

MANAGEMENT: Kalpana Singh - Link Intime India Pvt. Ltd. Moderator
Prashant Khattry - Corporate Head (Legal) & Company Secretary
Surinder Paul Kanwar - Chairman and Managing Director
Sameer Kanwar – Joint Managing Director
Virendra Kumar Pargal – Non-Executive Independent Director
Rakesh Chopra - Non-Executive Independent Director
Wolfgang Rudolf Schilha - Non-Executive Independent Director
Nagar Venkatraman Srinivasan – Non-Executive Director
Raman Nanda - Non-Executive Independent Director
Hiroo Suresh Advani - Non-Executive Independent Director
Milind Pujari – Chief Financial Officer

ANALYSTS: Manjit Singh
Rakesh Kumar
Mahender Pal Bhutani
Tony Bhatia
Subhash Wadhwa
Ashok Jain
Gaurav Singh

Presentation

Kalpana Singh: Dear panelists and shareholders of Bharat Gears Limited, good morning and warm welcome. I Kalpana Singh on behalf of Link Intime India Private Limited, RTA of your Company once again welcome all of you at the 50th Annual General Meeting of your Company, being held through our virtual platform InStaMEET and other audio visual facilities.

Before going to the proceedings, I would like to request to the members, panelists to please keep their devices in mute mode to enable us to conduct the meeting smoothly. For members who have been preregistered and have been confirmed as a speaker to speak in the meeting, the audio video will be enabled when the Chairman will request them to speak. For members, who have not registered as a speaker, but want to ask question may do so by posting questions in chat box available on the screen.

Now, I invite Mr. Prashant to initiate the proceedings. Over to you, sir.

Prashant Khattry: Dear shareholders, good morning to everyone and a warm welcome to the 50th Annual General Meeting of Bharat Gears Limited. Members may note that this Annual General Meeting is being held through

video conference in accordance with the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI.

As per the statutory requirements, the proceedings of this meeting is being recorded. The transcript as well as the recording will be uploaded on the website of the Company. Basically for joining this meeting through video conference or other audio visual mode is made available for the members on first come first serve basis.

As AGM has been held with video conference, the proxy facility is not applicable. Hence the proxy register for inspection is not available. List of members, List of directors, key managerial personnel, and list of contract or amendment has been made available electronically for inspection by the members during the AGM.

Members who have not registered as speakers can ask their queries to the panelists via active ChatBox during the meeting. Please remember your speaking Serial numbers which will be appearing in the voting registration message. Once you mark your attendance for the meeting, you are requested to speak only when you will be invited to speak.

Members who have not exercised their vote through the remote e-voting may click the voting button, cast your vote, which is appearing on the right hand side of your VC meeting screen. You may enter demat account number folio and OTP which you have received on your email and your respective mobile numbers.

Now I request our Chairman, Mr. Surinder Paul Kanwar to initiate the proceedings of this meeting.

Surinder Paul Kanwar: Namaskar and good morning to all the shareholders. It gives me a great pleasure to welcome you all to the 50th Annual General meeting of your company. Due to novel Coronavirus COVID-19 outbreak in the country and pursuant to various circular issued by the Ministry of Corporate Affairs, the 50th Annual General Meeting is being conducted by electronic means, through the VC/OAVM platform InStaMEET provided by a registered transfer agent, Link Intime Private Limited. The notice and annual report for the financial year 2021-2022 was sent only by electronic mode to all the members whose email address are registered with the company and depositors.

Now I would like to introduce the key Managerial personnel to the shareholders, Mr. Sameer Kanwar, Joint Managing Director, Mr. Rakesh Chopra, Non-Executive Independent Director, Chairman of

Audit Committee and Stakeholders' Relationship Committee, Mr. V.K. Pargal, Non-Executive Independent Director, Chairman of Nomination and Remuneration Committee and Lead Independent Director, Mr. W.R. Schilha, Non-Executive Independent Director, Mr. N.V. Srinivasan Non-Executive Director, Mr. Hiroo Suresh Advani, Non-Executive Independent Director, Mr. Raman Nanda, Non-Executive Independent Director, Mr. Milind Pujari, Chief Financial Officer, and Mr. Prashant Khattry, Corporate Head (Legal) and Company secretary, and myself Surinder Paul Kanwar.

