Saraswati
REGD.

MINUTES OF THE PROCEEDINGS HELD ON 18TH SEPTEMBER, 2012 RELATING TO THE DECLARATION OF RESULT OF POSTAL BALLOT PROCESS FOR THE PURPOSE OF ALTERATION OF THE OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION (MOA) OF THE COMPANY PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956, AS SET OUT IN THE POSTAL BALLOT NOTICE DATED 26th JULY, 2012

PRESENT:

Mr. Surinder P. Kanwar	-	Chairman & Managing Director
Mr. Anant Kumar Jha	-	Scrutinizer for the Postal Ballot Process
Mr. Prashant Khattry	-	Head (Legal) & Company Secretary
Mr. P.C.Kothari	-	Representative of Vibrant Finance & Investment Pvt. Ltd
Mr. Pradeep Mathur	-	Representative of Future Consultants Private Limited
Mr. Manish Jain	-	Representative of Raunaq International Limited

I The Chairman & Managing Director informed that, the Board of Directors of the Company in its meeting held on 26th July, 2012, approved the alteration of Objects Clause of Memorandum of Association (MOA) of the Company by adding the objects Clause e) after the existing clause d) thereof under the main objects of the Company as detailed below in the Explanatory Statement in terms of Section 173(2) of Companies Act, 1956. The Board also approved the notice together with the explanatory statement in terms of Section 173 of the Companies Act, 1956 to be sent to the shareholders seeking their consent vide Special Resolution as mentioned below for the business as said above through Postal Ballot in terms of Section 192A of the Companies Act, 1956, read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

The notice of the said Postal Ballot process along with the draft resolution and Explanatory Statement thereto was dispatched to the members of the Company on 13th August, 2012.

ALTERATION OF OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION (MOA) OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956, the approval of the Members be and is hereby granted to alter the Objects Clause of Memorandum of Association (MOA) of the Company thereby adding the objects as detailed in the Explanatory Statement which forms part of this resolution under the Objects Clause of MOA of the Company.

RESOLVED FURTHER THAT Mr. Surinder P. Kanwar, Chairman & Managing Director, Mr. Sameer Kanwar, Joint Managing Director and Mr. Prashant Khattry, Head (Legal) & Company Secretary be and are hereby severally authorised to prepare, file, execute, sign any application, form, fees, explanations, documents, papers etc. in electronic mode and to do such acts, deeds and things as may be considered necessary to implement this resolution.

RESOLVED FURTHER THAT Mr. Surinder P. Kanwar, Chairman & Managing Director, Mr. Sameer Kanwar, Joint Managing Director and Mr. Prashant Khattry,

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Head(Legal) & Company Secretary be and are hereby severally authorised to delegate all or any of the powers entrusted above, in favour of any employees / officers / any other persons by executing a power of attorney or letter of authority or to withdraw the powers delegated to any employees / officers/ any other persons and are authorized to do all other acts, deeds, things, matters which in their opinion is in the best interest of the Company and is incidental, necessary or consequential for giving effect to the above resolution."

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

As you are aware, your Company is engaged in the manufacture of automotive gears and industrial furnaces. Today, your Company enjoys a good reputation and has earned a respectable position in its area of expertise. Further the Company is on the upward trend in terms of growth and profitability.

As the Aircrafts in Light Sports Aircrafts(LSA)/Micro Light Aircrafts(MLA)/Ultra Light Aircrafts(ULA) category have a huge market in foreign countries such as USA, Europe and Australia etc. and it will boost the exports of the Company, it has been proposed to enter into the new business areas viz. Manufacturing of Light Sports Aircrafts(LSA)/Micro Light Aircrafts(MLA)/Ultra Light Aircrafts(ULA) and its parts. For such purpose, the Objects Clause of the Memorandum of Association (MOA) of the Company needs to be altered and the Objects pertaining to the said business area needs to be added in which the Company intends to enter.

The following new clause has been proposed to be added under the Objects Clause of the MOA of the Company after the existing Clause d) under the main objects of the Company thereof:

e) To carry on the business as manufacturers, producer, designers, importers, exporters, traders, buyers, sellers, suppliers, indenters, agents, sub-agents, jobbers, brokers, repairers, cleaners, run, manage, operate or deal in and operate all types of aviations, aeroplanes, seaplanes, flying boats, hovercrafts, helicopters, Light Sports Aircraft and other craft or conveyances appropriate for the carriage of passengers, freight and mails by air and all or any parts, equipments, engines, machinery and plant relating thereto and to carry out and conduct any tests, experiments, research or development, recondition and service aircrafts and other apparatus of every description capable of being flown or navigated in the air, whether powered or not, necessary or expedient for such purposes and to purchase, take on lease, hire, take license of, train pilots or acquire or sell, develop, manage, run, let out, or give any exclusive of other right or interest in aerodromes, parking, landing grounds, airports, helipads, land and sea planes bases, hangers, machine shops, engineering shops, sheds for servicing, maintaining and landing all kinds of aircraft in any part of the world and to obtain and hold from any state, sovereign, governmental or semi-governmental authority, any licences, authorities or rights, necessary or convenient for such purposes.

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In terms of Sections 17 & 189 of the Companies Act, 1956(the Act) and such other provisions of the Act as may be applicable read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011, the alteration of the Objects Clause of the MOA of the Company requires approval of the Shareholders of the Company by a Special Resolution through Postal Ballot.

The Board of Directors accordingly recommends the resolution set out in the accompanying notice for the approval of the Shareholders.

