

MINUTES OF THE 49th ANNUAL GENERAL MEETING OF THE MEMBERS OF 'FAG BEARINGS INDIA LIMITED' HELD ON FRIDAY, APRIL 20, 2012 AT 3.00 P. M. AT KAMALNAYAN BAJAJ HALL, GROUND FLOOR, BAJAJ BHAWAN, JAMNALAL BAJAJ MARG, 226, NARIMAN POINT, MUMBAI.

Present:

Chairman

Mr. Avinash Gandhi

Directors

Mr. Rajendra Anandpara - Managing Director
Mr. Bruno Krauss
Mr. Frank Huber
Mr. Bernhard Steinruecke
Mr. Moreshwar Garde
Mr. R. Sampath Kumar
Mr. Yezad Kapadia - Alternate Director to Mr. Dangel

Invitees

Mr. Kamlesh Tapadar - Alternate Director to Mr. Krauss
Mr. Satish Patel - Chief Financial Officer
Mr. Suresh Kabra - Secretarial Auditors
Mr. Yashodhar Thakar - Cost Auditors
Mr. Prashant Diwan - Internal Auditor

Company Secretary

Mr. Raj Sarraf

Members

In person	-	93
By Proxy	-	17

MEETING DECLARED OPEN

The Chairman, on ascertaining that the requisite quorum was present, declared the meeting open.

INTRODUCTION OF DIRECTORS

The Chairman introduced the directors present in the meeting and thanked them for their presence.

PROXIES

The Chairman stated that *Thirteen Proxies and Powers of Attorney* covering 88,18,477 equity shares (53% of the share capital) had been lodged with the Company and found to be in order. He added that the Proxy Register and Powers of Attorney were available for inspection at the meeting.

STATUTORY REGISTERS AND DOCUMENTS

The Chairman stated that all the statutory registers, documents, auditors' report and accounts as required to be maintained under the Companies Act, 1956 were available for inspection at the meeting.

CHAIRMAN'S SPEECH

The Chairman delivered his speech, copy of which was made available to all the members. In his speech he, in addition to Company's Performance, briefed about the trend in the economy, industry outlook, its likely impact and financial performance of the Company. He stated that even though the Annual Report and his speech contained key financial figures and major trends, but as a further step towards better Corporate Governance and Transparency, he advised the Managing Director, Mr. Anandpara, to share some basic information about Company's initiatives which he did by way of a Power Point Presentation.

In his closing remarks, the Chairman on behalf of top management team extended his gratitude to all the Shareholders, the Schaeffler Group, Employees, Suppliers, Customers, Distributors, Bankers and all business associates for their continued support in the Company's journey of growth.

PRESENTATION BY THE MANAGING DIRECTOR

As mentioned above, upon the request of the Chairman, the Managing Director made a Presentation to the Shareholders and focused mainly on the Company's performance trend over the last decade, economic developments in India, performance in 2011 including first quarter of 2012, segment wise outline, exports, outlook 2012, focus areas, concerns, Schaeffler Group's support as backbone to Company's growth and Corporate Social Activities undertaken by the Company.

The Chairman appreciated the informative coverage which answered many of the queries from the Shareholders.

NOTICE OF THE MEETING AND AUDITORS' REPORT

With the consent of the members, notice convening the Annual General Meeting along with Directors' Report and Annual Financial Statements, as already circulated, was taken as read.

The Company Secretary then read out the Auditor's Report on the financial statements for the year ended on December 31, 2011.

ITEM NO. 1

ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011.

The Chairman proposed the following motion as an Ordinary Resolution:

“RESOLVED THAT the Audited Annual Accounts of the Company including the Audited Balance Sheet as at December 31, 2011 and Profit & Loss Account for the financial year ended on that date, together with Cash Flow Statement, schedules and notes as attached thereto, the Directors’ and Auditor’s Report thereon as circulated to the members along with notice and as placed before the meeting, be and are hereby received, approved and adopted.”

“RESOLVED FURTHER THAT The Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto”.

The Chairman invited comments, queries and suggestions from the members on the Annual Accounts and clarified that, following the usual practice; all questions would be answered at the end of the discussion session.

