



**NRB**  
**BEARINGS** THE ORIGINAL

**NRB BEARINGS LIMITED**  
Dhannur, 15, Sir P.M. Road, Fort, Mumbai- 400001, India.  
T : (91) 22-2266 4570 / 2266 4160  
F : (91) 22-2266 0412 / 2267 9850  
W: www.nrbbearings.com  
CIN: L29130MNH1965PLC013251

September 6, 2017

BSE Ltd  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building, P.J Towers, Dalal Street  
**Mumbai 400 001**

Listing Department-Corporate Services  
National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No.C/1  
G Block, Bandra Kurla Complex  
**Bandra (E), Mumbai 400 051**

**Code No. 530367**

Dear Sirs,

**Sub: Proceedings of the 52<sup>nd</sup> Annual General Meeting of the Members of the Company.**

Please find enclosed herewith the proceedings (Minutes) of the 52<sup>nd</sup> Annual General Meeting of the Members of NRB Bearings Ltd. held on 11<sup>th</sup> August, 2017 duly signed by the Chairman.

Kindly take the same on record.

Thanking you,

Yours truly,  
**For NRB BEARINGS LTD**

**S C RANGANI**  
**EXECUTIVE DIRECTOR & COMPANY SECRETARY**

Encl: as above

**MINUTES OF THE 52<sup>ND</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF NRB BEARINGS LIMITED HELD ON FRIDAY 11<sup>TH</sup> AUGUST, 2017 AT 3.00 P.M. AT Y B CHAVAN CENTRE, CULTURAL HALL, NARIMAN POINT, MUMBAI 400 021**

**PRESENT**

1.	MR.T S SAHNEY	]	IN THE CHAIR
2.	MS.H S ZAVERI	]	
3.	MR.TASHWINDER SINGH	]	DIRECTORS
4.	MR.D S SAHNEY	]	
5.	MS.A A GOWARIKER	]	
6.	MR.S C RANGANI	]	
7.	MR.ASHANK D DESAI	]	
8.	MR. RUSTOM DESAI	]	

52 members present in person and 7 members present by proxy holding in the aggregate more than 50% of the equity capital of the company.

Welcoming the members to the 52<sup>nd</sup> Annual General Meeting. Mr.T S Sahney, Chairman called the meeting to order, after confirming with the Company Secretary and RTA about the requisite quorum of 30 members present. With the permission of the members present, the notice convening the meeting and the Directors' Report both having been already circulated, were taken as read. Thereafter the Chairman read out the following statement (copy of which was circulated to the members at the meeting).

**Economic Environment/ Company's performance**

FY 2016-17 has been a mixed year with a challenging macro environment, globally and in India. While underlying demand trends are encouraging, a possible end of accommodative monetary policy in the US and other developed countries, could impact emerging economies. With GDP growth at a robust rate, the Indian economy outlook is optimistic considering prospects of a near normal monsoon, increased government spends and recovery in export demand for the Indian automotive industry. While the challenges remain, of a private investment cycle yet to gain strength, banking system weighed down by high NPAs and low business confidence, India's GDP is projected to rise with the "Make in India" drive and introduction of GST, it augurs well for business focused on domestic growth.

Demand growth in the high value 4-wheeler segments of passenger cars driven by new model launches, in the 2/3 wheeler segment and farm equipment segment owing to the good monsoon and improving farm outputs, replacement of aging fleets owing to pick up in infrastructure demand helped your Company achieve 9% higher sales in the domestic market even while exports remained flattish, resulting in its highest ever sales turnover of Rs 708 crores (previous year Rs 659 crores). Profit after tax has improved to Rs 51.04 crores (previous year Rs.45.98 crores) owing to lower input and conversion costs and lower finance costs.

Over the past ten years, India has emerged as one of the most preferred locations in the world for manufacturing high quality auto components and vehicles of all kinds. The Automotive Mission Plan (AMP II) 2016-2026 aims to propel the Indian Automotive industry to be the engine of the Make in India program as it is amongst the foremost drivers. India will be among the top 5 of the world in engineering, manufacturing and exports of vehicles and auto components. AMP II seeks to enhance universal mobility through both public and personal transport options and give impetus to movement of goods with road development for dedicated freight corridors.

