effective dissemination of information to the shareholders to communicate the Company's long term vision and goals.

R. Email for investors:

The Company has designated investor@bglindia.com as email address especially for investors' grievances. Alternatively, the investors can send their complaints/ requests at info@bglindia.com.

SEBI has commenced processing of investor complaints in a centralised web based complaints redressal system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

Further, Online Dispute Resolution (ODR) in Indian Securities Market has been introduced by SEBI vide its circular dated 31 July, 2023 read with corrigendum-cum-amendment circular dated 04 August, 2023. In addition to SCORES, Investors/clients and Market Participants (MPs) now have an additional mechanism available for dispute resolution with an objective of time bound online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The Company has registered itself on the ODR Portal.

S. Reminder to Investors:

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company. These details are also uploaded on the official website of the Company at www.bharatgears.com.

KYC Updation of investors:

SEBI vide its circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181, dated 17 November, 2023 prescribed simplified norms for processing investor service requests by Registrars to an Issue and Share Transfer Agents (RTAs) and provided updates on PAN, KYC details, and Nomination processes.

The circular follows the earlier SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023 which has been rescinded due to the issuance of the Master Circular for Registrars to an Issue and Share Transfer Agents dated 17 May, 2023. The initial circular aimed to simplify norms for processing investor service requests by RTAs and furnishing PAN, KYC details and Nomination.

Amendments have been made to address challenges arising from the freezing of folios. Notably, references to 'freezing/frozen' have been removed, and the referral of folios to the administering authority under the Benami Transactions Act, 1988, and/or Prevention of Money Laundering Act, 2002, has been eliminated.

In compliance with the aforesaid SEBI circular dated 16 March, 2023, the Company on 13 May, 2023 had sent communication through speed post to furnish the requisite details. Through this exercise, the Company has tried to reach physical shareholders for the updation of records.

Therefore, the Shareholders holding Shares in physical form are requested to update their KYC with the Company.

The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 have been sent to the respective shareholders and are also available on the Company's official Website i.e. www.bharatgears.com.

Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility or further change in nominations.

T. Circulars/notifications issued by SEBI in the interest of shareholders:

Members are requested to note that the following circulars/ notifications were issued by SEBI during the Financial Year 2023-24 to enhance ease of dealing in securities markets and with a view to make the processes and procedures more efficient and investor friendly.

Table-25

S.No.	Date & Reference No.	Brief Particulars	Link
1.	08 June, 2023 SEBI/HO/MIRSD/MIRSD- PoD-1/P/ CIR/2023/72	Online processing of investor service requests and complaints by RTAs	https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas_72363.html
2.	26 June, 2023 SEBI/HO/MRD/MRD-POD- 3/ CIR/P/2023/104	Investor Service Centres of Stock Exchanges	https://www.sebi.gov.in/legal/circulars/jun-2023/investor-service-centres-of-stock-exchanges_73087.html
3.	31 July, 2023 SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131	Online Resolution of Disputes in the Indian Securities Market	https://www.sebi.gov.in/legal/circulars/jul-2023/online-resolution-of-disputes-in-the-indian-securities-market_74794.html
4.	20 September, 2023 SEBI/HO/OIAE/IGRD/CIR/P/2023/156	Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform	https://www.sebi.gov.in/legal/circulars/sep-2023/redressal-of-investor-grievances-through-the-sebi-complaint-redressal-scores-platform-and-linking-it-to-online-dispute-resolution-platform_77159.html
5.	26 September, 2023 SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/158	Extension of timelines (i) for nomination in eligible demat accounts and (ii) for submission of PAN, Nomination and KYC details by physical security holders; and voluntary nomination for trading accounts	https://www.sebi.gov.in/legal/circulars/sep-2023/extension-of-timelines-i-for-nomination-in-eligible-demat-accounts-and-ii-for-submission-of-pan-nomination-and-kyc-details-by-physical-security-h-olders-and-voluntary-nomination-for-trading-accou-_77320.html
6.	17 November, 2023 SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181	Simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination	https://www.sebi.gov.in/legal/circulars/nov-2023/simplified-norms-for-processing-investor-s-service-requests-by-rtas-and-norms-for-furnishing-pan-kyc-details-and-nomination_79167.html
7.	01 December, 2023 SEBI/HO/OIAE/IGRD/CIR/P/2023/183	Extension of timeline for implementation of provisions of circular SEBI/HO/OIAE/IGRD/ CIR/P/2023/156 dated 20 September , 2023 on Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform	https://www.sebi.gov.in/legal/circulars/dec-2023/extension-of-timeline-for-implementation-of-provisions-of-circular-sebi-ho-oiae-igrd-cir-p-2023-156-dated-september-20-2023-on-redressal-of-investor-grievances-through-the-sebi-complaint-redressal-s-_79499.html

8.	27 December, 2023 SEBI/HO/MIRSD/POD-1/P/ CIR/2023/193	Extension of timelines for providing 'choice of nomination' in eligible demat accounts and mutual fund folios	https://www.sebi.gov.in/legal/circulars/dec-2023/extension-of-timelines-for-providing-choice-of-nomination-in-eligible-demat-accounts-and-mutual-fund-folios_80221.html

Note: Please note that the above-mentioned list is not exhaustive and members may refer to SEBI's website for further & more details.

U. Disclosures with respect to demat suspense account/unclaimed suspense account:

There are no unclaimed shares in the Company. However, 3,200 (Three Thousand Two Hundred) Equity Shares attached to undelivered Share Certificates in possession of the Company still remaining unclaimed have been transferred into the "Unclaimed Suspense Account" opened with Central Depository Services (India) Limited (CDSL) in compliance with Regulation 39(4) of the Regulations. The details of shares are as follows:

Table-26

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	50 (Fifty) Shareholders	3,200 Equity Shares
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	50 (Fifty) Shareholders	3,200 Equity Shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

V. Agreements binding the Company:

During the year under review, there are no Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the Company.

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 29 May, 2024
Place: Mumabai

COMPLIANCE CERTIFICATE AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We have reviewed financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:

1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

3) No transaction has been entered into by the Company during the above said period, which is fraudulent, illegal or violative of the Company's Code of Conduct.

Further, we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial statements and we have disclosed to the Auditors and the Audit Committee, wherever applicable:

1) Deficiencies in the design or operation of internal controls, if any, which came to our notice and the steps we have taken or propose to take to rectify these deficiencies;

2) Significant changes in internal control over financial reporting during the year 2023-24;

3) Significant changes in accounting policies during the year 2023-24 and that the same have been disclosed in the notes to the financial statements;

4) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Bharat Gears Limited



Hitendra Narain Mishra
Chief Executive Officer



Milind Pujari
Chief Financial Officer

Dated: 29 May, 2024
Place: Mumbai

COMPLIANCE WITH CODE OF CONDUCT

The Company has adopted "Code of Business Conduct and Ethics" pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"). This code deals with the Good Governance and ethical Practices, which the Company, the Board members and the Senior Management of the Company are expected to follow.

In terms of the Regulations, it is hereby affirmed that during the year 2023-24, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

For Bharat Gears Limited



Hitendra Narain Mishra
Chief Executive Officer

Dated: 29 May, 2024
Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V, Para C, clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad - 121003
Haryana

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Bharat Gears Limited having CIN L29130HR1971PLC034365 and having registered office at 20 K.M. Mathura Road P.O. Amar Nagar Faridabad-121003, Haryana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers and the representation given by the Management, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on 31 March, 2024, have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr.No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Surinder Paul Kanwar	00033524	29/09/1982
2.	Mr. Sameer Kanwar	00033622	01/02/2002
3.	Mr. Virendrakumar Pargal	00076639	24/01/2002
4.	Mr. Rakesh Chopra	00032818	25/01/2007
5.	Mr. Wolfgang Rudolf Schilha	00374415	26/07/2007
6.	Mr. Nagar Venkatraman Srinivasan	00879414	03/11/2017
7.	Ms. Hiroo Suresh Advani	00265233	30/01/2014
8.	Mr. Raman Nanda	00078198	29/12/2021

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company and our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP
Company Secretaries



Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253
UDIN:F005621F000414601
PR No - 708/2020

Date: 21 May, 2024
Place: Delhi

TO THE MEMBERS OF

BHARAT GEARS LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter reference no. SN/2023-24/35 dated 19 October, 2023 and addendum dated 18 April, 2024.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Bharat Gears Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2024.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sampada S Narvankar
(Partner)
(Membership No. - 102911)
UDIN: 24102911BKEWSQ4246

Date: 29 May, 2024
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHARAT GEARS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bharat Gears Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, and its loss, total comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report, Report on Corporate Governance, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, changes in equity, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except of matter stated in (i) (vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32.1(i) to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that a) audit trail was enabled for the relevant master data in the quarter ended 31 March, 2024, and b) audit trail was not enabled at the database level for accounting software to log any direct data changes.

Additionally, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 24102911BKEWSP4960

Place: Mumbai
Date: 29 May, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Bharat Gears Limited ("the Company") as at 31 March, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and provide reasonable assurance regarding prevention or (3) timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 24102911BKEWSP4960

Place: Mumbai
Date: 29 May, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company, and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that -

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and non-current assets held for sale), according to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of property	Gross carrying value (₹ in lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in name of the Company
Land at Mumbra	127.13	Bharat Gears Limited*	Not Applicable	28 September, 1972	Not Applicable *(refer note (i) below)
Land at Mumbra	12.30	Bharat Gears Limited*	Not Applicable	28 September, 1972	
Land at Lonand	234.73	Bharat Gears Limited**	Not Applicable	07 February, 2011	Not Applicable **(refer note (ii) below)
Land at Lonand	297.95	Bharat Gears Limited**	Not Applicable	23 December, 2011	

Notes:

(i) The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of the Company's Land at Mumbra, on account of certain mutation entries) does not match with the indenture of the conveyance available with the Company. The Company has initiated necessary legal action which is pending at the Bombay High Court.

(ii) The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of Company's Land at Lonand, on account of certain mutation entries) does not match with the indenture of the conveyances available with the Company. The Company has initiated necessary action with concerned Government authority.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/written confirmations obtained as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns comprising stock statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2024 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March, 2024.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any new term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2023 and the final internal audit reports issued after the balance sheet date covering the period till March 2024 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.

(b) There are no other Companies forming part of the Group, accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the

balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 24102911BKEWSP4960

Place: Mumbai
Date: 29 May, 2024

Balance Sheet

as at 31 March, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	5(A)	11191.02	11937.06
(b) Capital work-in-progress	5(D)	520.10	190.92
(c) Intangible assets	5(B)	66.07	76.61
(d) Right-of-use assets	5(C)	1998.05	1182.28
(e) Financial assets			
(i) Investments	6	120.05	111.43
(ii) Loans	7(A)	140.11	160.14
(iii) Others	8(A)	276.21	219.74
(f) Deferred tax assets (net)	33(C)	1079.11	682.40
(g) Other non-current assets	9	464.94	586.29
Total non-current assets		**15855.66**	**15146.87**
2. Current assets			
(a) Inventories	10	8202.33	9996.62
(b) Financial assets			
(i) Trade receivables	11	11618.87	12252.83
(ii) Cash and cash equivalents	12(A)	205.91	6.29
(iii) Bank balances other than (ii) above	12(B)	702.27	654.18
(iv) Loans	7(B)	52.41	51.37
(v) Others	8(B)	436.53	205.82
(c) Current tax assets (net)	13	219.08	149.90
(d) Other current assets	14	1243.04	2242.01
Total current assets		**22680.44**	**25559.02**
3. Non-current asset held for sale	15	12.30	12.30
		22692.74	**25571.32**
Total assets		**38548.40**	**40718.19**
B. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity share capital	16(A)	1535.51	1535.51
(b) Other equity	16(B)	9524.42	10520.48
Total equity		**11059.93**	**12055.99**
LIABILITIES			
2. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	5088.09	7090.89
(ia) Lease liabilities	18(A)	1677.51	1023.09
(ii) Other financial liabilities	19(A)	-	22.93
(b) Provisions	20(A)	2364.65	2291.73
(c) Other non-current liabilities	21	420.73	486.50
Total non-current liabilities		**9550.98**	**10915.14**
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	4255.88	3210.77
(ia) Lease liabilities	18(B)	315.00	267.09
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	23	1064.21	146.31
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	11066.08	13062.70
(iii) Other financial liabilities	19(B)	201.34	396.03
(b) Provisions	20(B)	487.48	445.03
(c) Other Current liabilities	24	547.50	219.13
Total current liabilities		**17937.49**	**17747.06**
Total equity and liabilities		**38548.40**	**40718.19**

See accompanying notes to the Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

For and on behalf of the Board of Directors of Bharat Gears Limited

Sampada S. Narvankar
Partner
Membership No: 102911

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

V.K. Pargal (DIN : 00076639)
W.R. Schilha (DIN : 00374415)
Rakesh Chopra (DIN : 00032818)
N.V. Srinivasan (DIN : 00879414)
Hiroo Suresh Advani (DIN : 00265233)
Raman Nanda (DIN : 00078198)
Directors

Place : Mumbai
Date : 29 May, 2024

Hitendra Narain Mishra
Chief Executive Officer
(PAN : AASPM9597L)

Milind Pujari
Chief Financial Officer
(PAN : AAAPP3554C)

Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

Statement of Profit and Loss

for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars			Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
1.	Revenue from operations		25	66304.74	76636.63
2.	Other income		26	362.42	875.80
3.	**Total income (1+2)**			**66667.16**	**77512.43**
4.	**Expenses**				
	(a)	Cost of materials and components consumed	27(A)	34251.29	41642.11
	(b)	Changes in inventories of finished goods and work-in-progress	27(B)	1448.95	(755.81)
	(c)	Employee benefits expense	28	11405.17	11576.00
	(d)	Finance costs	29	1748.41	1708.40
	(e)	Depreciation and amortisation expense	30	2255.07	2006.52
	(f)	Other expenses	31	16845.86	19575.52
	Total expenses			**67954.75**	**75752.74**
5.	**(Loss)/Profit before tax (3-4)**			**(1287.59)**	**1759.69**
6.	**Tax expense/(credit) (net)**		33		
	(a)	Current tax		-	466.16
	(b)	Deferred tax (credit)/charge		(318.25)	(41.93)
	(c)	Short/(Excess) provision for tax relating to prior years		4.44	(13.03)
7.	**(Loss)/Profit for the year (5-6)**			**(973.78)**	**1348.49**
8.	**Other comprehensive income/(loss)**				
	Items that will not be reclassified to profit or loss				
	-	Re-measurement gain/(loss) on defined benefit obligations		(29.78)	(149.29)
	-	Income tax effect	33(C)	7.50	37.57
	Other comprehensive (loss) for the year (net of tax)			(22.28)	(111.72)
9.	**Total comprehensive (loss)/income for the year (7+8)**			**(996.06)**	**1236.77**
10.	**Earnings per share (Face value of ₹ 10/- each):**				
	Basic and Diluted - in ₹		37	**(6.34)**	**8.78**

See accompanying notes to the Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Sampada S. Narvankar
Partner
Membership No: 102911

Place : Mumbai
Date : 29 May, 2024

For and on behalf of the Board of Directors of Bharat Gears Limited

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

Hitendra Narain Mishra
Chief Executive Officer
(PAN : AASPM9597L)

Milind Pujari
Chief Financial Officer
(PAN : AAAPP3554C)

Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

V.K. Pargal (DIN : 00076639)
W.R. Schilha (DIN : 00374415)
Rakesh Chopra (DIN : 00032818)
N.V. Srinivasan (DIN : 00879414)
Hiroo Suresh Advani (DIN : 00265233)
Raman Nanda (DIN : 00078198)
Directors

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March, 2024

(A) Equity share capital

Particulars	(₹ in Lakhs)
Balance as at 01 April, 2022	1023.67
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1023.67
Change in equity during the year: Bonus issue of equity shares (Refer Footnote (iii) of Note 16(A))	511.84
Balance as at 31 March, 2023	1535.51
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1535.51
Change in equity during the year:	-
Balance as at 31 March, 2024	**1535.51**

(B) Other equity

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other comprehensive income	Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Remeasurements of the defined benefit obligations	
Balance as at 01 April, 2022	588.50	3284.69	1756.45	4280.75	(114.84)	9795.55
Profit for the year	-	-	-	1348.49	-	1348.49
Other comprehensive (loss) (net of tax)	-	-	-	-	(111.72)	(111.72)
Change in equity during the year: Bonus issue of equity shares (Refer Footnote (iii) of Note 16(A))	(511.84)	-	-	-	-	(511.84)
Balance as at 31 March, 2023	**76.66**	**3284.69**	**1756.45**	**5629.24**	**(226.56)**	**10520.48**
(Loss) for the year	-	-	-	(973.78)	-	(973.78)
Other comprehensive (loss) (net of tax)	-	-	-	-	(22.28)	(22.28)
Balance as at 31 March, 2024	**76.66**	**3284.69**	**1756.45**	**4655.46**	**(248.84)**	**9524.42**

See accompanying notes to the Financial Statements

In terms of our report attached.
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(PAN : AOQPK8734B)

Place : Mumbai
Date : 29 May, 2024

STATEMENT OF CASH FLOWS

for the year ended 31 March, 2024

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A.	**Cash flows from operating activities:**		
	Net (loss)/profit before tax	(1287.59)	1759.69
	Adjustments to reconcile (loss)/profit before tax to net cash flows:		
	Depreciation and amortisation expense	2255.07	2006.52
	(Gain)/Loss on disposal of property, plant and equipment (net)	(72.12)	9.65
	Finance costs	1748.41	1708.40
	Interest income	(76.82)	(62.82)
	Rent expenses	3.29	6.32
	Employee benefits	3.67	3.93
	Liabilities/provisions no longer required written back	(267.48)	(161.02)
	Bad debts written off	0.62	-
	Other amounts written off	45.00	90.68
	Gain on valuation of mutual funds measured at fair value through profit or loss	(8.62)	(5.46)
	Unrealised exchange gain (net)	(70.66)	(114.31)
	Operating profit before working capital changes	**2272.77**	**5241.58**
	Changes in working capital		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	1749.29	(1041.33)
	Trade receivables	707.41	2293.84
	Financial assets - loans	24.74	32.03
	Financial assets - others	(301.55)	104.60
	Other assets	1026.49	(308.72)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	(807.11)	(1701.72)
	Other financial liabilities	(216.10)	(137.15)
	Other current and non-current liabilities	262.60	97.47
	Provisions	85.59	145.37
	Cash generated from operations	**4804.13**	**4725.97**
	Income tax paid (net of refund)	(144.58)	(530.03)
	Net cash flows from operating activities (A)	**4659.55**	**4195.94**
B.	**Cash flows from investing activities:**		
	Purchase of property, plant and equipments and intangible assets (including capital work-in-progress, capital advances)	(1449.15)	(2600.12)
	Proceeds from sale of property, plant and equipment	124.10	41.24
	Bank balances not considered as cash and cash equivalents (net)	(48.09)	(21.80)
	Interest received	58.33	61.18
	Purchase of financial instruments	-	(105.97)
	Net cash flows used in investing activities (B)	**(1314.81)**	**(2625.47)**

STATEMENT OF CASH FLOWS

for the year ended 31 March, 2024... Contd.

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
C.	**Cash flows from financing activities:**		
	Proceeds from long-term borrowings	-	4840.00
	Repayment of long-term borrowings	(1629.99)	(3193.86)
	Interest paid	(1535.68)	(1591.61)
	Payment of lease liabilities	(441.23)	(334.77)
	Transaction cost for lease liabilities	(138.55)	-
	Net cash flows used in financing activities (C)	**(3745.45)**	**(280.24)**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(400.71)**	**1290.23**
	Cash and cash equivalents at the beginning of the year	(1638.92)	(2921.88)
	Add: Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**(7.54)**	**(7.27)**
	Cash and cash equivalents at the end of the year (Refer Note 12(C))	**(2047.17)**	**(1638.92)**

See accompanying notes to the Financial Statements

In terms of our report attached.
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Partner
Membership No: 102911

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Directors

Notes to the Financial Statements

for the year ended 31 March, 2024

Note 1 : Corporate information

Bharat Gears Limited is a public limited company domiciled in India and is incorporated under the provisions of Companies Act, 1956 on 23 December, 1971. The registered office of the Company is located at 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad, Haryana-121003. The Company has three manufacturing locations; two in the state of Maharashtra at Mumbra, Thane and Lonand, Satara and one in the state of Haryana at Faridabad. Its shares are listed on two recognised stock exchanges in India. The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same.

The financial statements were approved by the Board of Directors and authorised for issue on 29 May, 2024.

Note 2 : Material accounting policies

2.1 Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time by the Companies (Indian Accounting Standards) Rules, 2016 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis. Certain financial assets and liabilities are measured at fair value as explained in accounting policy of fair value measurement and financial instruments below.

The accounting policies adopted for preparation and presentation of financial statement have been consistently applied.

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All values are rounded to nearest lakhs with two decimal except when otherwise indicated.

2.2 Current versus non-current classification:

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

2.3 Foreign currencies:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

Note 2 : Material accounting policies .... contd.

2.4 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and/or disclosure in these financial statements is determined on such a basis.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows:

Level 1 inputs:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 inputs:

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example- interest rates and yield curves observable at commonly quoted interval
- implied volatilities
- credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs')

Level 3 inputs:

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 Property, plant and equipment:

Property, plant and equipment is stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Capital work in progress is stated at cost of acquisition or construction, net of accumulated impairment losses, if any.

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant gain or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Note 2 : Material accounting policies .... contd.

Estimated useful lives of the assets are as follows:

Buildings	:	3 - 60 years
Plant and equipment (owned/on lease)	:	10-15 years
Office equipment	:	3 - 6 years
Furniture and fixtures	:	8 -10 years
Vehicles	:	8 years

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 Intangible assets:

Intangible assets (i.e. computer software) are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Computer software are amortised on straight line basis over the estimated useful life of 6 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, estimated useful lives and methods of amortisation of intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.7 Inventories:

Inventories are valued at the lower of cost and net realisable value, except for scrap which is valued at net realisable value.

Cost comprises of material cost and expenditure incurred in normal course of business in bringing inventories to its location and includes, where applicable, appropriate overheads.

Material cost is arrived at on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Impairment of non-financial assets:

At the end of each reporting period, the Company assesses whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.9 Non-current assets held for sale:

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. The criteria for held for sale classification is regarded met only when the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for such sale and its sale is highly probable.

Note 2 : Material accounting policies .... contd.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

2.10 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.11 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets mainly consist of (a) Investment in Mutual funds (b) trade receivables (c) cash and bank balances (d) fixed deposits with bank etc.

(i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement of financial assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(iii) Derecognition of financial assets:

The Company derecognises a financial asset when and only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

(iv) Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Note 2 : Material accounting policies .... contd.

(v) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process.

(vi) Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.12 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.13 Revenue recognition:

Revenue from contracts with customers:

The Company derives revenues primarily from sale of automotive gears, automotive components, construction of industrial furnaces and tooling development.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services (i.e., transaction price).

(a) Sale of goods and rendering of services:

Revenue from sale of goods and rendering of services are recognised at the point in time when control of the goods or services are transferred to the customer, in accordance with terms of contract (i.e., on delivery/dispatch of goods, as applicable) or rendering of services.

(b) Construction contracts:

Revenue from contracts for construction of furnaces, where performance obligation is satisfied over a period of time, is recognised on the percentage of completion method based on the stage of completion determined with reference to the contract costs incurred up to the year end and the estimated total costs of the contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(c) Tooling development income:

Net income, if any, from development of tools is recognised at the point of time when performance obligation i.e. development of tool, is complete.

Note 2 : Material accounting policies .... contd.

(d) Export incentives:

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any.

The Company disaggregates revenues from contracts with customers based on the type of goods or services provided to customers, the geographical region and the timing of transfer of goods and services.

Contract balances:

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset. Revenues in excess of invoicing are classified as contract assets while invoicing in excess of revenue are classified as contract liabilities. A receivable is a right to consideration that is unconditional upon passage of time.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised.

Trade receivables and contract assets are presented net of impairment.

Interest income:

Interest income is recorded on time proportion basis using the EIR.

2.14 Retirement and other employee benefits:

(i) Retirement benefit costs and long term compensated absences:

Payment to defined contribution retirement benefit plans i.e. recognised provident fund and superannuation fund are recognised as an expense when employees have rendered service entitling them to the contributions.

Company's liability towards gratuity, compensated absences and terminal ex-gratia is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return of plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognised in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item "Employee benefits expense". Curtailment gains and losses are accounted for as past service cost.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Provision for compensated expenses which are expected to be utilised within the next twelve months are treated as current compensated absences and beyond next twelve months as non-current compensated absences. For the purpose of presentation, the allocation between current & non-current provision has been disclosed as determined in actuary report.

Note 2 : Material accounting policies .... contd.

(ii) Other employee benefits:

A liability is recognized for benefits accruing to the employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange of that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of related service.

Voluntary retirement scheme payouts are recognised as an expense in the period in which they are incurred.

2.15 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.16 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use Assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.8 Impairment of non-financial assets.

ii) Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments

Note 2 : Material accounting policies .... contd.

made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of property, plant & equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.17 Taxes on income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside the Statement of Profit or Loss are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

(b) Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit and loss (either in other comprehensive income or in equity).

2.18 Earnings per share:

Basic earnings per share is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue that have changed the number of shares outstanding, without a corresponding change in resources.

Note 2 : Material accounting policies .... contd.

For the purpose of calculating diluted earnings per share, the net profit/(loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 3 : Use of estimates and judgements

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which results are known/materialised.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(i) Property, plant and equipment - Refer Notes 2.5 & 5(A)

(ii) Intangible assets - Refer Notes 2.6 & 5(B)

(iii) Other Equity - Refer Note 16(B)

(iv) Non-current borrowings - Refer Note 17

(v) Revenue from Contracts with customers - Refer Notes 2.13 & 25

(vi) Retirement and other employee benefits - Refer Notes 2.14 & 35

(vii) Taxes on income - Refer Notes 2.17 & 33

(viii) Leases - Refer Notes 2.16 & 34

Note 4 : Changes in accounting policies and disclosure

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards which are notified are not yet effective.