Mr. Prashant, please confirm the quorum is present?

Prashant Khattry: Quorum is present, sir.

SurinderPaul Kanwar: The report of the statutory audit on financial statements and secretary audit report of the Company for the year ended 31st March, 2022 does not contain any qualification reservation or reverse remark which needs any explanation or comment of the Board.

My formal address to the members follows:

Dear shareholders, I would like to present you the annual report of 2021-2022 of the Golden Jubilee year of your Company with a great sense of pride and deep gratitude. The year 2021 was rebound year for the global economy after the havoc played by the COVID-19 pandemic during 2020. Notwithstanding the second and third wave seen in some of the major world economies, the economic activity across the globe expanded by 6.1% over 2020 due to the pent up demand, government initiatives to mitigate economic impact on the pandemic and increasing vaccination rates. However, the supply chain bottleneck due to the pandemic related disruption and the Russian Ukrainian war have cast a cloud on the economic recovery. Inflation has become a major cause of concern across the world and more central banks are responding by increasing policy rates have to drain the excess liquidity from the market.

Indian economy led the global economy during the F Y 21-22 period when it once again became the fastest growing major economy in the world with a year on year GDP increase of 8.9%. With the pandemic related restrictions being gradually removed, the reform measures and stimulus support given by the central and state governments, and the growth in the consumer demand, the micro environment was supportive of growth across the sector. The estimates for financial year 2022-23 growth range from 7% to 8%.

The Indian automotive and autocomponents industry is the bellwether for the prospects of the Indian manufacturing sector. During the reported year, the production of automobiles excluding two wheelers surged more than 21% despite facing issues such as chip shortage, increasing raw material costs, lockdown restriction etcetera. Indian automotive exports registered their lifetime high by crossing 5 million unit mark in financial year 2021-22. India is also the leader in the agricultural machinery and construction equipment industries. Global automotive components, agricultural machinery and construction equipment industries are also expected to grow in the near future creating an expanding market opportunity for your company exports.

Despite facing challenges due to the second and third wave of the pandemic, the Company outperformed as compared to the previous financial year because of the supportive external demand environment, its ability to be a trusted partner and experienced in working in compliance with pandemic related restrictions. Our gross revenue jumped from Rs. 503.03 crore to Rs. 729.44 crore, an increase of 45% as compared to financial year 2020-21, first quarter of which was a washout because of the nationwide lockdown to curb the spread of COVID-19, largely supported by healthy growth in the export. As a result, that net loss of Rs. 7.70 crores in financial year 2020-21 turned to a net profit of Rs. 25.84 crores in the financial year 2021-22. At the operating level as well, the profitability went up significantly with EBITDA seeing an increase of 86%.

Your Company has always believed in sharing benefits with its shareholders and there could not be a better occasion than this when your company is celebrating 50th year of laying the foundation of its first factory at Mumbra. I have a great pleasure announcing that your Board has recommended issue of bonus share in the ratio of 1:2 to the shareholders of the company in the Annual General Meeting.

We have worked very diligently to maintain our position as one of the industry leaders and preferred supplier for automotive gears to a wide range of industry and leading OEMs across the world. We have achieved success in raising productivity levels over the years through the use of new technology or upgrading the machines, redesigning of parts, process innovation, energy conservation initiative and ongoing training of our workers. Zero defect and safety culture are also critical in maintaining high productivity and customer and employee satisfaction.

While there are challenges in the external environment, we are cautiously optimistic that the Indian markets for the automotive components, agriculture machinery, construction equipments will remain reasonably attractive in terms of growth. The emerging growth segments such as electrical vehicle, small utility machines for small holding agriculture land and heavy construction machinery for mega-infrastructure projects will be in our sight for product innovation and portfolio expansion.

Our 50 years long journey to become one of the leading gear manufacturer in the country with a significant global presence would not have been possible without the trust of this one by our client in us. I would like to thank them for their generous support. It has also been a privilege to chart this journey with my colleagues on the Board, the company management team, and dedicated employees both current and past, whose contribution to our success I acknowledge by humility.