Your Company has the largest product range in the domestic market and has been investing in technology development and building competencies for skill based manufacturing. Having won customers' confidence by leveraging innovative ideas, creative engineering and comprehensive manufacturing expertise, we are well positioned to take advantage of business growth.

2 3 3

## Current year Q1

Net sales for Q1 – April to June'17 at Rs.177 crores (previous year Rs.172 crores)– are up by 3% compared to the corresponding quarter of the previous year. During the quarters ahead, your company expects a higher growth considering the favourable business conditions being indicated by the OEMs. Exports to Europe which have been subdued during the last year are expected to improve in the coming quarters with the improved economic situation. Your company is also effectively targetting specific opportunities in USA, Mexico and the ASEAN countries.

## Outlook and business strategies

The Company's approach has been cautious but strategic. We continue to remain watchful of the developments across our business segments, and are getting prepared to meet the needs of the transforming industry landscape –whether it be electric or hybrid or driverless cars. The Company's ability to stay in step with evolving consumer priorities and changing industrial trends – whether adopting Industry 4.0 as a strategic imperative and using more flexible new technologies like 3 D printing, switching to renewals to the extent possible– lends robustness to the business model. Product design and manufacturing excellence are the two major pillars on which the Company's growth strategy is founded. At the core of our belief in the future, is our performance –led focus on R & D. This translated into new product innovations and increased customer engagement, during the year under review. We also expanded our reach and presence into new markets by strengthening our distribution network and improving our customer relationships. The Government's commitment to boosting infrastructure spends and promoting manufacturing is also expected to create new opportunities of growth for industry. On the back of a collaborative and performance –led culture, the Company is well poised to leverage these opportunities.

We are well positioned to take advantage of the expected demand. Regulators are demanding lower emissions and improved safety norms, customers are demanding higher fuel efficiency, lighter weight, intelligent vehicle control, low noise and improved reliability. Your company remains committed towards investing in sophisticated technology to offer enduring and efficient solutions.

## Subsidiary companies

During the year ended 31<sup>st</sup> March'2017, both the manufacturing subsidiaries have improved on their previous year's performance:

- i) SNL Bearings Ltd - PBT higher by 16.5% to Rs.991.71 lacs (Rs.850.83 lacs for the previous year) with higher volumes.
- ii) NRB Bearings (Thailand) Ltd (wholly owned subsidiary)- increased its sales by 18% to THB 160 million (Rs.29.87 crores). The company has made a maiden profit for the year at THB 4.55 million mainly due to growth in manufacturing activity.

The marketing services and customer support subsidiary in Europe- NRB Bearings Europe GmbH- has earned income of Euro228739 (Rs. 1.58 crores) with a resultant profit of Euro 5914 (Rs. 4 lacs).

## Acknowledgements

I would like to express my deep appreciation for the continued support of our customers and their help in achieving our goal of always delivering value in our journey of growth. To you, our shareholders and our business partners, I extend special thanks for your continuing faith in Team NRB and without whose support, we would not have been able to power a positive performance ethos in a difficult environment. I thank Team NRB for their deep level of commitment to the Company and look forward to their continued and valuable support to take the company to greater and newer heights in the future.

The Chairman informed members present that voting facility has been provided and Mr. U C Shukla is the Scrutinizer appointed by the Board. He requested all shareholders who had not availed the e-voting facility, to cast their votes on the ballot form and put the same in the ballot box. Mr. Shukla's representative displayed the empty ballot box to all the shareholders present and thereafter the same was locked to enable the members to cast their votes. The Chairman then invited the shareholders who wished to comment about the performance/financial results of the company.

Mr. Kirti Shah (IN30373510001518)

He expressed his unhappiness at not having received the physical copy of the Annual Report and that his email of queries addressed to the Company Secretary had not been answered. His further comments were as below:

- Profits good but BSE site not showing EPS, hence not clear whether there were operational profits or not
- PE multiple for NRB was 21 as against PE multiple of 35 for the industry peers
- Why no purchase of additional shares by promoters, as no restrictions for them to purchase after 2008?
- What are the details of CWIP? Why low capital expenditure and no expansion project?
- Dividend yield very low at 1.22%
- Borrowings are up - as shareholder benefit why not consider CCD for shareholders
- Why is market cap down from previous year?
- Has company computed brand value and value of surplus assets?
- Inventories are very high over Rs.400 crores. Steps being taken to bring down.
- Company should give in its Annual Report DIN no. and email IDs of all directors
- Reserves are high-why the company not considering issue of Bonus shares?