Note 5(A) : Property, plant and equipment

(₹ in Lakhs)

	Description of assets	Land - freehold @	Buildings **	Plant and equipment - owned	Plant and equipment - on lease $	Office equipment $$	Furniture and fixtures	Vehicles	Total
I.	**At Cost:**								
	Balance as at 01 April, 2022	659.81	3881.94	17343.67	176.18	462.93	464.24	6.57	22995.34
	Additions	-	75.80	2282.12	-	118.84	24.40	-	2501.16
	Disposals	-	(0.36)	(49.24)	-	(18.06)	(2.18)	(5.71)	(75.55)
	Balance as at 31 March, 2023	**659.81**	**3957.38**	**19576.55**	**176.18**	**563.71**	**486.46**	**0.86**	**25420.95**
	Additions	-	46.43	1035.97	-	50.17	62.29	-	1194.86
	Disposals	-	(2.66)	(87.18)	-	(52.11)	(53.71)	-	(195.66)
	Balance as at 31 March, 2024	**659.81**	**4001.15**	**20525.34**	**176.18**	**561.77**	**495.04**	**0.86**	**26420.15**
II.	**Depreciation/impairment**								
	Balance as at 01 April, 2022	-	811.62	10153.04	167.97	345.76	306.12	2.44	11786.95
	Depreciation charge for the year	-	157.68	1483.22	-	46.27	37.81	0.08	1725.06
	Eliminated on disposal of assets	-	(0.08)	(16.64)	-	(7.88)	(1.75)	(1.77)	(28.12)
	Balance as at 31 March, 2023	**-**	**969.22**	**11619.62**	**167.97**	**384.15**	**342.18**	**0.75**	**13483.89**
	Depreciation charge for the year	-	149.77	1657.61	-	50.19	32.15	-	1889.72
	Eliminated on disposal of assets	-	(1.10)	(52.18)	-	(43.71)	(47.49)	-	(144.48)
	Balance as at 31 March, 2024	**-**	**1117.89**	**13225.05**	**167.97**	**390.63**	**326.84**	**0.75**	**15229.13**
	Net book value (I-II)								
	Balance as at 31 March, 2024	**659.81**	**2883.26**	**7300.29**	**8.21**	**171.14**	**168.20**	**0.11**	**11191.02**
	Balance as at 31 March, 2023	659.81	2988.16	7956.93	8.21	179.56	144.28	0.11	11937.06

(@) For information regarding title deeds of immovable property Refer Note 44

** Buildings include 10 shares of ₹ 50/- each in Venkatesh Premises Co-operative Society Ltd. - Total ₹ 500/- (As at 31 March, 2023: ₹ 500/-).

($) Includes items of Plant and equipment having Net book value of ₹ 8.21 lakhs (As at 31 March, 2023: ₹ 8.21 lakhs) in respect of which lease periods have expired, the transfer in the name of the Company is under process.

($$) Includes Computers and miscellaneous equipment.

Note 5(B) : Intangible assets

(₹ in Lakhs)

	Description of assets	Computer software
I.	**At Cost:**	
	Balance as on 01 April, 2022	303.91
	Additions	24.30
	Disposals	(15.20)
	Balance as at 31 March, 2023	**313.01**
	Additions	17.36
	Disposals	(3.00)
	Balance as at 31 March, 2024	**327.37**
II.	**Amortisation**	
	Balance as on 01 April, 2022	222.24
	Amortisation expense for the year	25.90
	Eliminated on disposal of assets	(11.74)
	Balance as at 31 March, 2023	**236.40**
	Amortisation expense for the year	27.10
	Eliminated on disposal of assets	(2.20)
	Balance as at 31 March, 2024	**261.30**
	Net book value (I-II)	
	Balance as at 31 March, 2024	**66.07**
	Balance as at 31 March, 2023	76.61

Note 5(C) : Right-of-use assets

(₹ in Lakhs)

	Description of assets	Land	Buildings	Plant and equipment	Office equipment	Vehicles	Total
I.	**Gross carrying value**						
	Balance as at 01 April, 2022	2.91	854.92	-	55.74	222.02	1135.59
	Additions	-	263.94	-	7.47	705.56	976.97
	Termination	-	(35.48)	-	-	-	(35.48)
	Eliminated due to expiry of lease tenure	-	(247.14)	-	-	(164.44)	(411.58)
	Balance as at 31 March, 2023	**2.91**	**836.24**	**-**	**63.21**	**763.14**	**1665.50**
	Additions	-	150.54	1016.27	-	-	1166.81
	Termination	-	-	-	-	(12.79)	(12.79)
	Eliminated due to expiry of lease tenure	-	(204.92)	-	(55.74)	(44.79)	(305.45)
	Balance as at 31 March, 2024	**2.91**	**781.86**	**1016.27**	**7.47**	**705.56**	**2514.07**
II.	**Depreciation**						
	Balance as at 01 April, 2022	0.18	440.11	-	32.67	166.28	639.24
	Depreciation charge for the year	0.06	160.92	-	11.45	83.13	255.56
	Eliminated due to expiry of lease tenure	-	(247.14)	-	-	(164.44)	(411.58)
	Balance as at 31 March, 2023	**0.24**	**353.89**	**-**	**44.12**	**84.97**	**483.22**
	Depreciation charge for the year	0.06	164.37	12.10	14.21	147.51	338.25
	Eliminated due to expiry of lease tenure	-	(204.92)	-	(55.74)	(44.79)	(305.45)
	Balance as at 31 March, 2024	**0.30**	**313.34**	**12.10**	**2.59**	**187.69**	**516.02**
	Net book value (I-II)						
	Balance as at 31 March, 2024	**2.61**	**468.52**	**1004.17**	**4.88**	**517.87**	**1998.05**
	Balance as at 31 March, 2023	2.67	482.35	-	19.09	678.17	1182.28

Footnotes:

(i)	For details of Property, plant and equipment & Intangible assets charged as security for borrowings Refer Note 17 & Note 22.
(ii)	For details of Right-of-use assets Refer Note 34.
(iii)	None of the Company's Property, plant and equipment, Intangible asset & Right-of-use asset was revalued during the year.

Note 5(D) Capital work-in-progress

(i) Ageing

As at 31 March, 2023:

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	190.92	-	-	-	190.92
Projects temporarily suspended	-	-	-	-	-

As at 31 March, 2024:

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	496.08	24.02	-	-	**520.10**
Projects temporarily suspended	-	-	-	-	-

(ii) Completion schedule in respect of projects where completion is overdue or has exceeded its cost compared to its original plan:

(a) Projects where completion is overdue:

As at 31 March, 2023:

(₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and equipment	-	-	-	-	-

As at 31 March, 2024:

(₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and equipment	24.02	-	-	-	24.02

(b) Projects where cost has exceeded as compared to its original plan: Nil

Note 6 : Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investment carried at fair value through profit or loss		
In mutual funds		
Quoted:		
2,20,518 units (As at 31 March, 2023: 2,20,518) of ICICI Prudential Short Term Fund - Growth Option (Refer Footnote below)	120.05	111.43
Total	**120.05**	111.43

Footnote:

Lien has been marked towards Debt Service Reserve Account (DSRA) for availing term loan facility from Tata Capital Limited (erstwhile Tata Capital Financial Services Limited) (Refer Footnote (ii)(B) of Note 17).

Note 7 : Financial assets - Loans

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans and advances to employees Unsecured, considered good	140.11	160.14
Total	**140.11**	160.14

Footnote:

Loans and advances to Key Managerial Personnel have specific terms and period of repayment.

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans and advances to employees Unsecured, considered good	52.41	51.37
Total	**52.41**	51.37

Footnote:

Loans and advances to Key Managerial Personnel have specific terms and period of repayment.

Note 8 : Financial assets - Others

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Security deposits (Refer Footnote below) Unsecured, considered good	276.21	219.74
Total	**276.21**	219.74

Footnote:

Security deposits include ₹ 38.39 lakhs (As at 31 March, 2023: ₹ 8.80 lakhs) due from a director and ₹ Nil (As at 31 March, 2023: ₹ 4.04 lakhs) due from a private limited company, in which a director of the Company is a director.

Note 8 : Financial assets - Others .... Contd.

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
(a) Security deposits (Refer Footnote below)	23.48	66.13
(b) Interest accrued on deposits	10.62	5.18
(c) Contract assets (Refer Note 38(A))	257.52	102.85
(d) Others	144.91	31.66
Total	**436.53**	**205.82**

Footnote:

(i) Security deposits include ₹ 9.83 lakhs (As at 31 March, 2023: ₹ 48.20 lakhs) due from a director and ₹ 4.52 lakhs (As at 31 March, 2023: ₹ Nil) due from a private limited company, in which a director of the Company is a director.

Note 9 : Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
(a) Capital advances	44.47	131.34
(b) Prepaid expenses	66.15	68.91
(c) Contract Assets - Prepaid tooling expenses (Refer Note 38(A))	307.62	339.34
(d) Others	46.70	46.70
Total	**464.94**	**586.29**

Note 10 : Inventories

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Raw materials and components:		
- Automotive gears	900.78	1103.61
- Automotive components	193.19	72.47
	1093.97	**1176.08**
(b) Work-in-progress:		
- Automotive gears	1924.34	**2923.26**
(c) Finished goods:		
- Automotive gears	3046.63	3394.48
- Automotive components	137.89	240.07
	3184.52	**3634.55**
(d) Stores and spares	670.49	793.42
(e) Loose tools	1295.53	1459.85
(f) Scrap	33.48	9.46
Total	**8202.33**	**9996.62**

Footnotes:

(i) The cost of inventories recognized as an expense is net of ₹ 100.41 lakhs (Year ended 31 March, 2023: includes ₹ 105.01 lakhs) in respect of write-down (net) of inventory to net realisable value and provision for slow and non moving inventory.

(ii) The mode of valuation of inventories has been stated in Note 2.7

(iii) For details of inventories provided as security for borrowings Refer Footnote (i) and (ii) of Note 17 and Note 22.

Note 11 : Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good	11623.99	12261.79
Less: Provision for expected credit loss	5.12	8.96
Total	**11618.87**	**12252.83**

Footnotes:

(i) The Company is primarily engaged in manufacturing and selling of Automotive Gears and Components. Credit period varies from customer to customer. Average credit period is 30 - 90 days in respect of export customers and 30 - 60 days from the date of receipt of goods in respect of domestic customers. No interest has been recovered on trade receivables for payments received after due date.

(ii) As at 31 March, 2024, the Company had 7 customers (As at 31 March, 2023: 7 customers) that owed the Company more than ₹ 500 lakhs each and accounted for approximately 51.17% of all the receivables outstanding (As at 31 March, 2023: 58.78%).

(iii) The Company maintains an allowance for impairment of receivables accounts based on ageing of customer receivables, overdues and historical experience of collections from customer(s).

Movement of impairment of trade receivable (including allowance for doubtful debts):

Particulars	₹ Lakhs
Balance as at 31 March, 2022	13.34
Add: Created during the year	-
Less: Released during the year	4.38
Balance as at 31 March, 2023	**8.96**
Add: Created during the year	-
Less: Released during the year	3.84
Balance as at 31 March, 2024	**5.12**

(iv) Trade receivables ageing:

As at 31 March, 2023:

(₹ in Lakhs)

	Particulars	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	10328.85	1930.00	2.35	0.59	-	-	12261.79
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**10328.85**	**1930.00**	**2.35**	**0.59**	**-**	**-**	**12261.79**

Note 11 : Trade receivables .... Contd.

As at 31 March, 2024:

(₹ in Lakhs)

Particulars		Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	9264.69	2303.21	53.76	2.33	-	-	**11623.99**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**9264.69**	**2303.21**	**53.76**	**2.33**	**-**	**-**	**11623.99**

Note 12 : Cash and cash equivalents and other bank balances

(A) Cash and cash equivalents

(₹ in Lakhs)

Particulars		As at 31 March, 2024	As at 31 March, 2023
(a)	Cash on hand	5.72	5.67
(b)	Balances with banks:		
	- In current accounts	0.19	0.62
	- Deposit with original maturity of less than three months	200.00	-
	Total	**205.91**	**6.29**

(B) Other bank balances

(₹ in Lakhs)

Particulars		As at 31 March, 2024	As at 31 March, 2023
(a)	In earmarked accounts (Refer Footnote (i) below)		
	- Unpaid dividend accounts	0.85	0.85
	- Unpaid fraction shares account	0.26	0.03
(b)	Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Footnote (ii) below)	701.16	653.30
	Total	**702.27**	**654.18**

Footnotes:

(i) Balances with banks which have restrictions on utilisation.

(ii) Includes deposits of ₹ 61.28 lakhs (As at 31 March, 2023: ₹ 57.69 lakhs), on which lien has been marked by IDBI Bank Limited, towards Debt Service Reserve Account (DSRA) for availing term loan facility from Aditya Birla Finance Limited (Refer Footnote (ii)(A) of Note 17).

Note 12 : Cash and cash equivalents and other bank balances .... Contd.