Last but not least, I would also like to thank our business associates, bankers and all our stakeholders for continued support to Bharat Gears in the good and bad times. We hope to be honored with your continued support to take our way for many more years of success and growth. Thank you.

Now, I will take the agenda item as per the notice of the AGM for the members to cast their vote by electric means.

Item number one, ordinary resolution. To receive and consider and adopt the financial statement for the company for the year ended 31st of March 2022 together with the report of board of directors and auditors, there on.

Item number two, ordinary resolution. To consider to I recommend the appointment of M/s Deloitte Haskins & Sells as the statutory auditors of the company.

Item number three. Special resolution To consider appointment of Mr. Raman Nanda, Additional Director of the Company as Non-Executive Independent Director of the Board of the Company.

Mr. Pargal, will take the chair for item number 4 and 5. Mr. Pargal, please. Mr. Pargal, you're on mute.

Virendra Kumar Pargal: Can you hear me now?

SurinderPaul Kanwar: Yes, now we can hear you. Number 4 and 5 for you.

VirendraKumar Pargal: Yes. Item number 4, Toconsider the payment of remuneration to Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company for a further period of three years, with effect from first April 2022 of his present tenure and if thought fit pass the following resolution as a special resolution with or without modification.

Now I read resolution number 5. To consider the payment or remuneration to Mr. Sameer Kanwar, Joint Managing Director of the Company for a period of two years with effect from first June 2022 for his present tenure. And if thought fit, pass the following resolution as a special resolution with or without modification. Thank you.

SurinderPaul Kanwar: Item number 6, special resolution Toconsider the reappointment of Mr. Nagar Venkatraman Srinivasan, who retires by rotationand is eligible for re-appointment.

Item number 7, ordinary resolutionToconsider andratifytheremuneration payable to Mr. M.K. Kulshrestha& Associates, Cost Auditors for the Company for the financial year 2022-23.

Item number 8. To consider theissue of bonus share tothe members of the Company by way of capitalisationof the reserves. Prashantwill now advise the members to cast their vote.

Prashant Khattry Now members are requested to cast their vote by electronic means, before the conclusion of this meeting. Resolution passed shall be declared within the prescribed time limits. So now this meeting is open for queries sir. Kalpana, you can take up the speakers now.

Kalpana Singh Okay sir.

SurinderPaul Kanwar: Open for the queries from the shareholders.

Kalpana Singh Now, our first shareholder is Mr. ManjitSingh. Mr. Manjit, now you are on the panel, please ask your question.

Manjit Singh Am I audible?

SurinderPaul Kanwar: Yes, Mr. Manjit Singh, please.

Manjit Singh

The Bharat Gears, Chairman, Director, Secretarial department or my co-shareholder, I welcome you all, and good morning to all. Still we are not going towards good afternoon, we are in morning only, so especially I will say good morning. Company is running very good. Recently the bonus which you have declared, I congratulate to the Chairman for that.

Sir, I just want to say you, the total income of our Company from that how much we are spending on research and development, on R&D. Please if you can explain this in an elaborated manner, how much we are spending on research and development. Because our roads are transforming, and vehicles also changes from time to time, and also there is a change in fuel, now we are moving to electric vehicle from petrol diesel, what effect will this have and what type of research and development do we do, so we can get more and more order from the market.

And sir, is our plants running with full capacity and if they are running with full capacity, so if our order book remains balance, if we are not fulfill some order, so is there will be some expansion. If you can talk about these, will be very helpful. We have connected with you, is because of secretarial department only, because of whom we can join you. The link which Secretarial department has sent to us, they can't do better than this, through which we can join smoothly with you. So, I thanks the management team, and also I thanks the secretarial team.

Thank you Bharat Gears Management and Secretarial team.

Surinder Paul Kanwar

Thank you, Manjit Singh. I will just take all the question and then I will give the reply together, if you appreciate that.

Kalpana Singh

Thank you Mr. Manjit. Now our next speaker is Mr. Chetan Chaddha. Mr. Chetan Chaddha, you are on the panel. Chetan sir?