Mr. Chandiramani Mohan (12081600-00176654) appreciated the good performance of the Company and increase in profit. He was unhappy that the management considered and declared the interim dividend as final. He further enquired as to why the Company has not declared its Dividend Distribution policy.

Mr. Beruz Framroz (IN30122510106303) complimented the management on the good performance by the Subsidiary Companies, which contributed towards the good performance of the company and requested the management to arrange for a visit to Plant or even better, take the shareholders for a visit to subsidiary Company's plant at Thailand.

Ms. Smita Shah (1302820000002514) complimented the management on the good annual report and expressed her thanks to all the NRB team members for the good performance and supported all the resolutions proposed by the Management. She requested to consider for factory visit and conveyed her blessings for the good health of Mr. T S Sahney.

Mr. Sudhir Vartak (IN30154950661186) requested that directors should endeavour to be present in time at the AGM. He was unhappy that the dividend had not been enhanced in spite of the improved performance. He queried the Brexit effect on exports and the net benefits or disadvantage as a result of GST implementation.

Mr. Hemant Panchakshari (IN300513-12052290) appreciated the various initiatives by NRB for CSR activities and suggested the management to print the photos of the various CSR activities done by the Company in the next Annual Report so that the shareholders shall get the glance of the activities. He further requested the management to brief about the Loans provided to NRB (Thailand) and what action is the Company taking against the spurious parts being sold in the replacement market and enquired about the Company's readiness for supply of bearings for electric cars. Management is requested to consider for plant visit for shareholders.

9  
351

CHAIRMAN'S INITIALS

Mr.Vijay Savji (IN301549-32378410) was unhappy that he has not received the annual report and asked the Management to explain why the dividend was decreased and Management should consider distributing special gift for shareholders holding more than 500 shares.

Mr.Bharat Shah (1302820000062153) complimented the management on the good results and confirmed having received the annual report in time. He requested the management to consider and issue a bonus issue which is overdue as the last bonus was in 2010.

Mr.Sahney requested Ms.Zaveri/Mr. Rangani to respond to the queries raised by the shareholders.

1. Mr.Rangani clarified to Mr.Kirti Shah that the soft copy of the Annual Report had been sent to him as he held shares in demat form. Physical copy of the Annual Report had been handed over to him at the meeting and requested him to issue standing instructions for physical copy to be sent additionally every year. It was further clarified that his email was addressed to the Chairman dated one day prior to the AGM. BSE site is not in management control, however company will check with BSE about EPS not appearing. It was explained that the bearing industry had many MNCs who normally enjoy a higher multiple for PE. It was explained that dividend yield for most companies is comparable to the NRB yield as the shareholder gains by way of capital appreciation for good performance. Mr.Ashank Desai thereafter also further explained the same to Mr.Shah. It was also explained that no brand valuation has been done by NRB and the same shall be informed to all shareholders upon such exercise being undertaken. The questions of promoters purchasing additional shares and consideration of bonus shares are the prerogatives of the promoter family and the Board of Directors. Email IDs of all directors can be included in the Annual Report only if the Directors give their consent for the same. In the meanwhile for any queries the investorcare id should be used.
2. It was clarified to Mr.Chandiramani that as per SEBI guidelines the adoption of Dividend Distribution policy is applicable to only top 500 Co's in NIFTY.
3. Mr.Rangani responded to the query of Mr. Sudhir Vartak that the Brexit effect on NRB exports has not been major as the company exports mainly to Germany, France, Sweden, Italy and the US. The GST rate for bearings is 18% and there is a marginal net benefit over existing rates.
4. Mr. Rangani responded to the queries of Mr. Hemant Panchakshari that NRB, alongwith others in the industry, has been conducting raids and taking various measures to control the spurious parts available in the Replacement market. The Company has a separate R&D centre and spends around 1.5% of net sales on R& D and is investigating requirements and possibilities for supply to the electric cars if introduced in India on large scale.
5. Mr. Rangani responded to the query of Mr.Savji that as per SEBI norms distributing of gifts in kind or cash is prohibited.

