- 10 years highlights, should be part of index
- Coverage of more financial Ratios in the Report

The Chairman thanked the shareholders for their appreciation and suggestions. He and Mr. Anandpara replied to almost all the queries raised by the shareholders.

Mrs. Shobhana Mehta [IN30051310543512] 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 Ashalata Maheshwari (L.F. 00004780).

> **"RESOLVED THAT** the final dividend on the fully paid up equity shares of the Company at the rate of Rs. 6 per equity share for the year 2013 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, 2014 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. AVINASH GANDHI AS A DIRECTOR**

Immediately before the motion was put forward, Mr. Avinash Gandhi vacated his office of the Chairman for this matter and with the permission of members requested Mr. Garde to chair and conduct the Meeting on the motion. Mr. Garde then took the Chair and put forward the following motion as an Ordinary Resolution, which was proposed by Mr. Tushar Sodha (IN30197510000014) and seconded by Mr. Beruz Pouredehi (IN30122510106303).



FAG Bearings India Ltd.

**ITEM NO. 1**
**ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013**

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, 2013 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 emphasised that most of their queries would already have been answered or addressed by the Managing Director but he said that he would be pleased to provide further clarification, if required. He further requested the members not to raise a question that has already been raised by another member and answered.

Mrs. Ashalata Maheshwari, Mr. S. P. Maheshwari, Mrs. Shobhana Mehta, Mr. Tushar Sodha, Mrs. Homayun Pouredehi, Mr. Beruz Pouredehi, Mr. H.V. Sanghvi, Mr.Vinod Agarwal, Mr. Nigel Gonsalves, Mr. Shailesh Mahadevia, Mr. Bharat Shah, Mrs. Mascarenhas, Mr. Ashok Shah were some of the speaker shareholders. They congratulated the management team for sustaining growth momentum and appreciated informative presentation by the Managing Director and informative Annual Report. The speaker shareholders drew the attention of the management team to their queries, concerns and suggestions - especially on the following matters:

1. Profitability of various sectors
2. Reason for increase in Research & Development Expenditure
3. Market share of Automotive and Industrial Sector
4. Amount spent on CSR activities,
5. Capacity utilisation, Savli plant's contribution in Building the Capacity,
6. Payment of Royalty fees & Hedging Strategies
7. Capex Plans,
8. Nos. of Employees, Attrition Rate, Retirement age,
9. Sales Contribution from Savli Plant
10. Explanation of advanced generation of wheel bearings
11. Visit of Shareholders to new Plant at Savli,
12. Few recommendations on
    - Issue of Bonus Shares
    - Splitting of Shares and
    - Increased pay out
13. Few other suggestion that were given were as follows:



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## 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, 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 described economic trends, Company's financial performance in 2013, industry outlook and its potential impact on financial performance of the Company. For the sake of better transparency and effective corporate governance, he requested the Managing Director, Mr. Anandpara, to make a presentation on Company's performance and initiatives taken in 2013.

## PRESENTATION BY THE MANAGING DIRECTOR

Upon Chairman's request, the Managing Director Mr. Anandpara, presented an overview on the Company, its operations, market position and its financial performance for the year 2013. He also provided details of sales mix and market share of the Company.. Discussing about 'Future Orientation' he shared information on Schaeffler's global approach called 'mobility for tomorrow' Focusing on FAG India, he dwelt on India trends and elaborated on Company's initiatives to strengthen its competitive position in the market.

While talking about Company's outlook and way forward, he detailed challenges and opportunities, besides sharing performance highlights of the first quarter of 2014. Shareholders appreciated the informative coverage which answered almost all the queries they had anticipated.

In his closing remarks, the Chairman 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.

Upon request from the Chairman, the Company Secretary then read out the Auditor's Report on the financial statements and Certificate issued by Secretarial Auditor on Corporate Governance for the year ended December 31, 2013.



FAG Bearings India Ltd

**MINUTES OF THE 51st ANNUAL GENERAL MEETING OF THE MEMBERS OF 'FAG BEARINGS INDIA LIMITED' HELD ON THURSDAY, APRIL 24, 2014 AT 3.00 PM AT KAMALNAYAN BAJAJ HALL, GROUND FLOOR, BAJAJ BHAWAN, JAMNALAL BAJAJ MARG, 226, NARIMAN POINT, MUMBAI.**

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**Present:**

**Chairman**
Mr. Avinash Gandhi

**Directors**

| | |
|---|---|
| Mr. Rajendra Anandpara | - Managing Director |
| Mr. Robert Schullan | |
| Mr. Dietmar Heinrich | |
| Mr. Frank Huber | |
| Mr. Bernhard Steinruecke | |
| Mr. Dharmesh Arora | |
| Mr. Moreshwar Garde | |
| Mr. R. Sampath Kumar | |

**Company Secretary**
Mr. Raj Sarraf

**Invitees**

| | |
|---|---|
| Mr. Satish Patel | - Chief Financial Officer |
| Mr. Vijay Mathur | - Statutory Auditor |
| Mr. Suresh Kabra | - Secretarial Auditor |
| Mr. Prashant Diwan | - Internal Auditor |
| Mr. Yezad Kapadia | - Invitee |
| Mr. Kamlesh Tapadar | - Invitee |

**Members**

| | | |
|---|---|---|
| In person | - | 93 |
| By Proxy | - | 11 |

**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 Attomey* 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.



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"**RESOLVED THAT** Mr. Avinash Gandhi, 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. MORESHWAR GARDE AS A DIRECTOR**

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mr. H. V. Sanghvi (IN30082911850881) and seconded by Mrs. Homayun Pouredehi [IN30090710397958].

