



BHARAT SEATS LIMITED

(CIN: L34300DL1986PLC023540)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi 110020

Email: Investor_relations@bharatseats.net, Website: www.bharatseats.com

Phone: 011-26815592, Fax: 0124-2341188

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the members of BHARAT SEATS LIMITED will be held on Monday, 21st July, 2014 at 11:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit & Loss Account for the year ended on that date together with the report of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Narinder Dev Relan(holding DIN: 00240280), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Ajay Relan(holding DIN: 00257584), who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint consider and, if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:
"RESOLVED THAT M/s S.S. Kothari Mehta & Co., Chartered Accountants(ICAI Registration No.000756N), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Mr. Girish Narain Mehra(holding DIN: 00059311), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Mr.Prateep Kumar Lahiri(holding DIN: 00039653), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Mr. Ravindra Gupta(holding DIN: 01521168), Director of the Company who retires by rotation at the Annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director , be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force)read with Schedule IV to the Companies Act, 2013, Mr. Kishan Nagin Parikh(holding DIN: 00453209), Director of the Company who retires by rotation at the Annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director , be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
10. To consider and if deemed fit, to pass the following resolution, with or without modification, as a Special Resolution:
"Resolved that in accordance with the provisions of Section(s) 2(78) and 197 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment thereof, and any other laws prevailing for the time being in force, and subject to the approval of Central Government, if required, the payment of remuneration to Mr. Rohit Relan (holding DIN: 00257572), Managing Director of the Company from 1st October, 2014 to 30th September, 2016 on the following terms and conditions, as approved by the Nomination And Remuneration Committee and the Board of Directors:

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

A. BASIC SALARY : Rs. 7,00,000/- per month with the provision of annual increment of Rs. 50,000/- per month in the scale of Rs. 7,00,000 – Rs. 50,000 – Rs. 7,50,000 per month.

B. ALLOWANCES & PERQUISITES : Upto a maximum of Rs. 2,00,000/- per month

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

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

D. OTHER TERMS AND CONDITIONS

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

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

Further resolved that Mr. N.D. Relan, Chairman and Ms. Ritu Bakshi, Company Secretary be and are hereby severally authorized to apply and take other necessary steps for seeking approval of Central Government for fixation of remuneration of Mr. Rohit Relan, Managing Director and payment of remuneration to him."

11. To approve the remuneration of Mr. S.N.Balasubramanian, Cost Accountant in Practice for the financial year ending March 31, 2015 and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary Resolution:

"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), the Mr. S.N.Balasubramanian, Cost Accountant in Practice, appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2015 be paid the remuneration of Rs.1,00,000/-.

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

Date : 16th April, 2014

Place : New Delhi

By Order Of The Board
Ritu Bakshi
Company Secretary

NOTES :

1. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 15th July, 2014 to Monday, 21st July, 2014, both days inclusive, for annual closing and determining the entitlement of the shareholders to the Dividend for 2013-14.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/ herself. Such a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company.

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

4. The Dividend on Equity Shares, if declared at the meeting, will be paid on or after 21st July, 2014 to those shareholders whose names appear in the Register of Members on 21st July, 2014; in case of shares held in dematerialised form, the dividend thereon, will be paid to Beneficial Owners, as per details furnished by the Depositories, as on that date.

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

6. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the Unclaimed or unpaid dividends for the financial years ended 31st March, 1996 to 31st March, 2006 to the Investor Education and Protection Fund(the IEPF) established by the Central Government.

7. Dividend for the financial year ended 31st March, 2007 and thereafter which remain unpaid or unclaimed for a period of seven years from the date they became due for payment will be transferred to Investor Education & Protection Fund (IEPF). Members who have not encashed their Dividend warrants may approach the Registered office of the Company for revalidation of the Dividend warrants. The unpaid dividend for the financial year ended March 31, 2007 is due for transfer to IEPF on 21st June, 2014.

The Ministry of Corporate Affairs(MCA) on 10th May, 2012 notified the IEPF(Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. The Company has uploaded the information on the website of the IEPF viz.www.iepf.gov.in.