Your approval is sought by voting by Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956, read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

All the documents relevant to the resolution specified in the Notice are open for inspection by the shareholders of the Company at the Registered Office of the Company between 11.00 A.M. to 01.00 P.M. on all the working days upto 13th September, 2012.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

II Mr. Anant Kumar Jha of M/s. A.K. Jha & Associates, Company Secretaries, New Delhi, had been appointed as "Scrutinizer" for conducting the said Postal Ballot Process in a fair and transparent manner by the Board of Directors of the Company in its meeting held on July 26, 2012.

III The Notice of Postal Ballot dated 26th July, 2012, along with the "Postage Pre-paid Business Reply" envelope addressed to "The Scrutinizer" to facilitate the response from the shareholders of the Company, was dispatched on 13th August, 2012 to all the Shareholders of the Company.

IV A clear 30 (Thirty) days time was given to the shareholders to send their reply. The last date to receive the reply was 13th September, 2012.

V The Scrutinizer, Mr. Anant Kumar Jha of M/s A.K. Jha & Associates, New Delhi, submitted his Report on the Postal Ballot Process to the Board of Directors of the Company. The Report of the Scrutinizer dated 14th September, 2012, is reproduced herein below.

Scrutinizers Report

The Board of Directors
BHARAT GEARS LIMITED
Registered Office :
20, K.M. Mathura Road,
P.O. Amar Nagar,
Faridabad-121003
Haryana, India

Dear Sir,

1. The Board of Directors of the Company at its meeting held on 26th July, 2012 has appointed me as a Scrutinizer for conducting the postal ballot voting process.

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2. I submit my report as under:

2.1 On 13th August, 2012, the Company has completed the dispatch of 10,086 postal ballots forms along with Business Reply Envelope to its Members whose name(s) appeared on the Register of Members as on 3rd August, 2012.

2.2 Particulars of all the postal ballot forms received from the Members have been entered in a register separately maintained for the purpose.

2.3 The postal ballot forms were kept under my safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.

2.4 The ballot boxes were opened at 2.00 P.M. on 14th September, 2012 in my presence.

2.5 The postal ballot forms were duly opened in my presence and scrutinized and the shareholding was matched / confirmed with the Register of Members of the Company as on 3rd August, 2012.

2.6 All postal ballot forms received up to 6:00 P.M. on 13th September, 2012, the last date and time fixed by the company for receipt of the forms were considered for my scrutiny.

2.7 Envelopes containing postal ballot forms received after 6.00 P.M. on 13th September, 2012 were not considered for my scrutiny. Such envelopes aggregate to NIL.

2.8 I did not find any defaced or mutilated ballot paper.

3. A summary of the postal ballot forms received is given below:

Resolution: Special Resolution under Section 17 of the Companies Act, 1956, for the alteration of Objects Clause of the Memorandum of Association (MOA) of BHARAT GEARS LIMITED

Particulars	No. of postal Ballot forms	No. of shares	% of total paid up equity capital
(a) Total Postal Ballot forms received	125	41,60,589	53.22
(b) Less : Invalid Postal Ballot forms (as per register)	4	1060	00.01
(c) Net valid Postal forms (as per register)	121	41,59,529	53.21
(d) Postal Ballot forms with assent for the Resolution	117	41,58,879	53.20 (representing 99.99% votes cast in favor of resolution)
(e) Postal Ballot forms with dissent for the Resolution	4	650	00.01

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4. I have handed over the postal ballot forms and other related papers / registers and records for safe custody to the Head (Legal) & Company Secretary authorized by the Board to supervise the postal ballot process.

5. You may accordingly declare the result of the voting by Postal Ballot.

Thanking you,
Sd/-
Anant Kumar Jha
Practicing Company Secretary
M. No. ACS 20967

Place: Faridabad
Dated: September 14, 2012

VI As mentioned in the Postal Ballot Notice dated 26th July, 2012, Mr. Surinder P. Kanwar, Chairman and Managing Director on Tuesday, 18th September, 2012 read out the following announcement of Result of Postal Ballot at 4.00 P.M. at the Registered Office of the Company at 20 K.M., Mathura Road, P O Amar Nagar, Faridabad – 121003.

RESULT OF POSTAL BALLOT

DECLARATION OF THE RESULTS OF POSTAL BALLOT PURSUANT TO POSTAL NOTICE DATED JULY 26, 2012

The Board of Directors of the Company as decided in its meeting held on July 26, 2012 and vide postal ballot notice dated July 26, 2012, sought the consent of the Shareholders through Postal Ballot pursuant to Section 192A of the Companies, 1956, read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001, for the Special Resolution with respect to the following business:

"ALTERATION OF THE OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION (MOA) OF THE COMPANY"

Mr. A.K.Jha of M/s A.K.Jha & Associates, Company Secretaries, New Delhi was appointed as the Scrutinizer for this process and he has submitted his report to the Board of Directors. I am pleased to announce the result of the voting conducted through postal ballot on the **Special Resolution** on the basis of the report submitted by the Scrutinizer as under:

Particulars	No. of postal Ballot forms	No. of shares	% of total paid up equity capital
(a) Total Postal Ballot forms received	125	1,60,589	53.22
(b) Less: Invalid Postal Ballot forms (as per register)	04	1,060	0.01
(c) Net valid Postal forms (as per register)	121	1,59,529	53.21

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(d) Postal Ballot forms with assent for the Resolution	**117**	**1,58,879**	**53.20** (representing **99.99%** votes cast in favor of resolution).
(e) Postal Ballot forms with dissent for the Resolution	**04**	**650**	**0.01**

Thus, the above Special Resolution, for which the Postal Ballot was conducted, stands approved by the Shareholders by overwhelming majority.

VII. There were 4 shareholders (including Mr. Surinder P. Kanwar, Chairman & Managing Director) present at the Registered Office at the time of announcement of Result of Postal Ballot.

Date: 15/10/12

Surinder P. Kanwar
Chairman and Managing Director

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