(C) For the purpose of Statement of Cash flows, cash and cash equivalents comprise of the following:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Cash and cash equivalents as above	205.91	6.29
Loans repayable on demand - from banks (Refer Note 22(a))	(2253.08)	(1645.21)
Total	**(2047.17)**	**(1638.92)**

(D) Changes in liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	Lease liabilities (Refer Note 18)	Borrowing - Non-current (Refer Note 17)
Balance as at 01 April, 2022	576.78	6857.71
Acquisition	939.31	4840.00
Cash Flow (net)	(334.77)	(3193.86)
Others	108.86	152.60
Balance as at 31 March, 2023	**1290.18**	**8656.45**
Acquisition (net)	986.52	-
Cash Flow (net)	(441.23)	(1629.99)
Others	157.04	64.43
Balance as at 31 March, 2024	**1992.51**	**7090.89**

Note 13 : Current tax assets

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance income tax (net of provision for tax ₹ Nil (As at 31 March, 2023: ₹ 466.16 lakhs))		
Unsecured, considered good	219.08	149.90
Total	**219.08**	**149.90**

Note 14 : Other current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
(a) Prepaid expenses	147.58	173.20
(b) Advances to suppliers (Refer Footnote below)	151.31	54.49
(c) Balances with government authorities:		
- Goods and Services Tax receivable	684.96	1550.00
(d) Export incentives receivable	241.76	244.60
(e) Others	17.43	219.72
Total	**1243.04**	**2242.01**

Footnote:

Advances to suppliers includes ₹ 7.06 lakhs (As at 31 March, 2023: ₹ Nil) paid to a private limited company, in which director of the Company is a director (Refer Note 36(C)(ii)(b)).

Note 15 : Non-current asset held for sale

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Freehold Land (Refer Note 43)	12.30	12.30
Total	**12.30**	**12.30**

Note 16 (A) : Equity share capital

Particulars		As at 31 March, 2024		As at 31 March, 2023	
		Number of shares	₹ lakhs	Number of shares	₹ lakhs
(a)	**Authorised**				
	Equity shares of ₹ 10 each	20000000	2000.00	20000000	2000.00
	Cumulative redeemable convertible or non convertible preference shares of ₹ 100 each	1500000	1500.00	1500000	1500.00
	Total	**21500000**	**3500.00**	**21500000**	**3500.00**
(b)	**Issued, Subscribed and paid up**				
	Equity shares of ₹ 10 each, fully paid up, outstanding at the end of the year	15355058	1535.51	15355058	1535.51
	Total	**15355058**	**1535.51**	**15355058**	**1535.51**
(c)	**Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:**				
	Opening balance	15355058	1535.51	10236705	1023.67
	Add: Bonus issue of equity shares (Refer Footnote (iii))	-	-	5118353	511.84
	Closing balance	**15355058**	**1535.51**	**15355058**	**1535.51**

Footnotes:

(i) The Company has only one class of Equity shares having a face value of ₹ 10/- each. Every member shall be entitled to be present, and to speak and vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. The Company in General Meeting may declare dividends to be paid to members according to their respective rights. While no dividends shall exceed the amount recommended by the Board, the Company in General Meeting may declare a smaller dividend.

(ii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

(iii) The Board of Directors at their meeting held on 24 August, 2022 recommended bonus share issue in the ratio of 1:2 i.e. one equity bonus share for two fully paid-up equity shares. This was subsequently approved by the Shareholders at their meeting held on 20 September, 2022. Basis the approval given by its shareholders, the Company had allotted 51,18,353 equity shares of Rs.10 each as fully paid bonus equity shares to the eligible shareholders on 03 October, 2022 by way of capitalization of reserves. Pursuant to this allotment, the capital redemption reserve stands reduced by ₹ 511.84 lakhs.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of Shares/Name of Shareholder	As at 31 March, 2024		As at 31 March, 2023	
	Number of shares	Percentage of shares held	Number of shares	Percentage of shares held
Equity shares				
Surinder Paul Kanwar	5680989	37.00	5680989	37.00
Ultra Consultants Private Limited	2163193	14.09	2163193	14.09

Note 16 (A) : Equity share capital ....Contd.

(v) Details of shares held by Promoters:

Shares held by promoters as at 31 March, 2023:

Promoter name	Number of shares held at the beginning of the year	Change during the year	Number of shares held at the end of the year	Percentage of shares held	% Change during the year
Surinder Paul Kanwar	3787326	1893663	5680989	37.00	-
Late Dr. Raunaq Singh	605	302	907	0.01	-
Ultra Consultants Private Limited	1411109	752084	2163193	14.09	0.31
Raunaq International Limited (Formerly known as Raunaq EPC International Limited)	236097	23109	259206	1.69	(0.62)
Vibrant Reality Infra Private Limited	132804	88996	221800	1.44	0.14
Clip-Lok Simpak (India) Private Limited	95000	73315	168315	1.10	0.17
Total	**5662941**	**2831469**	**8494410**	**55.33**	**-**

Shares held by promoters as at 31 March, 2024:

Promoter name	Number of shares held at the beginning of the year	Change during the year	Number of shares held at the end of the year	Percentage of shares held	% Change during the year
Surinder Paul Kanwar	5680989	-	5680989	37.00	-
Late Dr. Raunaq Singh	907	-	907	0.01	-
Ultra Consultants Private Limited	2163193	-	2163193	14.09	-
Raunaq International Limited (Formerly known as Raunaq EPC International Limited)	259206	-	259206	1.69	-
Vibrant Reality Infra Private Limited	221800	-	221800	1.44	-
Clip-Lok Simpak (India) Private Limited	168315	-	168315	1.10	-
Total	**8494410**	**-**	**8494410**	**55.33**	**-**

Note 16 (B) : Other equity

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Capital redemption reserve (Refer Footnote (iii) of Note 16(A))	76.66	76.66
(b) Securities premium	3284.69	3284.69
(c) General reserve	1756.45	1756.45
(d) Retained earnings	4655.46	5629.24
(e) Other comprehensive income	(248.84)	(226.56)
Total	**9524.42**	**10520.48**

Footnotes:

(i) Description of nature and purpose of reserve

(a) Capital redemption reserve:

Capital redemption reserve was created pursuant to the redemption of preference shares issued in earlier years.

The capital redemption reserve may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

(b) Securities premium:

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities premium". The Company may issue fully paid-up bonus shares to its members out of balance lying in securities premium and the Company can also use this reserve for buy-back of shares. Further, the balance in securities premium can be used for writing off the preliminary expenses, expenses incurred in relation to any issue of shares or debentures of the Company and in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

(c) General reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.

(ii) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

Note 17 : Non-current borrowings

(₹ in Lakhs)

	Particulars	As at 31 March, 2024	As at 31 March, 2023
(a)	Term loans - Secured		
	From banks (Refer Footnote (i) and (iii))	308.48	440.16
	Less: Current maturities of long-term debts (Refer Note 22(b))	131.68	131.68
		176.80	**308.48**
	From others (Refer Footnotes (ii))	6362.41	7436.29
	Less: Current maturities of long-term debts (Refer Note 22(b))	1511.12	1073.88
		4851.29	**6362.41**
(b)	Term loans - Unsecured	420.00	780.00
	Less: Current maturities of long-term debts (Refer Note 22(b))	360.00	360.00
		60.00	**420.00**
	Total	**5088.09**	**7090.89**

Footnotes:

(i) Term loans from banks:

A. Rupee loan from State Bank of India:

₹ 223.98 lakhs (As at 31 March, 2023: ₹ 316.66 lakhs): Emergency credit line guarantee scheme (ECLGS 2.0) - Secured by second pari passu charge created on fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charges created in respect of loans referred in Footnote (i)(B) and Note 22(a)), which shall rank second subject and subservient to charges created in respect of loans referred to in Footnote (ii), and by second pari passu charge over the current assets of the Company (ranking pari passu with charges created in respect of loans referred in Footnote (i)(B) and (ii)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 22(a). Repayable in monthly installments commencing from 31 October, 2022 and carries an interest rate of 9.25% p.a.

B. Rupee loan from IDBI Bank Limited:

₹ 84.50 lakhs (As at 31 March, 2023: ₹ 123.50 lakhs): ECLGS 2.0 - Secured by second pari passu charge created on fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charges created in respect of loans referred in Footnote (i)(A) and Note 22(a)), which shall rank second subject and subservient to charges created in respect of loans referred to in Footnote (ii), and by second pari passu charge over the current assets of the Company (ranking pari passu with charges created in respect of loans referred in Footnote (i)(A) and (ii)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 22(a). Repayable in monthly installments commencing from 30 June, 2022 and carries an interest rate of 8.80% p.a.

(ii) Term loans from others:

A. Rupee loan from Aditya Birla Finance Limited:

₹ 3138.40 lakhs (As at 31 March, 2023: ₹ 3708.60 lakhs): Secured by first pari passu charge over movable and immovable fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charge created in respect of loan referred to in Footnote (ii)(B)), and by second pari passu charge over current assets of the Company (ranking pari passu with charges created in respect of loan referred to in Footnote (i) and (ii)(B)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 22(a). Repayable in monthly installments commencing from 01 April, 2022 and carries an interest rate of 12.90% p.a.

For details of Debt Service Reserve Account (DSRA) refer Footnote (ii) to Note 12(B).

B. Rupee loan from Tata Capital Limited (erstwhile Tata Capital Financial Services Limited):

₹ 3224.01 lakhs (As at 31 March, 2023: ₹ 3727.69 lakhs): Secured by first pari passu charge over movable and immovable fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charge created in respect of loan referred to in Footnote (ii)(A)), and by second pari passu charge over current assets of the Company (ranking pari passu with charges created in respect of loan referred to in Footnote (i) and (ii)(A)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 22(a). Repayable in monthly installments commencing from 10 June, 2022 and carries an interest rate of 12.50% p.a.

For details of Debt Service Reserve Account (DSRA) refer Footnote to Note 6.

(iii) ECLGS 2.0 rupee loan(s) referred in footnote (i) above, are also guaranteed by National Credit Guarantee Trustee Company as per guidelines issued by Ministry of Finance for ECLGS 2.0 scheme.

Note 18 : Lease liabilities

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Land	2.90	2.90
(b) Buildings	482.32	458.46
(c) Plant and equipment	760.72	-
(d) Office equipment	3.64	5.31
(e) Vehicles	427.93	556.42
Total	**1677.51**	**1023.09**

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Land	-	-
(b) Buildings	101.47	117.58
(c) Plant and equipment	83.38	-
(d) Office equipment	1.67	13.97
(e) Vehicles	128.48	135.54
Total	**315.00**	**267.09**

Footnote

For details on lease agreements Refer Note 34.

Note 19 : Other financial liabilities

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Voluntary retirement scheme	-	22.93
Total	**-**	**22.93**

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Interest accrued but not due on borrowings	63.48	70.38
(b) Unpaid dividends (Refer Footnote)	0.85	0.85
(c) Unpaid fraction shares (Refer Footnote)	0.26	0.03
(d) Voluntary retirement scheme	-	173.85
(e) Other payables:		
(i) Payables on purchase of property, plant and equipment (Includes ₹ 27.75 lakhs (As at 31 March, 2023: ₹ 3.66 lakhs) payable to micro enterprises and small enterprises (MSE)) (Refer Note 32.2)	59.30	53.92
(ii) Others	77.45	97.00
Total	**201.34**	**396.03**

Footnote:

The figures reflect the position as at the year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due date.

Note 20 : Provisions

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Employee benefits:		
(i) Gratuity (net) (Refer Note 35(B)(b))	1889.50	1816.41
(ii) Compensated absences	457.67	455.00
(iii) Other employee benefits (Terminal Ex-gratia) (Refer Note 35(B)(b))	17.48	20.32
Total	**2364.65**	**2291.73**

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Employee benefits:		
(i) Gratuity (net) (Refer Note 35(B)(b))	360.38	329.07
(ii) Compensated absences	115.74	108.45
(iii) Other employee benefits (Terminal Ex-gratia) (Refer Note 35(B)(b))	6.43	5.10
	482.55	442.62
(b) Provision for warranty (Refer Note 38(B))	4.93	2.41
	4.93	2.41
Total	**487.48**	**445.03**

Note 21 : Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract liabilities (Refer Note 38(A))	420.73	486.50
Total	**420.73**	**486.50**

Note 22 : Current borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Loans repayable on demand:		
From banks - Secured (Refer Footnote below)	2253.08	1645.21
(b) Current maturities of long-term debts (Refer Note 17):		
From banks - Secured	131.68	131.68
From others - Secured	1511.12	1073.88
From others - Unsecured	360.00	360.00
Total	**4255.88**	**3210.77**

Footnote:

Loans repayable on demand from banks are secured by hypothecation of stocks of raw materials, stock in process, semi finished and finished goods, loose tools, general stores and book debts and all other moveables, both present and future, and by joint mortgage created for all immoveable properties of the Company located at Mumbra, Faridabad and Satara plants together with all buildings, plant and machinery thereon which shall rank second subject and subservient to charges created in favour of loans referred to in Footnote (ii) of Note 17 and shall rank pari passu with loans referred to in Footnote (i) of Note 17.

Note 23 : Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total outstanding dues of micro enterprises and small enterprises (MSE) (including acceptances) (Refer Note 32.2)	1064.21	146.31
Total outstanding dues of trade payables other than micro enterprises and small enterprises (MSE) (including acceptances):		
Others (Refer Footnote (ii))	11066.08	13062.70
Total	**12130.29**	**13209.01**

Footnotes:

(i)	Trade payables are non-interest bearing and generally have a payment terms of 30 to 120 days.
(ii)	Others include ₹ 27.97 lakhs (As at 31 March 2023: ₹ 3.37 lakhs) due to related parties.