8. To prevent fraudulent transactions, members are requested to notify any change in address or demise of any member, as soon as possible.

9. The Securities and Exchange Board of India(SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit the PAN to their Depository participants and members holding shares in physical form can submit their PAN details to the Company.
10. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General meeting, forms integral part of the notice.
11. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
12. Electronic copy of the Notice of the Twenty Seventh Annual General Meeting of the Company indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository participant, unless the member has requested for a hard copy of the same. For members who have not registered their email IDs, physical copies of the Notice alongwith process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
13. The Notice for the Annual general meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days between 9:30 a.m. to 11:30 a.m. upto the date of Annual General Meeting. The abovesaid shall also be available on the Company's website at: www.bharatseats.com.
14. In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s Alankit Assignments Limited, under the signature of the Sole/ First Joint holder, the following information to be incorporated on dividend warrants:
 - a. Name of the Sole/ First joint holder and the Folio Number.
 - b. Particulars of Bank Account, viz.:
 - Name of the Bank
 - Name of the Branch
 - Complete Address of the Bank with Pin Code Number
 - Account Type, whether Saving Account (SA) or Current Account(CA)
 - Bank Account Number
15. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 7 days before the Annual General Meeting.
16. The Company has designated an exclusive e-mail ID namely, investor_relations@bharatseats.net for receiving and addressing investors' grievances.
17. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through the electronic mode. Members are requested to support this green initiative by registering/ updating their email addresses, in respect of shares held in dematerialised form with their respective Depository participants and in respect of shares held in physical form with the Company or its Transfer Agent.
18. Voting through electronic means
- i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration)Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 27th Annual general meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services(India) Limited. (CDSL).
The instruction for e-voting are as under:
 - (A) In case of members receiving e-mail:
 - i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
 - ii) Log on to the e-voting website www.evotingindia.com.
 - iii) Now click on shareholders tab and select the relevant Electronic Voting Sequence Number (EVSN) - alongwith "Bharat Seats Limited" from the drop down menu and click on the "SUBMIT" for voting.
 - iv) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	



- * Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: "ABCDE1234F" in the PAN field.
- # Please enter any one of the details in order to login.
- v) After entering these details appropriately, click on "SUBMIT" tab.
- vi) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- vii) Click on the relevant EVSN on which you choose to vote. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- viii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- ix) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
Please follow all steps from sl. no. (ii) to sl. no. (x) above, to cast vote.
- II. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- III. The voting period begins on Tuesday, 15th July, 2014 at 9:00 a.m. and ends on Thursday, 17th July, 2014 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30th May, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- IV. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or send email to Company at Investor_relations@bharatseats.net or contact the Company or Registrar & Share Transfer Agent.
- V. Mr. A.K.Goyal, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The result of voting shall be declared by the Chairman of the meeting on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bharatseats.com and will be communicated to the BSE Ltd.

I. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The following Explanatory Statement set out all material facts relating to the Special Business mentioned under Item No. 6 to 11 of the accompanying Notice dated 16th April, 2014:

Item No.6

Mr. Girish Narain Mehra is a non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2003. Mr Mehra is Chairman of the Audit Committee and a member of Nomination and Remuneration Committee and Stakeholders' Relationship Committee, of the Board of Directors of the Company.

Mr. Mehra is a retired IAS Officer, with a vast experience in the field of Finance.

Mr. Mehra holds directorship and membership of the Committees of the Board of Directors of Subros Ltd., U.P.Hotels Ltd., Amrit Corp. Limited and Action Construction Equipment Ltd.

Mr. Mehra holds 20,000 Equity shares in the Company.

Mr. Mehra is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr Mehra being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr Mehra as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Mehra fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of draft letter of appointment of Mr. Mehra as an Independent Director would be available for inspection without any fee by the members at the Registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Mehra as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Mehra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.Mehra, 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.6. The explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.7

Mr. Prateep Kumar Lahiri is a non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2003. Mr. Lahiri is Chairman of the Nomination and Remuneration Committee and a member of Audit Committee and Stakeholders' Relationship Committee, of the Board of Directors of the Company.

