

MINUTES OF THE 50th ANNUAL GENERAL MEETING OF THE MEMBERS OF 'FAG BEARINGS INDIA LIMITED' HELD ON THURSDAY, APRIL 25, 2013 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. Wolfgang Dangel
Mr. Bruno Krauss
Mr. Frank Huber
Mr. Bernhard Steinruecke
Mr. Moreshwar Garde
Mr. R. Sampath Kumar

Invitees

Mr. Yezad Kapadia - Alternate Director to Mr. Dangel
Mr. Kamlesh Tapadar - Alternate Director to Mr. Krauss
Mr. Satish Patel - Chief Financial Officer
Mr. Vijay Mathur - Statutory Auditor
Mr. Suresh Kabra - Secretarial Auditor
Mr. Prashant Diwan - Internal Auditor

Company Secretary

Mr. Raj Sarraf

Members

In person	-	84
By Proxy	-	10

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 total *number of Proxies*, representation and *Power of Attorney* covering 1,17,79,433 nos. of equity shares (71% 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 who attended the meeting. In his speech he, briefed about the economy trend, 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 performance and initiatives taken in 2012.

PRESENTATION BY THE MANAGING DIRECTOR

Upon Chairman's request; the Managing Director Mr. Anandpara, gave an overview on the Company, its operations and market, by way of a Power Point Presentation. He focused mainly on; Company strengths, strong technical support from Schaeffler group, Company's preparedness for the future – in form of operational excellence and investment in Capacity expansion at Vadodara including commissioning of new manufacturing Plant at Savli.

Mr. Anandpara also showed the Company's performance trend over the last decade, economic developments in India, performance in 2012 including first quarter of 2013, segment wise outline, focus areas, concerns, sales and product mix.

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

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.



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, 2012.

ITEM NO. 1

ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2012

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, 2012 and Statement of Profit and Loss 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 majority of the questions would be answered at the end of the discussion session.

Mr. Maniar, Mrs. Ashalata Maheshwari, Mrs. Lekha Shah, Mrs. Shobhna Mehta, Mr. Nigel Gonsalves, Mr. Beruz Pouredehi, Mrs. Homayun Pouredehi, Mr. Shailesh Mahadevia, Mr. Hariram Chaudhary, Mr. Vinit Parikh and Mrs. Celestine Elizabeth Mascarenhas were the few speaker shareholders. They congratulated the management team for sustaining growth momentum 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. Reasons for Profit decline, increase in expenses
2. CSR activities undertaken, Dividend and EPS, improved payout ratio
3. Capacity utilisation, Savli plant's contribution in Building the Capacity,
4. Cost Cutting Measures, Expense on Savli Plant, Inter-company loans,
5. Capex Plans, Savli plant Contribution and Competitors,
6. Nos. of Employees, Attrition Rate, Retirement age,
7. Sustainability Report,
8. Plant visit of Shareholders to new Plant at Savli,
9. Few recommendations on
 - Issue of Bonus Shares



- Splitting of Shares and
 - Increased pay out / DPS
10. Few Suggestion were given on;
- Better presentation on 10 years highlights,
 - Coverage of more financial Ratios in the Report,
 - Adoption of Economic Value Added for analysis

The Chairman thanked the shareholders for their appreciation and suggestions. He and Mr. Anandpara replied to most of the questions pertaining to reasons of profit decline, capacity utilisation, status of Savli Plant, Inter-Company Loans, attrition rate, sustainability, payment of royalties, etc..

Mrs. Homayun Pouredehi [IN30090710397958] 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. Hariram Chaudhary [IN30154916644731].

“RESOLVED THAT the final dividend on the fully paid up equity shares of the Company at the rate of Rs. 5 per equity share for the year 2012 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, 2013 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. BERNHARD STEINRUECKE 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 Mrs. Lekha Shah [IN 30088814464513].



"RESOLVED THAT Mr. Bernhard Steinruecke, 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. BRUNO KRAUSS 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 Mrs. Homayun Pouredehi [IN30090710397958].

"RESOLVED THAT Mr. Bruno Krauss, 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. 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. UDO BAUER AS DIRECTOR**

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mrs. Celestine Elizabeth Mascarenhas [1302950000003714] and seconded by Mr. Shailesh Mahadevia (ID No.10050824)

“RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956, Mr. Udo Bauer 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.

VOTE OF THANKS

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

Date: May 01, 2013
Place: New Delhi

Avinash Gandhi
Chairman