After the shareholder queries were answered, Chairman proceeded with the Business of the day viz.proposing and seconding of all resolutions by the shareholders present.

α

353

CHAIRMAN'S INITIALS

## ORDINARY BUSINESS

### Item No. 1 Accounts and Directors' Report/Auditors' Report

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2017, the Profit and Loss Account and the Cash Flow for the year ended 31st March, 2017 and the Directors' Report and the Auditors' Report thereon be and the same are hereby received and adopted."

Proposed by : Mr. T S Sahney  
Seconded by : Mr. Bharat Shah (12038400-00390636)

### Item No. 2 To confirm the payment of interim dividend as final dividend on equity shares for the financial year 2016-17.

Proposed by : Mr. Chandiramani Mohan (12081600-00176654)  
Seconded by : Mr. Pravin Sampat (IN300513-10524507)

### Item No.3 Retiring Directors

"RESOLVED THAT Mr. D S Sahney who retires by rotation and is eligible for re-appointment be and is hereby reappointed as Director of the Company."

Proposed by : Ms. Chandrika (IN301549-37285907)  
Seconded by : Mr. Bimal Kumar Agarwal (1202700000084490)

### Item No.4 Appointment of Auditors-Walker Chandiok & Co. LLP with annual ratification

"RESOLVED THAT M/s. Walker Chandiok & Co., LLP, Chartered Accountants, (Firm No. 001076N/N500013) be and are hereby appointed as statutory auditors, in place of retiring auditors M/s. Deloitte Haskins & Sells, to hold office until the conclusion of the Annual General meeting to be held for the Financial Year ending 31st March, 2020, subject to annual ratification by the Shareholders on such remuneration plus out-of-pocket expenses as may be mutually agreed upon between the Board of Directors and the Auditors.

RESOLVED FURTHER THAT the Audit Committee and / or Board of Directors be and is hereby authorized to fix their remuneration according to the scope of their services as Statutory Auditors and other permissible assignments, if any, in line with prevailing rules and regulations made in this regard."

Proposed by : Mr. Sudhir Vartak (IN302269-10517081)  
Seconded by : Mr. Vijay Savji (IN301549-32378410)

## **SPECIAL BUSINESS -ORDINARY RESOLUTION**

### Item No.5 Appointment of Mr. Rustom Desai an Independent Director for a term of 5 years

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment and qualifications of Directors) Rules 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Mr. Rustom Desai, DIN.02448175 who was appointed as an Additional Director pursuant to the provisions of section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to the conclusion of the 57th Annual General Meeting of the Company in the calendar year 2022, on such remuneration by way of sitting fees, other permissible fees plus out-of-pocket expenses, as approved by the Board of Directors."

Proposed by : Mr. Hemant Panchakshari (IN300513-12052290)  
Seconded by : Mr. Pravin Sampat (IN300513-10524507)

CHAIRMAN'S INITIALS

**Item No.6 Re-appointment of Mr.Satish Rangani as Whole-Time Director**

"RESOLVED THAT in accordance with the provisions of sections 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment and qualifications of Directors) Rules 2014, approval of the Company be and is hereby accorded to the re-appointment of Mr.Satish Rangani DIN 00209069, for a further period of 12 months from 24th January,2017 as a Whole-Time Director, designated Executive Director & Company Secretary, of the Company, on the same terms and conditions including remuneration approved by the general body at the meeting held on 24th July,2015, with liberty to the Board of Directors, including the nomination and remuneration committee of the board, to alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Mr.Satish Rangani subject to the same not exceeding the limits specified under schedule V to the Companies Act, 2013."

Proposed by : Mr.Vijay Savji (IN301549-32378410)

Seconded by : Mr.Anup Rathi (IN300513-13105187)

The Chairman informed members present that the scrutinizer will complete the tabulation of the voting both under e-voting and ballot voting at the meeting within the next 72 hours and the same will be published on the website of the company and also intimated to the stock exchanges.

With business for the day having been completed the meeting ended with a vote of thanks to the Chair.



**CHAIRMAN**

**DATE:** 6.9.2017