Mr. Lahiri is a retired IAS Officer, with a vast experience in serving Government of India including Ministry of Finance and Ministry of Mines. Presently, he is the Chairman, Governing Council & Executive Board of Indian School of Mines, Dhanbad. Mr. Lahiri is Masters of Arts from Allahabad University and Diploma with distinction in Development Studies, from Cambridge University, U.K.

Mr. Lahiri holds directorship of Vishwakriya Housing Finance Ltd. Mr Lahiri does not hold membership of any Committee of the Board, except Bharat Seats Limited.

Mr. Lahiri does not hold by himself or for any other person on a beneficial basis, any Equity shares in the Company.

Mr. Lahiri is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Lahiri being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr Lahiri as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Lahiri fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of draft letter of appointment of Mr.Lahiri as an Independent Director would be available for inspection without any fee by the members at the Registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Lahiri as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr.Lahiri as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.Lahiri, 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.7. The explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.8

Mr. Ravindra Gupta is a non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in March, 2009.

Mr. Gupta has retired from the prestigious India Administrative Services. He has served on several prestigious posts of Government of India such as Chairman, Board of Industrial and Financial Reconstruction, Secretary, Ministry of Heavy Industries and Public Enterprises; Secretary, Department of Defence Production.

Mr. Gupta is not a Director in any other Company. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Gupta retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Gupta being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr Gupta as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Gupta fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of draft letter of appointment of Mr. Gupta as an Independent Director would be available for inspection without any fee by the members at the Registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Gupta as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Gupta as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Gupta, 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.8. The explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.9

Mr. Kishan Nagin Parikh is a non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in June, 2008.

Mr Parikh is a graduate in Commerce and has a vast experience in the field of Business Management.

Presently, Mr. Parikh is the Chairman of Sharda Motor Industries Ltd. and Managing Director of Pebco Motors Ltd. and holds membership of the Committees of the Board of Directors.

Besides, Mr. Parikh holds directorship of PEBCO Industries Ltd., Aersoft Trading & Marketing Pvt.Ltd., Brisco Pvt. Ltd., Jamshedpur Air Connect Pvt.Ltd. and Anjana Minerals Pvt.Ltd.

Mr. Parikh holds 7500 Equity shares in Bharat Seats Limited.

Mr Parikh retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr Parikh being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr Parikh as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr.Parikh fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of draft letter of appointment of Mr. Parikh as an Independent Director would be available for inspection without any fee by the members at the Registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Parikh as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr.Parikh as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Parikh, 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. 9. The explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.10

Mr. Rohit Relan, Managing Director was reappointed as a Managing Director w.e.f. 01.10.2011, for a period of five years, in the Annual general meeting held on 4th August, 2011 and the Central Government approved his appointment for a period of five years, upto 30/09/2016 at a remuneration aggregating to Rs. 84,00,000/- per annum vide their letter no.SRNo.B21988191/4/2011-CL.VII dt.9th March, 2012. However the abovesaid remuneration was approved by the Central Government(alongwith appointment as mentioned above) , for a period of three years, w.e.f.1/10/2011 to 30/09/2014.

Now, to approve his remuneration from 1.10.2014 to 30.09.2016, the Nomination And Remuneration Committee and the Board of Directors in their respective meetings held on 16th April, 2014 approved the following remuneration to be paid to Mr.Rohit Relan:

SALARY:

- A. BASIC SALARY: Rs. 7,00,000/- per month with the provision of annual increment of Rs. 50,000/- per month in the scale of Rs. 7,00,000 – Rs. 50,000 – Rs. 7,50,000 per month.**
- B. ALLOWANCES & PERQUISITES: Upto a maximum of Rs. 2,00,000/- per month**
- C. In addition to the above, Managing Director shall also be entitled to :**

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

Except Mr. Rohit Relan, being the Managing Director for whom the resolution is being passed, Mr. N.D.Relan, Chairman, Mr. Ajay Relan, Director of the Company and Mr. Rishabh Relan, Chief Operating officer of the Company, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in this resolution.