I think sir, Mr. Chetan is not available as a speaker, so I'm removing him. Our next speaker is Mr. Rakesh Kumar. Mr. Rakesh, you are on the panel, please speak.

Rakesh Kumar

Am I audible sir? Hello.

Surinder Paul Kanwar

Yes, Mr. Kumar.

Rakesh Kumar

Chairman sir, Board of Directors, Company Secretary and Co-Shareholders. Sir I want to say thanks so much to you, that you have

given me a chance to speak on this platform. Sir, first I would like to congratulate you that we are celebrating golden jubilee 50 years of Bharat Gear, you are doing 50 AGM, I would like to congratulate for that.

I only have one question, as our Indian government is more focused on electric vehicle, how much involvement we have in that, please speak about this, that our gears are going to fit or not, or are you planning to set up a new plant, please speak about this.

Again I want to say thanks so much, that you had given bonus shares to us, and also you are giving a very good dividend, for that I would like to say thank you so much.

SurinderPaul Kanwar Thank you, sir.

Kalpana Singh Thank you, Mr. Rakesh. Now, our next speaker is Mr. Mahender Pal Bhutani. Mr. Mahender you are on the panel, please speak.

Mahender Pal Bhutani Good morning, Chairman, Board member and management team. Thank you very much for allowing me to this platform. Chairman sir, an investor expects from the company, as I understand...

SurinderPaul Kanwar: It's not clear, Mahender. Mr. Mahender, we are not able to hear your voice.

Mahender Pal Bhutani The vision of our company, the investor friendly relation, the heights to which the company has risen, and we have a faith, that our company will fly new highs. In auto components our company is maintaining a high quality standard.

I only have one question, some days back CMA bidding happened, in that some ministers came, Cabinet Ministers came, what expectation does the association of the company have with the government, what are you looking at reform. As our country moving towards development, as I can say, the country is moving towards Amritkaal, and our country is on fifth number in the world economy.

The government also has so much expectation, and the government wants that the performance should be good and our Company is also performing as per the expectations. I don't have any query regarding balance sheet, because all the things are good and it have a transparency, and also our Company's secretary department has made the balance sheet, all the sections they have kept in easy to use

manner. I want to congratulate total team of the Company, and I also hope year to year, quarter to quarter the Company will give good results. Thanks so much, sir.

SurinderPaul Kanwar: Thank you, sir.

Kalpana Singh Thank you so much, sir. Now we have the next question from Mr. ToniBhatia. Mr. Toni, you are on the panel. Please speak.

ToniBhatia Sir, am I audible?

SurinderPaul Kanwar Yes, Mr. Bhatia, it is audible.

ToniBhatia Firstly, Chairman sir, you had given a wonderful speech, our Company has got a very, very bright future, for this I would like to say thank you, to you, the whole board, Sameerji, and whole employees, and our German-National Schilha sir, who since 1985 is giving technical knowhow and supporting the Company, I am thankful to him also.

Now I am coming to the main point. Respected Chairman sir, you had given a very small photo of respected Raunaqsir, please do not mind this much. Sir, I know him from so much time. In 1982 I was in Ghaziabad, when I come from office in the evening, so I used to go to respected Shri Gurudwara Bangla Saaheb, where I meet him two to three times, they met me very politely, your father.

Sir if possible on page number two, on which first annual report is there, on page number two, if you can put their photo it will be very good. It's a request from my side, sir.

SurinderPaul Kanwar Appreciated, sir.

ToniBhatia Okay sir, thank you. Now, I am happy to know that today Bharat Gears is ranked among the top manufacturers of automotive gears and heat treatment furnaces. I am very happy by listening this, that today Bharat Gears is in top companies. Sir really, I'm happy to know our revenue that is INR72,944 lakhs, EBITDA INR6,929 lakhs, PAT, INR2,584 lakhs, sir.

This is such a marvelous you gave us performance, you had given bonus shares, 1 for 2. I am thankful to you my respected Chairman.

Sir number 14, I am not going to read out the whole story, I go whole this company's. On page number 14 you had given the long list of our gears customer. On page number 15 long list of our furnaces customer, feel very good. Quality is our first motto, my respected Chairman, never compromise on this. Quality is our first motto.