(iii) Trade payables ageing:

As at 31 March, 2023:

(₹ in Lakhs)

Particulars		Outstanding for following periods from due date of payment						Total
		Not due	Unbilled (accrued expenses)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSE	115.88	-	30.43	-	-	-	146.31
(ii)	Others	9347.97	1408.72	2305.15	0.53	0.16	0.17	13062.70
(iii)	Disputed dues - MSE	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**9463.85**	**1408.72**	**2335.58**	**0.53**	**0.16**	**0.17**	**13209.01**

As at 31 March, 2024:

(₹ in Lakhs)

Particulars		Outstanding for following periods from due date of payment						Total
		Not due	Unbilled (accrued expenses)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSE	679.73	-	382.92	1.56	-	-	1064.21
(ii)	Others	6170.50	1890.65	2971.60	33.33	-	-	11066.08
(iii)	Disputed dues - MSE	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**6850.23**	**1890.65**	**3354.52**	**34.89**	**-**	**-**	**12130.29**

Note 24 : Other current liabilities

(₹ in Lakhs)

	Particulars	As at 31 March, 2024	As at 31 March, 2023
(a)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods and Services Tax, etc.)	211.99	204.12
(b)	Contract liabilities (Refer Note 38(A))	332.07	9.30
(c)	Trade/security deposits	3.44	5.71
	Total	**547.50**	**219.13**

Note 25 : Revenue from operations

(₹ in Lakhs)

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
I.	**Revenue from contracts with customers:**		
	(a) Sale of products (Refer Footnotes (i)(a), (ii)(a) & (v))	64360.74	74447.78
	(b) Services rendered (Refer Footnotes (i)(b) & (ii)(b) & (v))	129.37	283.38
	Total - Revenue from contracts with customers	**64490.11**	**74731.16**
II.	Other operating revenues (Refer Footnote (iii) below)	1814.63	1905.47
	Revenue from operations (I+II)	**66304.74**	**76636.63**

Footnotes:

(₹ in Lakhs)

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i)	**Goods and services transferred at a point in time**		
	(a) Sale of products comprises:		
	Manufactured goods:		
	- Automotive gears (Includes processing charges ₹ 1150.89 lakhs (Year ended 31 March, 2023: ₹ 1167.21 lakhs))	60887.07	71381.62
	- Automotive components	2515.13	2589.21
	- Tooling development	718.04	348.89
	(b) Services rendered	33.29	197.97
(ii)	**Goods and services transferred over time (Refer Footnote (iv))**		
	(a) Sale of products comprises:		
	- Industrial furnaces	240.50	128.06
	(b) Services rendered	96.08	85.41
	Total - Revenue from contracts with customers	**64490.11**	**74731.16**
(iii)	**Other operating revenues comprises:**		
	- Sale of scrap	724.45	640.48
	- Export incentives	628.74	761.07
	- Liabilities/provisions no longer required written back	271.32	165.40
	- Miscellaneous income	190.12	338.52
	Total - Other operating revenues	**1814.63**	**1905.47**

(iv) Revenue from contracts is recognized as stated in Note 2.13(b)

(v) For disaggregation of revenue by geography Refer Note 39(b) - Segment information

(vi) Reconciliation of revenue recognised with contracted price:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue as per contracted price	64863.29	74894.90
Adjustments for: Sales return, volume discount, price incentive, price variation, others	373.18	163.74
Revenue from contracts with customers	**64490.11**	**74731.16**

Note 26 : Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Interest income (Refer Footnote (i) below)	76.82	62.82
(b) Net gain on foreign currency transactions and translation	188.66	796.25
(c) Other non-operating income (Refer Footnote (ii) below)	96.94	16.73
Total	**362.42**	**875.80**

Footnotes:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i) Interest income comprises :		
Interest on financial assets at amortised cost:		
- On bank deposits	4.46	6.96
- On margin money with banks	46.38	29.19
- On security deposits and loans to employees	24.78	18.77
Interest on income tax refund	1.20	7.75
Others	-	0.15
Total - Interest income	**76.82**	**62.82**
(ii) Other non-operating income comprises:		
Rent	2.03	2.03
Gain on sale of property, plant and equipment	86.29	9.24
Gain on valuation of mutual funds measured at FVTPL	8.62	5.46
Total - Other non-operating income	**96.94**	**16.73**

Note 27(A) : Cost of material and components consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening stock	1176.08	1085.53
Add: Purchases	34169.18	41732.66
	35345.26	**42818.19**
Less: Closing stock	1093.97	1176.08
Cost of material and components consumed	**34251.29**	**41642.11**
Material and components consumed comprises:		
Forgings	32299.62	39605.21
Automotive components	1738.49	1925.87
Others	213.18	111.03
Total	**34251.29**	**41642.11**

Note 27(B) : Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Inventories at the end of the year:		
Finished goods	3184.52	3634.55
Work-in-progress	1924.34	2923.26
	5108.86	**6557.81**
Inventories at the beginning of the year:		
Finished goods	3634.55	3139.93
Work-in-progress	2923.26	2662.07
	6557.81	**5802.00**
Net decrease/(increase)	**1448.95**	**(755.81)**

Note 28 : Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries and wages	9601.90	9735.04
Contributions to provident and other funds	585.87	568.98
Gratuity expenses (Refer Note 35(B))	296.66	272.34
Staff welfare expenses	920.74	999.64
Total	**11405.17**	**11576.00**

Note 29 : Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Interest expense on:		
(i) Borrowings (Refer Footnote below)	1240.81	1228.37
(ii) Others		
- Discounting charges	49.50	64.22
- Interest on delayed payment to micro enterprises and small enterprises	-	1.41
- Lease liabilities	157.04	108.86
- Others	6.09	25.71
(b) Other borrowing costs (Bank and other financing charges)	294.97	279.83
Total	**1748.41**	**1708.40**

Footnote:

Excludes borrowing cost capitalized during the year ₹ Nil (for the year ended 31 March, 2023: ₹ 19.23 lakhs). The rate used to determine the amount of borrowing costs eligible for capitalization was 5.50% which is the interest rate applicable to the specific borrowing.

Note 30 : Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on Property, plant and equipment assets	1889.72	1725.06
Amortisation of Intangible assets	27.10	25.90
Depreciation on Right-of-use assets	338.25	255.56
Total	**2255.07**	**2006.52**

Note 31 : Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Consumption of stores and spare parts	1967.69	2181.47
Consumption of loose tools	1990.84	2141.74
Consumption of packing materials	1249.03	1612.91
Processing charges	2051.47	3104.45
Power and fuel	4805.23	5532.68
Rent including lease rentals (Refer Note 34(C))	198.61	331.89
Repairs and maintenance:		
- Buildings	113.59	357.80
- Machinery	662.78	694.31
- Others	1089.85	1211.39
Travelling, conveyance and car expenses	527.04	461.99
Freight, forwarding and other charges (net)	727.67	658.80
Auditors' remuneration (Refer Footnote (i) below)	42.93	38.52
Bad debts written off	0.62	-
Loss on disposal of property, plant and equipment	14.17	18.89
Miscellaneous expenses (Refer Footnote (ii) below)	1404.34	1228.68
Total	**16845.86**	**19575.52**

Footnotes:

(i) Auditors' remuneration (net of GST):

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
As auditors:		
- Statutory audit	23.75	22.00
- Limited review	15.25	11.64
- Corporate governance	1.75	1.75
In other capacity:		
- For certification	0.50	0.50
Reimbursement of expenses	1.68	2.63
Total	**42.93**	**38.52**

(ii) Includes ₹ 17.00 lakhs (for the year ended 31 March, 2023: ₹ 8.91 lakhs) incurred on Corporate Social Responsibility expenditure (Refer Note 42).

Note 32 : Additional information to the financial statements

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
32.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
Claims against the Company not acknowledged as debt:		
1. In respect of Employees:		
(i) The Company has filed an appeal in the Bombay High Court against the order passed by Third Labour Court on issue of back wages and reinstatement of 11 employees.	40.26	40.26
(ii) In respect of claim of permanency of services and/or back wages (less subsistence allowance paid, if any) filed by set of temporary/permanent workmen before the Industrial Court/Labour Court/Bombay High Court.	Not ascertainable	Not ascertainable
2. Others:		
(i) The Company's appeal is pending before the Bombay High Court against the order passed by Central Government Industrial Tribunal, on issue of provident fund dues on subsistence allowance.	1.27	1.27
(ii) The Company's appeal is pending before Central Government Industrial Tribunal against the order passed by Regional Provident Fund Commissioner, on issue of provident fund dues on difference of wages of certain employees.	0.86	0.86
(iii) The Company has filed a civil suit in Faridabad Civil Court for recovery of damages.	4.91	4.91
Future ultimate outflow of resources embodying economic benefits in respect of these matters is uncertain as it depends on financial outcome of judgements/decisions on the matters involved.		
(ii) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):		
Property, plant and equipment	313.50	1406.09
Intangible assets	-	1.22
	313.50	**1407.31**

32.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1091.96	149.97
(ii) Principal amount remaining unpaid beyond 45 days to any supplier as at the end of the accounting year	78.19	8.46
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iv) The amount of principal paid beyond the appointed day	319.93	920.62
(v) The amount of interest due and payable for the year	-	1.41
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	2.37	2.37
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information disclosed above in respect of principal and/or interest due to Micro and Small Enterprises has been determined on the basis of information available with the Company and confirmations/informations received from the suppliers for registration under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

Note 33 : Income Tax

(A) Major components of income tax expense:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Statement of Profit and Loss:		
(i) Current income tax:		
- In respect of current year	-	466.16
- In respect of prior years	75.40	6.57
(ii) Deferred tax:		
Relating to origination and reversal of temporary differences:		
- In respect of current year	(318.25)	(41.93)
- In respect of prior years	(70.96)	(19.60)
Total tax expense recognised in Statement of Profit and Loss	**(313.81)**	**411.20**
(b) Other comprehensive income (OCI):		
Deferred tax - Remeasurement of the defined benefits obligations	(7.50)	(37.57)
Total tax expense recognised in other comprehensive income	**(7.50)**	**(37.57)**

(B) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(Loss)/Profit before tax	**(1287.59)**	**1759.69**
Applicable tax rate (Refer footnote below)	25.168%	25.168%
Computed tax expense	(324.06)	442.88
Effect of expenses that is non-deductible in determining taxable profit	4.28	5.84
Effect of income that is not taxable in determining taxable profit	-	(24.74)
Adjustments in respect of current/deferred income tax of previous years	5.97	(13.03)
Others	-	0.25
Income tax expense recognised in Statement of Profit or Loss	**(313.81)**	**411.20**
Effective tax rate	**24.372%**	**23.368%**

Footnote:

The Company has elected to exercise option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Note 33 : Income Tax ....Contd.

(C) Deferred tax

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024			Balance as at 31 March, 2024
	Balance as at 31 March, 2023	Recognised in		
		Profit and loss	OCI	
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment & intangible assets	168.25	(115.89)	-	52.36
Others	51.15	(16.22)	-	34.93
(A)	**219.40**	**(132.11)**	**-**	**87.29**
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	612.23	22.06	-	634.29
Other disallowances under Section 43B of the Income-tax Act, 1961	73.94	2.88	-	76.82
Unabsorbed depreciation	-	284.14	-	284.14
Payments made under Voluntary Retirement Scheme	87.05	(19.22)	-	67.83
Remeasurement of defined benefits obligations	75.95	-	7.50	83.45
Lease	27.73	(21.26)	-	6.47
Others	24.90	(11.50)	-	13.40
(B)	**901.80**	**257.10**	**7.50**	**1166.40**
Deferred tax assets (net)	**(682.40)**	**(389.21)**	**(7.50)**	**(1079.11)**

Particulars	For the year ended 31 March, 2023			Balance as at 31 March, 2023
	Balance as at 31 March, 2022	Recognised in		
		Profit and loss	OCI	
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment & intangible assets	207.13	(38.88)	-	168.25
Lease rent	0.31	-	-	0.31
Others	36.40	14.44	-	50.84
(A)	**243.84**	**(24.44)**	**-**	**219.40**
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	574.86	37.37	-	612.23
Other disallowances under Section 43B of the Income-tax Act, 1961	72.41	1.53	-	73.94
Payments made under Voluntary Retirement Scheme	98.98	(11.93)	-	87.05
Remeasurement of defined benefits obligations	38.38	-	37.57	75.95
Lease	20.25	7.48	-	27.73
Others	22.26	2.64	-	24.90
(B)	**827.14**	**37.09**	**37.57**	**901.80**
Deferred tax assets (net)	**(583.30)**	**(61.53)**	**(37.57)**	**(682.40)**

Footnote:

Recognition of deferred tax assets is based on the Company's present estimates and business plans as per which the future taxable profits will be generated against which deferred tax will be realized.