Mrs. Ashalata Maheshwari, Mr. Rohinton Batiwala, Mrs. Shobhna Mehta, Mr. Beruz Pouredehi Mrs. Homayun Pouredehi, Mr. Hariram Chaudhary, Mrs. Celestine Elizabeth Mascarenhas and Mr. Shailesh Mahadevia were the few speaker shareholders. They congratulated the management team for its excellent performance and appreciated informative presentation by the Managing Director and well prepared Annual Report. The speaker shareholders drew the attention of the management team to their queries, concerns and suggestion especially on the matters as under;

1. Dividend and EPS, Less payout ratio as compared to market price of the share and profitability of the Company,
2. Bonus Shares on 50th Anniversary,
3. Installed capacity vs production,
4. Planning for Research & Development
5. Competitors and performance roadmap,
6. Cap-ex Plans, new segments / avenue, LSB Production plans and Competitors,
7. Another Plant visit of the Shareholders on occasion of 50th year and New Plant development,
8. Few Suggestion were given on;
 - Use of recycled, environment friendly paper for printing of Balance Sheet
 - Sustainability of Growth momentum
 - Adoption of Economic Value Added for analysis

The Chairman thanked the shareholders for their appreciation and replied to most of the questions. He added that the good performance of the Company was the result of the good management team led by Mr. Anandpara.

Mr. Shailesh Mahadevia (ID No. 10050824) seconded the proposed resolution.

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution.

**ITEM NO. 2
DECLARATION OF DIVIDEND**

The Chairman Mr. Avinash Gandhi put forward the following motion as an Ordinary Resolution, which was proposed by Mrs. Shobhana Mehta (IN30051310543512) and seconded by Mr. Tushar Sodha [IN30197510000014].

“RESOLVED THAT the final dividend on the fully paid up equity shares of the Company at the rate of Rs. 10 per equity share for the year 2011 (including Rs. 5 per share in celebration of 50th year of Incorporation) be and is hereby declared.”

“RESOLVED FURTHER THAT the same be paid to those shareholders whose names appear on the Register of Members on March 31, 2012 and in respect of shares held in dematerialised form, the dividend be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose.”

“RESOLVED FURTHER THAT The Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto”.

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution.

**ITEM NO. 3
RE-APPOINTMENT OF Mr. WOLFGANG DANGEL AS A DIRECTOR**

The Chairman Mr. Avinash Gandhi put forward the following motion as an Ordinary Resolution, which was proposed by Mrs. Shobhana Mehta (IN30051310543512) and seconded by Mr. Tushar Sodha [IN30197510000014].

“RESOLVED THAT Mr. Wolfgang Dangel, whose period of office is liable to determination by retirement of Directors by rotation and who has offered himself for re-appointment be and is hereby re-appointed as a Director of the Company.”

“RESOLVED FURTHER THAT The Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto”.

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution.

ITEM NO. 4

RE-APPOINTMENT OF MR. FRANK HUBER AS A DIRECTOR

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mr. Hariram Chaudhary [IN30154916644731] and seconded by Mr. Mrs. Ashalata Maheshwari (L. F. 00004780)

"RESOLVED THAT Mr. Frank Huber, whose period of office is liable to determination by retirement of Directors by rotation and who has offered himself for re-appointment be and is hereby re-appointed as a Director of the Company."

"RESOLVED FURTHER THAT The Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and is hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto".

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution.

ITEM NO. 5

APPOINTMENT OF AUDITORS

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mrs. Ashalata Maheshwari (L.F. 00004780) and seconded by Mrs. Shobhna Mehta (IN30051310543512).

"RESOLVED THAT M/s. B S R & Co., Chartered Accountants [Regn no. 101248W], Mumbai, who have confirmed to the Company that, if appointed, their appointment will be within the limit laid down under section 224 (1) (B) of the Companies Act, 1956, be and are hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting".

"RESOLVED FURTHER THAT the Audit Committee and / or Board of Directors be and is hereby authorised to fix their remuneration according to the scope of their services as Statutory Auditors and other assignments, if any."

"RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto".

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution.

ITEM NO. 6

APPOINTMENT OF MR. R. SAMPATH KUMAR AS DIRECTOR

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mrs. Ashalata Maheshwari (L.F. 00004780) and seconded by Mr. Shailesh Mahadevia (ID No.10050824)

“RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956, Mr. R. Sampath Kumar be and is hereby appointed as a Director of the Company”.

“RESOLVED FURTHER THAT The Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to take the necessary actions and complete all the legal formalities related thereto”.

The resolution was put to vote by show of hands and then declared by the Chairman, passed as Ordinary Resolution, with the observation that very few voted against it.

VOTE OF THANKS

The meeting ended with a vote of thanks to the Chair.

Date: April 25, 2012

Place: New Delhi

Avinash Gandhi
Chairman