Our quality second, never compromise. Corporate governance, you have shown in such a good manner for this. Credit goes to CFO, company's secretary, Prashant. You had focused more on CSR activities, for this also I would like to congratulate you, that our Prime Minister, Respected Narendra Bhai Modi, is more focused on this, and you have played a very important role in this.

Chairman sir, I also want to say one thing, next year if you permit, so we want to have a physical meeting, if possible. I remember, how we use to meet with you through physical meeting. Schilha sir, presently who is in Germany, and attending the meeting, how he use to meet us with so much love. So I have a request, if possible, last four to five times some companies had a physical meeting, and from that one I had attended of Maruti Limited in Delhi.

Other than this, Bosch Limited Hosur, near Bangalore, they had physical meeting. JK Tyre, JK Paper, all have done a physical meeting, so it is a request from my side, if possible, next year if you can keep physical meeting, and also if the future time permits.

I won't take more time. One more thing, page number four, resolution number four and five, to this both resolution respect of your good sense and number five, to Sameerji, I strongly support to both resolution.

And I want to say thank you, company secretary, who had given me a chance to speak. Sir, yesterday what happened, yesterday also I had attended the meeting, but I forgot to click on the speaker link, so I could not speak yesterday. Anyhow that mistake was on my part.

With these words, once again I want to say thanks to you Chairman sir, whole Board, whole employees, you have showed a very good performance and also I have a hope in future the same will continue. With these words once again I support the balance sheet. God will give our Chairman sir, healthy life, happy life. Thank you, sir.

SurinderPaul Kanwar

Thank you, sir. Thank you very much. That's all, anybody else, ma'am?

- Kalpana Singh** Yes, sir, few speakers are also remaining.
- SurinderPaul Kanwar** Go ahead, go ahead. Then I'll answer all the questions.
- Kalpana Singh** Now we have the next speaker, Mr. SubhashChanderWadhwa. Mr. Subhash, you are on the panel. Please speak.
- SubhashWadhwa** Hello, am I audible?
- SurinderPaul Kanwar:** Yes, yes, please.
- SubhashWadhwa** Good morning respected Chairman sir and Board of Directors. My name is SubhashWadhwa and I have joined from New Delhi. I first of all, congratulate Chairman sir and entire management of Bharat Gears for doing very well during financial year 2022. Our Secretarial department under the leadership of Prashant Khattry sir, is very proactive, and I am happy that we get response from them quickly.
- Thanks for confirming my name as Speaker. I want to know from Chairman sir, how the Company is planning to grow its business in the coming three, four years time. Thank you very much, sir.
- SurinderPaul Kanwar:** Thank you.
- Kalpana Singh** Thank you, Mr. Chander. Now, we have the next speaker, Mr. Ashok Kumar Jain. Mr. Ashok Kumar Jain?
- Ashok Jain** Ma'am, is my voice audible?
- SurinderPaul Kanwar:** Yes sir, we can hear you, Mr. Jain.
- Ashok Jain** Respected Chairman, all Board members and all shareholders, I welcome you all. I Ashok Jain, joining the meeting from Delhi. First of all, I like to congratulate Director and Chairman for the Golden Jubilee year.
- SurinderPaul Kanwar** Thank you.
- Ashok Jain** Sir, with hard work and dedication the Board members and Company staff is working because of which the Company is achieving new highs. And I expect the Company will perform good in the future.

Chairman sir, had spoken so many points in their speech, and other members also had spoken about some points in their speech, I agree with their points. I like to thank, secretarial department, Khattry sir, and Dharam Singh, who had helped me a lot for joining this platform. I strongly support all resolutions of company. Thank you, sir.

SurinderPaul Kanwar Thank you, sir. Thank you, Mr. Jain.

Kalpana Singh Thank you, so much sir. Now we have the next speaker Mr. Ajay Kumar Jain. Mr. Ajay Kumar Jain, now you are on the panel.

Ajay Jain Good morning, Chairman. On this historical moment you have given me a chance to speak, it is rare and a historical moment for me.