Note 34 : Leases

A. Following are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Description of assets	(₹ in Lakhs)
I.	**Right-of-use assets**	
	Balance as at 01 April, 2022	1135.59
	Additions	976.97
	Termination	(35.48)
	Eliminated due to expiry of lease tenure	(411.58)
	Balance as at 31 March, 2023	**1665.50**
	Additions	1166.81
	Termination	(12.79)
	Eliminated due to expiry of lease tenure	(305.45)
	Balance as at 31 March, 2024	**2514.07**
II.	**Depreciation/impairment**	
	Balance as at 01 April, 2022	639.24
	Depreciation charge for the year	255.56
	Eliminated due to expiry of lease tenure	(411.58)
	Balance as at 31 March, 2023	**483.22**
	Depreciation charge for the year	338.25
	Eliminated due to expiry of lease tenure	(305.45)
	Balance as at 31 March, 2024	**516.02**
	Net book value (I-II)	
	Balance as at 31 March, 2024	**1998.05**
	Balance as at 31 March, 2023	1182.28

B. Following are the carrying amounts of lease liabilities recognised and the movements during the year:

	Description of liabilities	(₹ in Lakhs)
I.	**Lease liabilities**	
	Balance as at 01 April, 2022	1149.94
	Additions	976.97
	Termination	(37.66)
	Balance as at 31 March, 2023	**2089.25**
	Additions	1001.15
	Termination	(14.63)
	Eliminated due to expiry of lease tenure	(727.38)
	Balance as at 31 March, 2024	**2348.39**
II.	**Accretion of interest & lease payments**	
	Balance as at 01 April, 2022	(573.16)
	Accretion of interest for the year	108.86
	Lease payments for the year	(334.77)
	Balance as at 31 March, 2023	**(799.07)**
	Accretion of interest for the year	157.04
	Lease payments for the year	(441.23)
	Eliminated due to expiry of lease tenure	727.38
	Balance as at 31 March, 2024	**(355.88)**
	Net book value (I-II)	
	Balance as at 31 March, 2024	**1992.51**
	Current	**315.00**
	Non-Current	**1677.51**
	Balance as at 31 March, 2023	1290.18
	Current	267.09
	Non-Current	1023.09

Note 34 : Leases ....Contd.

C. Following are the amounts recognised in Statement of Profit & Loss:

	Particulars	(₹ in Lakhs)
	For the year ended 31 March, 2023:	
	Depreciation expense of right-of-use assets	255.56
	Interest expense on lease liabilities	108.86
	Lease payments of short-term leases and low-value assets (included in other expenses) (Refer Note 31)	331.89
	Total amount recognised in Statement of Profit and Loss	**696.31**
	For the year ended 31 March, 2024:	
	Depreciation expense of right-of-use assets	338.25
	Interest expense on lease liabilities	157.04
	Lease payments of short-term leases and low-value assets (included in other expenses) (Refer Note 31)	198.61
	Total amount recognised in Statement of Profit and Loss	**693.90**

D. Total cash outflow for leases

	Particulars	(₹ in Lakhs)
	Cash outflow for the year ended 31 March, 2023	334.77
	Cash outflow for the year ended 31 March, 2024	**441.23**

E. The maturity analysis of lease liabilities is disclosed in Note 40.

F. General description of the agreements:

(i) The agreements pertain to Land, Buildings, Plant and equipment, Office equipment & Vehicles.

(ii) The lease term ranges from three to ninety-nine years.

(iii) The agreements does not provide for transfer of assets to the Company on expiry of lease term, except in case of Office equipment & plant and equipment.

(iv) There are no restrictions such as those concerning dividends, additional debt and further leasing imposed by the lease agreements entered into by the Company.

(v) Some of the agreements contain renewal clause and provide for escalation of rent on renewal. Some of the agreements provide for escalation of rent during the tenure of the agreement.

Note 35 : Employee benefits

(A) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
- Employers' contribution to Provident Fund and Family Pension Fund	425.78	396.44
- Employers' contribution to Superannuation Fund	122.55	117.12

The above amounts are included in Contributions to provident and other funds under Note 28 Employee benefits expense.

Note 35 : Employee benefits ....Contd.

(B) Defined Benefit Plans

A general description of the Employee Benefit Plans:

(i) Gratuity (Funded)

The Company operates a defined benefit final salary gratuity plan which covers qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972 or maximum gratuity payable under the said Act, whichever is lower. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

The Company has set up an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. The plan is funded under Group Gratuity Scheme which is administered by Life Insurance Corporation of India (LIC). The Company makes annual contribution to the plan. There are no minimum funding requirements. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the Income Tax Act and Rules.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

(ii) Terminal Ex-gratia (Unfunded)

The Company has an obligation towards Terminal Ex-gratia, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment which varies depending upon the number of completed years of service to vested employees on completion of employment. Vesting occurs upon the completion of 15 years of service. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet :

(₹ in Lakhs)

Particulars		Year ended 31 March, 2024		Year ended 31 March, 2023	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(a)	**Expense recognised in the Statement of Profit and Loss:**				
(i)	**Under Statement of Profit and Loss**				
	Current service cost	136.49	1.01	133.67	1.11
	Interest on net defined benefit liability/(asset)	160.17	1.90	138.67	1.98
	Past service cost	-	-	-	-
	Total expense recognised in the Statement of Profit and Loss	***296.66**	****2.91**	***272.34**	****3.09**

Note 35 : Employee benefits ....Contd.

(₹ in Lakhs)

Particulars		Year ended 31 March, 2024		Year ended 31 March, 2023	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(ii)	**Under other comprehensive income**				
	Actuarial (gains)/losses				
	Due to change in demographic assumptions	-	-	-	-
	Due to change in financial assumptions	58.70	0.31	(36.22)	(0.77)
	Due to change in experience adjustments	(29.11)	(0.12)	186.37	(0.24)
	Actual return on plan assets	-	-	0.15	-
	Sub-total - Included in Other comprehensive income	**29.59**	**0.19**	**150.30**	**(1.01)**
	Total expense	**326.24**	**2.08**	**422.64**	**2.08**
	(* Represented by Gratuity expenses under Employee benefits expense in Note 28).				
	(** Included in 'Salaries and wages' under Employee benefits expense in Note 28).				

Particulars		Year ended 31 March, 2024		Year ended 31 March, 2023	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(b)	**Net liability recognised in the Balance Sheet:**				
	Present value of defined benefit obligation	2314.90	23.91	2177.61	25.42
	Fair value of plan assets	65.02	-	32.13	-
	Funded status (deficit)	**(2249.88)**	**(23.91)**	**(2145.48)**	**(25.42)**
	Net liability recognised in the Balance Sheet accounted as below:	**(2249.88)**	**(23.91)**	**(2145.48)**	**(25.42)**
	- Provisions non-current (Refer Note 20(A)(i))	(1889.50)	-	(1816.41)	-
	- Provisions current (Refer Note 20(B)(a)(i))	(360.38)	-	(329.07)	-
	- Provisions non-current (Refer Note 20(A)(iii))	-	(17.48)	-	(20.32)
	- Provisions current (Refer Note 20(B)(a)(iii))	-	(6.43)	-	(5.10)
(c)	**Present value of defined benefit obligation:**				
	Present value of defined benefit obligation at beginning of the year	2177.61	25.42	1953.98	27.29
	Current service cost	136.49	1.01	133.67	1.11
	Interest on defined benefit obligation	162.57	1.90	141.56	1.98
	Remeasurements due to:				
	Actuarial loss/(gain) arising from change in demographic assumptions	-	-	-	-
	Actuarial loss/(gain) arising from change in financial assumptions	58.70	0.31	(36.22)	(0.77)
	Actuarial loss/(gain) arising on account of experience changes	(29.11)	(0.12)	186.37	(0.24)
	Past service cost	-	-	-	-
	Benefits paid	(191.36)	(4.61)	(201.75)	(3.95)
	Present value of defined benefit obligation at the end of the year	**2314.90**	**23.91**	**2177.61**	**25.42**

Note 35 : Employee benefits ....Contd.

(₹ in Lakhs)

Particulars		Year ended 31 March, 2024		Year ended 31 March, 2023	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(d)	**Fair value of plan assets:**				
	Opening fair value of plan assets	32.13	-	40.00	-
	Employer contributions	221.85	-	191.14	-
	Interest on plan assets	2.40	-	2.89	-
	Actual return on plan assets	-	-	(0.15)	-
	Benefits paid	(191.36)	-	(201.75)	-
	Closing fair value of plan assets	**65.02**	**-**	**32.13**	**-**
(e)	**Movement of net liability recognised in the Balance Sheet:**				
	Opening net defined benefit liability/(asset)	2145.48	25.42	1913.98	27.29
	Expense charged to Statement of Profit and Loss	296.66	2.91	272.34	3.09
	Amount recognised in other comprehensive income	29.59	0.19	150.30	(1.01)
	Employer contributions	(221.85)	(4.61)	(191.14)	(3.95)
	Closing net defined benefit liability/(asset)	**2249.88**	**23.91**	**2145.48**	**25.42**
(f)	**The major categories of plan assets as a percentage of the fair value of total plan assets:**				
	Insurer managed funds	100%	-	100%	-
	The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.				
(g)	**The principal assumptions used in determining defined benefit obligations:**				
(i)	**Financial assumptions:**				
	Discount rate	7.15%	7.15%	7.45%	7.45%
	Salary escalation	7.00%		7.00%	
(ii)	**Demographic assumptions:**				
	Retirement age:				
	For Mumbra employees	60 years		60 years	
	For Faridabad and Lonand employees	58 years		58 years	
	Attrition rate:				
	Age Banks - 21 - 44	2.00%		2.00%	
	Age Banks - 44 & above	1.00%		1.00%	
	Mortality tables	Indian Assured Lives Mortality (2012-14) Ult table		Indian Assured Lives Mortality (2012-14) Ult table	
	The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.				
	The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.				

Note 35 : Employee benefits ....Contd.

(h) Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
Discount rate				
Impact of increase in 50 bps on defined benefits obligations	-4.16%	-2.18%	-3.94%	-2.21%
Impact of decrease in 50 bps on defined benefits obligations	4.53%	2.32%	4.28%	2.33%
Salary escalation				
Impact of increase in 50 bps on defined benefits obligations	4.33%	-	4.12%	-
Impact of decrease in 50 bps on defined benefits obligations	-4.03%	-	-3.84%	-

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(i) Funding arrangements & policy:

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

The expected contribution payable to the plan next year is ₹ 360.38 lakhs.

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(j) Maturity profile				
Expected benefits for year 1	**425.41**	**6.43**	361.20	5.10
Expected benefits for year 2	**215.40**	**4.01**	262.36	5.47
Expected benefits for year 3	**250.53**	**4.85**	219.63	4.14
Expected benefits for year 4	**149.78**	**2.21**	240.31	4.61
Expected benefits for year 5	**234.20**	**3.67**	150.56	2.23
Expected benefits for year 6	**214.17**	**2.78**	222.53	3.47
Expected benefits for year 7	**121.29**	**0.95**	210.06	2.75
Expected benefits for year 8	**74.14**	**0.42**	111.49	0.89
Expected benefits for year 9	**161.46**	**1.01**	67.77	0.40
Expected benefits for year 10 and above	**3542.22**	**10.77**	3247.91	11.06
The weighted average duration to the payment (years)	**8.77**	**4.25**	8.30	4.33

Note 36 : Related party transactions

Note	Particulars

(A) As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

Description of relationship	Names of related parties	
Key Management Personnel (KMP)	(i)	Mr. Surinder Paul Kanwar - Chairman and Managing Director (who also has ability to exercise 'significant influence' over the Company)
	(ii)	Mr. Sameer Kanwar – Joint Managing Director (Son of Chairman and Managing Director of the Company)
	(iii)	Mr. Rakesh Chopra - Non Executive Independent Director
	(iv)	Mr. Virendra Kumar Pargal - Non Executive Independent Director
	(v)	Mr. Wolfgang Rudolf Schilha - Non Executive Independent Director
	(vi)	Mrs. Hiroo Suresh Advani - Non Executive Independent Director
	(vii)	Mr. N.V. Srinivasan - Non Executive Director
	(viii)	Mr. Raman Nanda - Non Executive Independent Director
Enterprises over which KMP is able to exercise significant influence	(i)	Clip-Lok Simpak (India) Private Limited (CSIPL)
	(ii)	Raunaq International Limited (RIL) (Formerly known as Raunaq EPC International Limited)
	(iii)	Vibrant Reality Infra Private Limited (VRIPL)
	(iv)	Ultra Consultants Private Limited (UCPL)

(B) Details of related party transactions during the year ended 31 March, 2024:

(i) Key Management Personnel (KMP):

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a)	**Mr. Surinder Paul Kanwar**		
-	Compensation - Short term employee benefits	263.97	263.69
-	Rent paid for premises taken on lease	60.00	60.00
-	Reimbursement of maintenance charges paid for premises taken on lease	2.96	2.75
-	Equity allotment - Bonus issue of equity shares (by way of capitalization of reserves)	-	189.37
(b)	**Mr. Sameer Kanwar**		
-	Compensation - Short term employee benefits	177.97	169.67
-	Rent paid for premises taken on lease	36.00	36.00
-	Reimbursement of maintenance charges paid for premises taken on lease	5.01	5.00
(c)	**Mr. N.V. Srinivasan**		
-	Director's sitting fees	2.15	2.65
(d)	**Mr. Rakesh Chopra**		
-	Director's sitting fees	4.40	5.20
(e)	**Mr. Virendra Kumar Pargal**		
-	Director's sitting fees	4.30	4.80
(f)	**Mr. Wolfgang Rudolf Schilha**		
-	Director's sitting fees	2.30	2.65
(g)	**Mrs. Hiroo Suresh Advani**		
-	Director's sitting fees	4.00	4.50
(h)	**Mr. Raman Nanda**		
-	Director's sitting fees	2.00	2.50

(ii) Enterprises over which KMP is able to exercise significant influence:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Clip-Lok Simpak (India) Private Limited		
- Purchase of packing material	42.98	39.56
- Rent income	0.64	0.64
- Equity allotment - Bonus issue of equity shares (by way of capitalization of reserves)	-	4.75
(b) Vibrant Reality Infra Private Limited		
- Rent and other expenses	26.53	25.20
- Equity allotment - Bonus issue of equity shares (by way of capitalization of reserves)	-	6.64
(c) Raunaq International Limited		
- Rent income	1.40	1.39
- Equity allotment - Bonus issue of equity shares (by way of capitalization of reserves)	-	11.80
(d) Ultra Consultants Private Limited		
- Equity allotment - Bonus issue of equity shares (by way of capitalization of reserves)	-	70.56