"**RESOLVED THAT** Mr. Moreshwar Garde, 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 LLP., 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 [corresponding section under the Companies Act, 2013 being section 141(3)(g)], 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".



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"**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. ROBERT SCHULLAN AS DIRECTOR**

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mr. H. V. Sanghvi (IN30082911850881) and seconded by Mr. Beruz Pouredehi (IN30122510106303).

"**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013, Mr. Robert Schullan be and is hereby appointed as 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. 7**
**APPOINTMENT OF MR. DIETMAR HEINRICH 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. Nigel Gonsalves (Folio 00007102).

"**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013, Mr. Dietmar Heinrich be and is hereby appointed as 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".



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

**ITEM NO. 8**
**APPOINTMENT OF MR. DHARMESH ARORA 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 (IN30012610537621).

**"RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013, Mr. Dharmesh Arora be and is hereby appointed as 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. 9**
**REAPPOINTMENT OF MR. RAJENDRA ANANDPARA AS MANAGING DIRECTOR**

The Chairman put forward the following motion as an Ordinary Resolution, which was proposed by Mr. Shailesh Mahadevia (IN30012610537621) and seconded by Mr. Tushar Sodha (IN30197510000014).

"**RESOLVED THAT** the re-appointment of Mr. Rajendra Anandpara [DIN: 02461259], as Managing Director by the Board of Directors be and is hereby confirmed w.e.f. August 1, 2014 for a period of five years on the terms and conditions as agreed between the Company and Mr. Anandpara and whose office shall not be liable to retirement by rotation."

"**FURTHER RESOLVED THAT** in accordance with the applicable provisions of the Companies Act, 1956 and other applicable provisions and the provisions of Companies Act, 2013 (to the extent they are in force and applicable) and subject to other consents, if any, the approval of the Company be and is hereby accorded to re-appointment of Mr. Rajendra Anandpara as Managing Director at such salary and perquisites as per details given below."

| Sr. No. | Particulars | Amount in Million INR p.a. |
|---|---|---|
| A | Fixed Base Salary | 3,850,000 |
| B | Performance Bonus | 1,650,000 |



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| | | |
|---|---|---|
| C | House Rent Allowance | 508,000 |
| D | Perquisites And Other Allowances | 2,262,000 |
| E | Company's Contribution (Provident Fund & Superannuation Fund) | 1,039,000 |

"**FURTHER RESOLVED THAT** the Managing Director shall also be eligible to the following which shall not be included in the computation of the ceiling on remuneration specified above";

- The Company shall reimburse Mr. Anandpara's travelling and out of pocket expenses in accordance with the Rules of the Company.
- Mr. Anandpara shall be entitled to use an automobile selected by the Company with driver when performing his duties as Managing Director of the Company as well as for private purposes in India. The cost associated with such automobile, including fuel and maintenance expense, shall be to the Company's account. Any income tax levied on the personal use of the Company car shall be borne by Mr. Anandpara.
- Mr. Anandpara shall be entitled to his annual leave during the course of his employment as per the Rules of the Company. Generally, such annual leave must be taken within the current calendar year.
- Should Mr. Anandpara be unable, due to sickness or accident or other incapacity, to discharge the duties being performed by him, leave of up to one month in a year shall be available to him.

"**FURTHER RESOLVED THAT** subject to the overall ceiling as stipulated in the Companies Act, 1956, or in the Companies Act, 2013, whichever of the two shall happen to be in force at the relevant time, the Board be and is hereby authorized to approve increase by way of annual increment as it may think fit within the overall remuneration limit of the Managing Director for the period up to and including 2019 which is as follows":

| Sr. No. | Particulars | Amount in Million INR p.a. |
|---|---|---|
| A | Fixed Base Salary | 7,000,000 |
| B | Performance Bonus | 3,000,000 |
| C | House Rent Allowance | 800,000 |
| D | Perquisites And Other Allowances | 3,600,000 |
| E | Company's Contribution (Provident & Superannuation) | 1,890,000 |

"**FURTHER RESOLVED THAT** a fresh Employment Agreement between the Company and Mr. Anandpara for the period August 1, 2014 to July 31, 2019 (on terms and conditions largely similar to those contained in the existing Employment Agreement dated August 1, 2009 barring such modifications as the





Board may deem necessary to be incorporated therein) be and is hereby approved."

"**FURTHER RESOLVED THAT** if in any financial year, the Company has no profits or, its profits are inadequate, the remuneration payable to the Managing Director shall be in accordance with the provisions of Schedule XIII of the Companies Act, 1956 or Schedule V of the Companies Act, 2013 read with the rules there under, whichever of the two shall happen to be in force at the relevant time, or other applicable rules, if any, and he shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above";

a) Contribution to the Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961,

b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company, and

c) Encashment of leave at the end of the tenure as per Rules of the Company.

"**FURTHER RESOLVED THAT** any one of the existing Directors or the Chief Financial Officer or the Company Secretary of the Company be and is hereby authorised to take the necessary actions and complete all legal formalities."

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.

Delhi, April 28, 2014

Avinash Gandhi
**Chairman**

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