Today your dream came true of entering into 50th year. This is all because of your hard work and dedication, because of which the Company is on today's position. You are a hard working person, sir. The most important thing is, your way of working and your vision in which in one hand Parasmani and in other hand there is Kalpavriksha. Whatever work you think in your mind, you take that work to completeness and also whatever you like to give, either staff or vendors or distributors or shareholders, you give them without they ask you for it.

As you had given the bonus on this occasion, feels very beautiful. If I ask you question, it would be like showing light to the Sun, because whenever we meet and hear you, it feels very nice, and you have given Chairman speech in very good manner.

I only had two questions. Sir on this auspicious occasion if we have some balance sheet with your signed or some memento, because of which we feel as shareholders on this historic occasion we have joined you, so it would be a historic event, and the future generation will also remember it.

And sir, all the resolutions are very effective, and also the reappointments of the directors, which will have effect on our Company's good results. And also sir, whenever you will come to India and celebrate this 50th anniversary, please call us who have joined this meeting, because it's always a pleasure to meet and hear you.

And also in your management the Company will always do good. Hard working people never fails, Kanwar sir is also good person, because he always works hard.

And also one request, if you can keep one of the product name on the name of our Chairman, the shareholder will feel proud. And CS department has worked responsibly to make this meeting successful. And also moderator seems to be are of very high quality. So I also want to congratulate to the moderator. This meeting is a part of good network, in which by joining we are feeling very good.

Kalpana Singh Thank you, sir. Now we have the last shareholder, Mr. Gaurav Kumar Singh. Mr. Gaurav, you are on the panel.

Gaurav Singh Hello.

SurinderPaul Kanwar: You are audible, go ahead.

Gaurav Singh Hello. Sir, am I audible?

SurinderPaul Kanwar Yes.

Gaurav Singh Good morning, Chairman sir, board of directors and fellow shareholders. My name is Gaurav Kumar Singh from Delhi. Sir first of all, congratulations for the Golden Jubilee year. And I wish and I also wish to thank our Company's secretary and his entire team for giving me the opportunity to express my views on this platform.

Sir, Company is doing extremely well as it is reflecting in our share price and the credit goes to you and all employees of the company. Sir, I hope that the company will continuously reward us.

Sir, I just want to know what actions we are taking to improve investors' confidence and stock performance. And also I request you to kindly consider and conduct future AGM in physical or in hybrid mode so that more and more shareholders can participate. And sir kindly plan for a factory visit on Saturday Sunday. With these words I wish a bright future for the company and a great help for all of you sir. Thank you, sir. Jai Hind.

SurinderPaul Kanwar: Okay. All over. Shareholders, there a few questions uncommon and I just want to give a reply to them and I just want to tell you a Company is working very hard entire engineering department is working in the new development products, we are pushing lot on the electrical side,

the gears required for the market and we hope 30% to 40% increase over the next two three years, we will be going ahead.

Hope the market stays like this, then your Company is going to do better than everything. Today we are utilizing roughly around 90% of the capacity. As and when required, we will be investing and depending on the time of the market.

Second, we are looking forward to meet you people in physically, unfortunately, because of COVID we are not able to meet. As and when circumstances allow us, positively we will have a physical meeting next time. That's all I can add to your answers. I hope I've covered all the questions and answers of my shareholders.

As now we have no further query to reply members and all that electronic voting option will remain open for next 15 minutes, member who have not exercised their vote, may click the voting button, cast your vote, which is appearing on the right hand side of your VC meeting screen and vote.

Result of the resolutions, passed at the AGM shall be declared within prescribed time limit upon receiving the consolidated report of remote E-voting, and e-voting at the meeting by scrutinizer. Mr. Surinder Paul Kanwar and Chairman and Managing Director and Mr. Prashant Khattri, Corporate (Head) Legal Company Secretary are authorised to declare the results. Thank you everybody for attending the meeting.

Prashant Khattri:

We thank to the Chair, to the board members, the panelist and the shareholders who have participated in this meeting. And we wish all the best to the shareholders, who have joined us and we will definitely meet next year with all of you and with your support and wishes we will meet next year.

Kalpana Singh

Thank you so much, Chairman sir. And all other panelists member for conducting this AGM in a smooth manner. As this meeting is concluded now, you may take exit from the panel. Thank you.