(C) Outstanding balances (excluding Ind AS fair value adjustments):

(i) Key Management Personnel (KMP):

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Mr. Surinder Paul Kanwar		
Receivable	50.00	50.00
Payable	16.39	-
(b) Mr. Sameer Kanwar		
Receivable	10.00	10.00
Payable	11.58	3.37

(ii) Enterprises over which KMP is able to exercise significant influence:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Vibrant Reality Infra Private Limited		
Receivable	5.00	5.00
(b) Clip-Lok Simpak (India) Private Limited		
Receivable	7.06	-

(D) Note:

Key Management Personnel compensation does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

Note 37 : Earnings per share

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Basic and diluted:		
Net (loss)/profit after tax for the year attributable to the equity shareholders	(973.78)	1348.49
Weighted average number of equity shares (Nos.)	15355058	15355058
Face value per share (In ₹)	10.00	10.00
Earnings per share - Basic and diluted (In ₹)	**(6.34)**	**8.78**

Note 38(A) : Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract Balances:		
Contract assets balance at the beginning of the year	442.19	365.36
Revenue recognised during the year	257.52	457.62
Invoices raised during the year	(102.85)	(511.90)
Created/(consumed) during the year	(31.72)	131.11
Contract assets balance at the end of the year (Refer Note 8(B)(c) and Note 9(c))	**565.14**	**442.19**

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract liabilities balance at the beginning of the year	495.80	596.60
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	-	-
Billed in advance in terms of contract	16.32	-
Advance received during the year	457.18	394.90
Adjusted against invoices during the year	(216.50)	(495.70)
Contract liabilities balance at the end of the year (Refer Note 21 and Note 24(b))	**752.80**	**495.80**

Note 38(B): Disclosures in pursuance of the Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets":

(₹ in Lakhs)

Provision for warranties	As at 31 March, 2024	As at 31 March, 2023
Opening balance	2.41	5.61
Additional provision	4.37	0.75
Amount utilized	-	-
Unutilized amount reversed	(1.85)	(3.95)
Closing balance (Refer Note 20(B)(b))	**4.93**	**2.41**

Provision for warranty is made for the estimated amount of expenditure, which may be incurred during the warranty period after successful commissioning of the furnace.

Note 39 : Segment information

Particulars

(a) The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. Information reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) i.e. Chairman and Managing Director for the purpose of resource allocation and assessing performance focuses on the business as a whole. Accordingly, there is no other separate reportable segment as defined by Ind AS 108 "Operating Segments".

(b) Disaggregation of revenue by geography:

The revenue of the Company from the external customers are attributed to (i) the Company's country of domicile i.e. India and (ii) all foreign countries in total from which the Company derives revenue. Details are as follows:

(i) Revenue from contracts with customers:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
India	40948.39	46452.17
Outside India:		
USA	12405.47	15404.92
Mexico	3154.61	3612.58
Spain	3516.68	5069.12
Other countries	4464.96	4192.37
Total	**64490.11**	**74731.16**

(ii) Other operating revenue:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
India	1803.32	1905.47
Outside India	11.31	-
Total	**1814.63**	**1905.47**

(c) All the non-current assets of the Company are located in India.

(d) Information about major customers having revenue amounting to 10% or more of the Company's revenue from contracts with customers:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Customer A	**16052.41**	**20960.50**

No other customer individually contributed 10% or more to the Company's revenue from contracts with customers for the current year ended 31 March, 2024 and previous year ended 31 March, 2023.

Note 40 : Financial instruments

I. Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity.

Note 40 : Financial instruments ....Contd.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The capital structure is monitored on the basis of net debt to equity and maturity profile of the overall debt portfolio of the Company.

(₹ in Lakhs)

Particulars		31 March, 2024	31 March, 2023
Short term borrowing and current portion of long term borrowing		4255.88	3210.77
Long term borrowing		5088.09	7090.89
Total borrowing		9343.97	10301.66
Less:- Cash and cash equivalents including other bank balances (excluding balances in earmarked accounts)		907.07	659.59
Net debt	**A**	**8436.90**	9642.07
Total shareholders' equity as reported in Balance Sheet	**B**	**11059.93**	12055.99
Total capital and debt	**(A+B)**	**19496.83**	21698.06

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies and processes for managing capital during the year(s) ended 31 March, 2024 and 31 March, 2023.

II. Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on payment performance over the period of time and wherever required a detailed financial analysis. Outstanding customer receivables are regularly monitored. As at 31 March, 2024, the Company had 7 customers (As at 31 March, 2023: 7 customers) that owed the Company more than ₹ 500 lakhs each and accounted for approximately 51.17% of all the receivables outstanding (As at 31 March, 2023: 58.78%).

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Investment in mutual funds is carried at FVTPL. Carrying value of investment as at 31 March, 2024 is ₹ 120.05 lakhs (As at 31 March, 2023: ₹ 111.43 lakhs). The carrying value represents the Company's maximum exposure to credit risk for investment in mutual funds.

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. The credit risk is limited because counter parties are banks/institutions with high credit ratings.

Note 40 : Financial instruments ....Contd.

(B) Liquidity risk

(i) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities/borrowings and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following table detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cash flows.

(₹ in Lakhs)

Particulars	Less than 1 Year	1-3 Years	3-5 Years	5 Years and above	Total	Carrying amount
Non-derivative financial liabilities						
31 March, 2024						
Fixed interest rate instruments	360.00	60.00	-	-	420.00	420.00
Variable interest rate instruments	4812.95	3376.80	1600.00	133.33	9923.08	9785.49
Lease liabilities	536.77	1001.65	680.42	604.43	2823.27	1992.51
Non-interest bearing	11203.94	-	-	-	11203.94	11203.94
Total	**16913.66**	**4438.45**	**2280.42**	**737.76**	**24370.29**	**23401.94**
31 March, 2023						
Fixed interest rate instruments	533.84	442.94	-	-	976.78	976.78
Variable interest rate instruments	3129.96	3426.17	3250.91	133.33	9940.37	9738.35
Lease liabilities	406.50	574.41	494.63	362.94	1838.48	1290.18
Non-interest bearing	13214.50	-	-	-	13214.50	13214.50
Total	**17284.80**	**4443.52**	**3745.54**	**496.27**	**25970.13**	**25219.81**

Interest rate sensitivity:

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating variable rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used for the purpose of sensitivity analysis.

If interest rates had been 100 basis points higher/lower and all other variables held constant, the Company's loss for the year ended 31 March, 2024 would decrease/increase by ₹ 102.05 lakhs (profit for the year ended 31 March, 2023: decrease/increase by ₹ 107.15 lakhs). This is mainly attributable to the Company's exposure to interest rate on its variable rate borrowings.

The amounts included above for variable interest rate instruments for both non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Note 40 : Financial instruments ....Contd.

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
From banks:		
Fund based:		
Cash credit/packing credit	2246.92	2854.79
- Expiring within one year	2246.92	2854.79
- Expiring beyond one year	-	-
Non-fund based - letter of credit/bank guarantees:	2158.26	2358.61
- Expiring within one year	2158.26	2358.61
- Expiring beyond one year	-	-
From equipment leasing company:		
Fund based:	382.39	-
- Expiring within one year	382.39	-
- Expiring beyond one year	-	-

(C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The Company manages its foreign currency risk by effective monitoring movement in foreign currency rates and seeks to minimize the effect of currency risk by using non derivative financing instrument to hedge risk exposures.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	In foreign currency		₹ lakhs	
		As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Receivable	USD	47,41,775.86	52,05,888.88	3954.64	4277.68
	EURO	20,23,046.15	25,14,357.32	1817.62	2247.63
	JPY	17,15,000.00	-	9.44	-
Payables	USD	16,30,844.06	11,09,901.55	1360.29	912.12
	EURO	-	12.00	-	0.01

Note 40 : Financial instruments ....Contd.

Foreign currency sensitivity

The following table demonstrates the sensitivity in the USD, Euro and other currencies to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of the monetary assets and liabilities including currency derivatives.

(₹ in Lakhs)

Particulars	Change in currency exchange rate	Effect on (loss)/profit before tax		Effect on equity	
		For the year ended 31 March, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2024	For the year ended 31 March, 2023
USD	+ 5%	129.72	168.28	97.07	125.93
	- 5%	(129.72)	(168.28)	(97.07)	(125.93)
EURO	+ 5%	90.88	112.38	68.01	84.10
	- 5%	(90.88)	(112.38)	(68.01)	(84.10)
JPY	+ 5%	0.47	-	0.35	-
	- 5%	(0.47)	-	(0.35)	-

(ii) Interest rate risk

Refer comment given above in maturities of financial liabilities under liquidity risk.

(iii) Raw material price risk

The Company does not have significant risk in raw material price variations. In case of any variation in price, the same is passed on to customers through appropriate adjustment to selling prices.

Note 41 : Fair value

Particulars

A. Fair value measurement:

All the financial assets (other than investments) and financial liabilities of the Company are carried at amortised cost. Investments are carried at fair value through profit or loss.

The management assessed that the fair value of financial instruments such as trade receivables, cash and cash equivalents, other bank balances, other financial assets (except security deposits and loans and advances to employees), trade payables and other current financial liabilities (except current maturities of long term debts) approximate their carrying value largely due to the short-term maturities of these instruments.

B. Fair value hierarchy:

Quantitative disclosure fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at 31 March, 2024		As at 31 March, 2023		Fair value hierarchy
	Carrying value	Fair value	Carrying value	Fair value	
Assets for which fair values are disclosed:					
Investments	120.05	120.05	111.43	111.43	Level 1
Loans and advances to employees	192.52	192.52	211.51	211.51	Level 2
Security deposits	299.69	299.69	285.87	285.87	Level 2
Liabilities for which fair values are disclosed:					
Borrowings	7090.89	7090.89	8656.45	8656.45	Level 2
Other non-current financial liabilities	-	-	22.93	22.93	Level 2

Fair value of loans and advances to employees, security deposits and borrowings are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and maturities.

Note 42 : Corporate social responsibility

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i)	Amount required to be spent during the year	25.87	-
(ii)	Amount of expenditure incurred (Refer Footnote (i) below)	17.00	8.91
(iii)	Shortfall/(surplus) at the end of the year	8.87	(8.91)
(iv)	Total of previous years shortfall/(surplus)	(10.88)	(1.97)
(v)	Total shortfall/(surplus) at the end of current year carried forward (iii + iv) (Refer Footnote (iii) below)	(2.01)	(10.88)
(vi)	Reason for shortfall	Not applicable	Not applicable
(vii)	Nature of CSR activities	Refer Footnote (ii) below	Refer Footnote (ii) below
(viii)	Details of Related Party Transactions	Not applicable	Not applicable
(ix)	Provision made in respect of liability incurred	-	-

Footnotes:

(i) Details of amount of expenditure incurred:

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2024			For the year ended 31 March, 2023		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(a)	Construction/acquisition of any asset	-	-	-	-	-	-
(b)	On purposes other than (a) above	17.00	-	17.00	8.91	-	8.91

(ii) Nature of CSR activities include promoting education, including special education, distribution of food and food grains, contribution towards art and craft awareness programme, health and rural development, promotion of gender equality, empowering women and environmental sustainability.

(iii) In accordance with rule 7(3) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, amount spent in excess of requirement provided under sub-section (5) of section 135 of the Companies Act, 2013, may be set off against the amount required to be spent in immediately succeeding three financial years. Accordingly, this surplus amount spent is eligible for set off.

Note 43 : Acquisition of land by Government authorities

Particulars
Thane Municipal Corporation (TMC) has acquired certain portion of Company's land at Mumbra plant for proposed road widening project(s). The exact area of such acquisition shall be determined after actual survey of land; which is still pending. The said acquisition does not impact the operations of the Company adversely. Meanwhile, the Company has taken up the matter with TMC for suitable compensation in lieu of such acquisition. The impacted land has been classified as non-current asset held for sale.

Note 44 : Title deeds of Immovable Properties

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land at Mumbra	127.13	Bharat Gears Limited (Refer Footnote (i) below)	Not applicable	28 September, 1972	Not applicable (Refer Footnote (i) below)
Non-current asset held for sale	Land at Mumbra	12.30	Bharat Gears Limited (Refer Footnote (i) below)	Not applicable	28 September, 1972	
Property, plant and equipment	Land at Lonand	234.73	Bharat Gears Limited (Refer Footnote (ii) below)	Not applicable	07 February, 2011	Not applicable (Refer Footnote (ii) below)
Property, plant and equipment	Land at Lonand	297.95	Bharat Gears Limited (Refer Footnote (ii) below)	Not applicable	23 December, 2011	

Footnotes:

(i) The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of Company's Land at Mumbra, on account of certain mutation entries) do not match with the indenture of the conveyance available with the Company. The Company has initiated necessary legal action which is pending at the Bombay High Court.

(ii) The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of Company's Land at Lonand, on account of certain mutation entries) do not match with the indenture of the conveyances available with the Company. The Company has initiated necessary action with concerned Government authority.