STATEMENT GIVING INFORMATION REQUIRED UNDER PART II, SECTION II TO THE SCHEDULE V OF THE COMPANIES ACT, 2013 FOR PAYMENT OF REMUNERATION TO MR. ROHIT RELAN, MANAGING DIRECTOR

I. General Information:

1. Nature of Industry

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

2. Date or expected date of commencement of commercial production

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

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

Not applicable, as the Company is an existing one.

4. Financial performance based on given indicators

The Financial performance of the Company in relation to various indicators during the years 2012-13 and 2013-14 is given hereunder:

	(Rs. in lakhs)	
	2013-14	2012-13
Revenue from operations (Gross)	63175.89	68166.54
Net Profit after tax	670.76	535.02
Dividend	40%	40%

5. Foreign investments or collaborators, if any.

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

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

II. Information about Mr. Rohit Relan

1. Background details :

Mr. Rohit Relan, Managing Director aged 58 years is a Chartered Accountant and has done Owner/ President Management Programme from Harvard Business School. He is promoter entrepreneur of Bharat Seats Ltd.

2. Past remuneration

The total remuneration paid to Mr. Rohit Relan from 1st April, 2013 to 31st March, 2014 was Rs. 84 lakhs.

3. Recognition or awards

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

4. Job profile and his suitability

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

5. Remuneration proposed

A. BASIC SALARY: Rs. 7,00,000/- per month with the provision of annual increment of Rs. 50,000/- per month in the scale of Rs. 7,00,000 – Rs. 50,000 – Rs.7,50,000 per month.

B. ALLOWANCES & PERQUISITES: Upto a maximum of Rs. 2,00,000/- per month

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

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

D. OTHER TERMS AND CONDITIONS

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

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

Taking into account the turnover of the Company and responsibilities of Mr.Rohit Relan, the remuneration being proposed to be paid to the Managing Director is reasonable and in line with the remuneration levels in the industry, across the country and befits his position.

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

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

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

III. Other Information

1. Reason for loss or inadequate profits

The profitability of the Company has improved during the last few years due to expansion of capacity, R&D efforts and other cost saving measures taken by the Company. Still the profitability of the Company is effected due to expenses incurred on expansion and competent market conditions. However, the profitability is expected to further improve in the next 2-3 years.

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

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

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

3. Expected increase in productivity and profits in measurable terms

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

IV. Disclosures:

- (1) The shareholders of the Company shall be informed of the remuneration package of the managerial person.
- (2) The following disclosures shall be mentioned in the Board of Directors Report under the heading 'Corporate Governance', attached to the annual report:-
 - (i) All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors.

Necessary particulars of remuneration under required heads and sitting fees of all the Directors are given in Corporate Governance Report forming part of the Directors' Report for the year 2013-14.

Item No.11

The Board, on the recommendation of the Audit Committee, has approved the appointment of Mr. S.N. Balasubramanian, Cost Accountant in Practice, as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2015 on a remuneration of Rs.1,00,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no.11 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2015.

None of the Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.11 of the Notice.

The Board commends the Ordinary Resolution set out at item no.11 of the Notice for approval by the shareholders.



II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE TO CLAUSE 49 OF THE LISTING AGREEMENT

Re-appointment of Mr. Narinder Dev Relan(Item No.3)

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1.4.14, for the purpose of determining the directors liable to retire by rotation, the independent Directors shall not be included in the total number of Directors of the Company. Mr.Narinder Dev Relan shall accordingly retire at the forthcoming Annual General meeting and being eligible offers himself for re-appointment.