Note 45 : Ratios

Sr.no.	Particulars	Numerator	Denominator	Unit	31 March, 2024	31 March, 2023	% Change	Reason for variance
(i)	Current ratio	Current assets	Current liabilities	Times	1.26	1.44	13%	
(ii)	Debt-equity ratio	Non-current borrowings + Current borrowings	Total equity	Times	0.84	0.85	1%	
(iii)	Debt service coverage ratio	(Loss)/Profit for the year + Finance costs + Depreciation and amortisation expense + loss on disposal of property, plant and equipment - gain on sale of property, plant and equipment	Finance costs + Current maturities of long-term debts + current lease liabilities	Times	0.73	1.43	49%	Decrease because of loss during the current year and increase in current maturities of long-term debts.
(iv)	Return on equity ratio	(Loss)/Profit for the year	Average total equity	%	-8%	12%	167%	Decrease because of loss during the current year.

Sr.no.	Particulars	Numerator	Denominator	Unit	31 March, 2024	31 March, 2023	% Change	Reason for variance
(v)	Inventory turnover ratio	Revenue from operations	Average inventory	Times	7.29	8.05	9%	
(vi)	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	5.56	5.74	3%	
(vii)	Trade payables turnover ratio	Purchases	Average trade payables	Times	2.70	2.95	8%	
(viii)	Net capital turnover ratio	Revenue from operations	Current assets - Current liabilities	Times	14	10	40%	Due to efficient working capital management.
(ix)	Net profit ratio	(Loss)/Profit for the year	Revenue from operations	%	-1%	2%	150%	Decrease because of loss during the current year.
(x)	Return on capital employed	(Loss)/Profit before exceptional items and tax + Finance costs	Non-current borrowings + Current borrowings + Total Equity	%	2%	16%	88%	Decrease because of loss during the current year.
(xi)	Return on investment	Investment - Cost of investment	Cost of investment	%	13%	5%	158%	Increase in repo rate by RBI resulted in higher returns on debt instruments.

Note 46: Relationship with struck off companies

(₹ in Lakhs)

Name of struck off company	Nature of transaction	Transaction during the year ended 31 March, 2024	Balance outstanding as at ended 31 March, 2024	Relationship with the struck off company
New Age Aqua Private Limited	**Trade payable**	**21.58**	**3.51**	**Vendor**

(₹ in Lakhs)

Name of struck off company	Nature of transaction	Transaction during the year ended 31 March, 2023	Balance outstanding as at ended 31 March, 2023	Relationship with the struck off company
New Age Aqua Private Limited	Trade payable	18.30	3.08	Vendor

Note 47 : Other statutory information

Particulars

(i) The Company does not have any Benami property. No proceedings have been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Particulars

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(vii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

Note 48 : Audit Trail

Particulars

The Company uses accounting software for maintenance of its books of account for which audit trail (edit log) facility has been enabled at the application level and was operating throughout the year. With further clarification available for implementation, the audit trail was also enabled for the relevant master data during the quarter ended March 2024, and at database level subsequent to the balance sheet date. The IT environment of the Company is appropriately governed, and the database of the software is under the control of the Company and only designated personnel from the Company have the access to the underlying database after obtaining requisite approval, governed by well-defined standard operating procedures of the Company.

Note 49 : Previous year's figures

Particulars

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors of Bharat Gears Limited

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

V.K. Pargal (DIN : 00076639)
W.R. Schilha (DIN : 00374415)
Rakesh Chopra (DIN : 00032818)
N.V. Srinivasan (DIN : 00879414)
Hiroo Suresh Advani (DIN : 00265233)
Raman Nanda (DIN : 00078198)
Directors

Hitendra Narain Mishra
Chief Executive Officer
(PAN : AASPM9597L)

Milind Pujari
Chief Financial Officer
(PAN : AAAPP3554C)

Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

Place : Mumbai
Date : 29 May, 2024

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BHARAT GEARS LIMITED
Geared for Life

Form ISR – 1

(see SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES/UPDATION THEREOF

[For Securities (Shares/Debentures/Bonds, etc.) of the Company held in physical form]

Date: _____/_____ / _____

A. I/We request you to Register/Change/Update the following (Tick ✓ relevant box)

☐ PAN	☐ Bank details	☐ Signature
☐ Mobile number	☐ E-mail ID	☐ Address

B. Security Details:

Name of the Issuer Company	BHARAT GEARS LIMITED	Folio No.:
Name(s) of the Security holder(s) as per the Certificate(s)	1. 2. 3.	
Number & Face value of securities		
Distinctive number of securities		From To

C. I/We are submitting documents as per Table below (tick ✓as relevant, refer to the instructions):

	✓	Document/Information/ Details	Instruction/Remark
1.	PAN of (all) the (joint) holder(s)		
		PAN Whether it is Valid (linked to Aadhaar): ☐ Yes ☐ No	☐☐☐☐☐☐☐☐☐☐, ☐☐☐☐☐☐☐☐☐☐ ☐☐☐☐☐☐☐☐☐☐ PAN shall be valid only if it is linked to Aadhaar by March 31, 2023* For Exemptions/Clarifications on PAN, please refer to Objection Memo in **Page 6 & 7**
2.		Demat Account Number (Optional)	☐☐☐☐☐☐☐☐ ☐☐☐☐☐☐☐☐ Also provide Client Master List (**CML**) of your Demat Account, provided by the Depository Participant.
3.		Proof of Address of the first holder	Any one of the documents, only if there is change in the address; ☐ Unique Identification Number (UID) (Aadhaar) ☐ Valid Passport/ Registered Lease or Sale Agreement of Residence / Driving License ☐ Flat Maintenance bill accompanied with additional self-attested copy of Identity Proof of the holder/claimant. ☐ Utility bills like Telephone Bill (only land line)/ Electricity bill / Gas bill - Not more than 3 months old. ☐ Identity card / document with address, issued by any of the following: Central/State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions duly attested by the employer with date and organisation stamp ☐ For FII / sub account, Power of Attorney given by FII / sub-account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken. ☐ Proof of address in the name of the spouse accompanied with self- attested copy of Identity Proof of the spouse. ☐ Client Master List (CML) of the Demat Account of the holder / claimant, provided by the Depository Participant.

4.		Bank details *(to be updated for first holder in case of joint holding)*	Account Number: _____ # Bank Name: _____ Branch Name: _____ IFS Code: _____ Provide the following: ☐ Original cancelled cheque bearing the name of the security holder; **OR** ☐ Bank passbook/statement attested by the Bank;
5.		E-mail address	_____ #
6.		Mobile	_____ #

* or any date as may be specified by the CBDT *(DP: Depository Participant)*

In case it is not provided, the details available in the CML will be updated in the folio

Authorization: I/ We authorise you (RTA) to update the above PAN and KYC details in following additional folio(s) held in my / our name (use Separate Annexure if extra space is required):

S. No.	Name of the Issuer Company	Folio No.	Quantity of securities	Face value of securities	Distinctive number of securities (Optional)

in which I / We are the holder(s) (strike off what is not applicable).

Declaration: All the above facts stated are true and correct.

	Holder 1	Holder 2	Holder 3
Signature	✓		
Name	✓		
Full address	✓		
PIN	☐☐☐☐☐☐	☐☐☐☐☐☐	☐☐☐☐☐☐

Mode of submission of documents to the RTA

Please use any one of the following mode:

1. **Through 'In Person Verification' (IPV):** The authorized person of the RTA shall verify the original documents furnished by the investor and retain copy (ies) with IPV stamping with date and initials.
2. **Through Post:** Hard copies of the documents which are self-attested.
3. **Through electronic mode with e-sign:** The holder(s)/ claimant(s) may furnish the documents to RTAs electronically including by way of email or through service portal of the RTA provided the documents furnished shall have e-sign* of the holder(s)/ claimant(s).

   *E-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-Sign user. The holder/claimant may approach any of the empanelled e-Sign Service Providers, details of which are available on the website of Controller of Certifying Authorities (CCA), Ministry of Communications and Information Technology (https://cca.gov.in/) for the purpose of obtaining an e-sign.

Note

• Holders of physical securities in listed company are mandatorily required to furnish PAN, KYC details (Contact details, Bank Account Details, Signature) and Nomination (for all the eligible folios) to enable RTA to process any service request or complaints received from the security holder(s)/ Claimants.		
• Upon receipt or up-dation of bank details, the RTA shall, suo-moto, generate request to the company's bankers to pay electronically all the moneys of / payments to the holder that were previous unclaimed / unsuccessful.		
• RTA shall update the folio with PAN, KYC details and Nominee, within timelines as mentioned in the circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/670 dated November 26, 2021. However, cancellation of nomination, shall take effect from the date on which this intimation is received by the company / RTA.		
• RTA shall not insist on Affidavits or Attestation / Notarization or indemnity for registering / up-dating / changing PAN, KYC details and Nomination.		
•	Specimen Signature	**Option A** i Security holder shall provide the following documents: (a) Original cancelled cheque with name of the security holder printed on it; or (b) Self-attested copy of Bank Passbook/ Bank Statement; **and** ii Banker's attestation of the signature of the same bank account as mentioned in (i) above as per **Form ISR - 2**. **OR** **Option B** • The investor may get his or her signature changed or updated by visiting the Office of the RTA in person. In such a case, the investor shall sign before the authorized personnel of the RTA, along with PAN card and any one additional document mentioned at Serial Nos. 1-4 of Annexure – E of SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in original for verification by the RTA, and submit self- attested copies of the same.
•	Nomination**	• Providing Nomination: Please submit the duly filled up Nomination Form (SH-13) or 'Declaration to Opt out of Nomination' as per Form ISR–3, in SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 • Variation in Existing Nomination: Please use Form SH-14 • Cancellation of Existing Nomination and opting out: use Form SH- 14 & Form ISR – 3

** Nomination **(Form SH-13 or SH-14)** / 'Declaration to Opt-Out of nomination' **(Form ISR – 3)**, has to be furnished by the holder(s) separately for each listed company.

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Form ISR – 2

(see circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

Confirmation of Signature of securities holder by the Banker

1.	Bank Name and Branch	
2.	Bank contact details	
	Postal Address	
	Phone number	
	E-mail address	
3.	Bank Account number	
4.	Account opening date	
5.	Account holder(s) name(s)	1) 2) 3)
6.	Latest photograph of the account holder(s)	

1st Holder	2nd Holder	3rd Holder

7.	Account holder(s) details as per Bank Records	
	a) Address	
	b) Phone number	
	c) Email address	

d) Signature(s)

1)	2)	3)

Seal of the Bank

Signature verified as recorded with the Bank

(Signature)

Place:	Name of the Bank Manager:
	Employee Code:
Date:	E-mail address:

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Form No. SH-13 Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To

Name of the company: **BHARAT GEARS LIMITED**

Address of the company: 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I/We …… the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S —

(a) Name:
(b) Date of Birth:
(c) Father's/Mother's/Spouse's name:
(d) Occupation:
(e) Nationality:
(f) Address:
(g) E-mail id:
(h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

(a) Date of birth:
(b) Date of attaining majority
(c) Name of guardian:
(d) Address of guardian:

Name(s) and Address of Security holders(s) Signature(s)

Sole / First Holder Name: _____

Address: _____

_____ _____

Second Holder Name: _____

Address: _____

_____ _____

Third Holder Name: _____

Address: _____

_____ _____

Name and Address of Witness	Signature

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Form No. SH-14 Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

Name of the company: **BHARAT GEARS LIMITED**

I/We hereby cancel the nomination(s) made by me/us in favor of (name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place of …….. as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) (a) PARTICULARS OF THE NEW NOMINEE::

i. Name:
ii. Date of Birth:
iii. Father's/Mother's/Spouse's name:
iv. Nationality:
v. Address:
vi. E-mail id:
vii. Relationship with the Security holder:

(b) IN CASE NEW NOMINEE IS A MINOR--

(i) Date of birth:
(ii) Date of attaining majority
(iii) Name of guardian:
(iv) Address of guardian:

Name(s) and Address of Security holders(s) Signature(s)

Sole / First Holder Name: _____

Address: _____

_____ _____

Second Holder Name: _____

Address: _____

_____ _____

Third Holder Name: _____

Address: _____

_____ _____

Name and Address of Witness	Signature

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Form ISR - 3

Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies

(see SEBI circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

[Under Section 72 r/w Section 24 (1) (a) of Companies Act, 2013 r/w Section 11(1) and 11B of SEBI Act, 1992 and Clause C in Schedule VII and Regulation 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

BHARAT GEARS LIMITED
20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I / we ..... the holder(s) of the securities particulars of which are given hereunder, ***do not wish to nominate*** any person(s) in whom shall vest, all the rights in respect of such securities in the event of my /our death.

PARTICULARS OF THE SECURITIES (in respect of which nomination is being opted out)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

I/ we understand the issues involved in non-appointment of nominee(s) and further are aware that in case of my/our death, my / our legal heir(s) / representative(s) are required to furnish the requisite documents/details, including, Will or documents issued by the Court like Decree or Succession Certificate or Letter of Administration/Probate of Will or any other document as may be prescribed by the competent authority, for claiming my / our aforesaid securities.

Name(s) and Address of Security holders(s) Signature(s)

Sole/First Holder Name: _____

Address: _____

_____ _____

Second Holder Name: _____

Address: _____

_____ _____

Third Holder Name: _____

Address: _____

_____ _____

Name and Address of Witness	Signature

BHARAT GEARS LIMITED
Geared for Life

Registered Office
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Faridabad-121 003, Haryana
CIN: L29130HR1971PLC034365
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