Mr. Narinder Dev Relan, presently Chairman of the Company, is the Director of the Company since its inception from 6.3.1986. Mr. Relan holds Bachelor's Degree of Commerce Mr. Relan, an industrialist has expertise in the areas of Finance, Business Management and Capital Market. He is Chairman of Relan Industrial Finance Limited and Co-Chairman of M/s Sharda Motor Industries Ltd. He is director of PEBCO Motors Ltd., Progressive Engineering & Automation Private Limited, Sharda Inoac Private Limited and Toyota Boshoku Relan India Private Limited. He is a Chairman of Audit Committee of PEBCO Motors Ltd and member of Shareholders' Grievance committee of PEBCO Motors Ltd and member of Audit Committee of Sharda Motor Industries Ltd.

Mr. Relan holds 1103500 shares in Bharat Seats Ltd. Except Mr. Narinder Dev Relan, Mr. Ajay Relan, Director, Mr.Rishabh Relan, Chief operating Officer of the Company,none of the Directors and Key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda item no.3.

Re-appointment of Mr. Ajay Relan(Item No.4)

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1.4.14, for the purpose of determining the directors liable to retire by rotation, the independent Directors shall not be included in the total number of Directors of the Company. Mr. Ajay Relan shall accordingly retire at the forthcoming Annual General meeting and being eligible offers himself for re-appointment.

Mr. Ajay Relan was appointed on the Board with effect from 5.4.1988. Mr. Ajay Relan is an industrialist with expertise in Business Management. He is Managing Director of M/s Sharda Motor Industries Ltd., He is director of Relan Industrial Finance Limited, Progressive Engineering & Automation Private Limited, Sharda Inoac Private Limited and Toyota Boshoku Relan India Private Limited. He is not a member of any Board Committee.

Mr. Relan holds 598200 shares in Bharat Seats Ltd. Except Mr. Ajay Relan, Director, Mr.Narinder Dev Relan, Chairman, and Mr. Rishabh Relan, Chief operating Officer of the Company,none of the Directors and Key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda item no.4.

Appointment of Other Directors(Item Nos.6 to 9)

For the details of Mr. Girish Narain Mehra, Mr. Prateep Kumar Lahiri, Mr. Ravindra Gupta and Mr. Kishan Nagin Parikh, please refer to the above Explanatory Statement in respect of the Special Business set out at Item Nos. 6 to 9 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Date : 16th April, 2014
Place : New Delhi

By Order Of The Board
Ritu Bakshi
Company Secretary



BHARAT SEATS LIMITED

(CIN: L34300DL1986PLC023540)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi 110020

Email: Investor_relations@bharatseats.net, Website: www.bharatseats.com

Phone: 011-26815592, Fax: 0124-2341188

ATTENDANCE SLIP

I/WE HEREBY RECORD MY PRESENCE AT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF BHARAT SEATS LTD. BEING HELD AT AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI-110010 ON MONDAY, 21ST JULY, 2014 AT 11 A.M.

.....
Member's Folio/DP ID-Client-ID Member's/ Proxy's name in Block Letters Member's/Proxy's Signature

Note:

1. Please complete the Folio/ DP ID-Client ID No. and name, sign this attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall.
2. Electronic copy of the Annual Report for 2013-2014 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2013-2014 and the Notice of the Annual General Meeting alongwith Attendance Slip and Proxy form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.





BHARAT SEATS LIMITED

(CIN: L34300DL1986PLC023540)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi 110020

Email: Investor_relations@bharatseats.net, Website: www.bharatseats.com

Phone: 011-26815592, Fax: 0124-2341188

PROXY FORM

[Empty box for stamp or signature]

I/ We being the member(s) of Shares of the above named Company hereby appoint:

- (1) Name:.....Address.....
E-mail id.....Signature.....or failing him;
(2) Name:.....Address.....
E-mail id.....Signature.....or failing him;
(3) Name:.....Address.....
E-mail id.....Signature.....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 27th Annual general meeting of the Company to be held on Monday, the 21st day of July, 2014 at 11:00 a.m. at Air force Auditorium, Subroto Park, New Delhi 110010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 2 columns: Resolution No., RESOLUTIONS. Rows include Ordinary Business (1-5), Special Business (6-9), Ordinary Resolutions (10), and Special Resolution (11).

Signed thisday of2014

Signature of shareholder

Signature of proxy holder(s)



Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.