

## NOTICE

To,  
The Member(s),  
**FAG Bearings India Limited**

Notice is hereby given that the 53<sup>rd</sup> Annual General Meeting of “**FAG BEARINGS INDIA LIMITED**” will be held on Wednesday, April 27, 2016 at 3:00 p.m. at Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai – 400 021, Maharashtra, India, to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements including Balance Sheet as at December 31, 2015 and the Statement of Profit and Loss for the year ended on that date along with Directors' and Auditors' Report thereon.
2. To declare Dividend for the year ended December 31, 2015.
3. To appoint a Director in place of Mr. Avinash Gandhi (DIN: 00161107), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dietmar Heinrich (DIN: 00928243), who retires by rotation and being eligible offers himself for re-appointment.
5. To ratify the appointment of Auditors and to fix their remuneration.

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time and in line with the Ordinary Resolution passed by the Members at 52<sup>nd</sup> Annual General Meeting held on April 24, 2015, appointment of M/s. B S R & Co. LLP, Chartered Accountants (Reg. No. 101248 W / W-100022), Mumbai, as the Statutory Auditors of the Company (for five years from the conclusion of 52<sup>nd</sup> Annual General Meeting) be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of 54<sup>th</sup> Annual General Meeting to be held in the year 2017.”

“**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 permissible assignments, if any, in line with prevailing rules and regulations made in this regard.”

“**RESOLVED FURTHER THAT** the Key Managerial Personnel of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto.”

### SPECIAL BUSINESS

6. Approval on Material Related Party Transactions

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in accordance with the prevailing provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to Material Related Party Transactions with “Schaeffler Technologies AG & Co. KG”, Germany during the year 2016 and such approval is further accorded to an increase of up to 25% over and above the consolidated value of transactions in the previous year.”

“**RESOLVED FURTHER THAT** the Key Managerial Personnel of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto.”

7. Remuneration to the Cost Auditors

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, M/s. Y. S. Thakar & Co., Cost Accountants having Firm Registration No. 000318, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending December 31, 2015, be paid a remuneration of ₹ 100,000 (Rupees One Lakh only), excluding all taxes and reimbursement of out of pocket expenses.”

“RESOLVED FURTHER THAT the Key Managerial Personnel of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto.”

8. Remuneration to Non-executive Directors

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to other consents, if any, approval of the Company be and is hereby accorded on payment of remuneration to the Non-executive Directors of the Company, by way of profit related commission, in addition to the sitting fees for attending the meetings of the Board of Directors or Committees thereof, as recommended by the Nomination & Remuneration Committee (NRC) and the Board of Directors to the extent of ₹ 3.85 million for the year 2015.”

“RESOLVED FURTHER THAT subject to overall ceiling as stipulated in the Companies Act, 2013 and in accordance with performance of the Company, the Board of Directors of the Company be and is hereby authorised to increase profit related commission by way of annual increment, as it may think fit based upon the recommendation of NRC, to the extent of ₹ 11.0 million for the period up to and including year 2019.”

“RESOLVED FURTHER THAT approval of the Company be and is hereby accorded to the Board of Directors to determine the manner, rate and quantum of remuneration for each individual Non-executive Director who is entitled to receive such remuneration based upon performance evaluation, criteria set forth in the Nomination and Remuneration Policy and recommendations of the NRC, and to do all such acts, deeds, things and to take all such steps as may be required in this regard.”

By Order of the Board

**Raj Sarraf**  
Company Secretary  
ICSI M. No.: ACS15526

Mumbai: February 12, 2016

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS 53<sup>rd</sup> ANNUAL GENERAL MEETING OF THE COMPANY, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING.
2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY, PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. The instrument of proxy, duly completed, should be lodged at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting. No Proxy Form shall be considered as valid on its receipt after 3:00 pm. on April 25, 2016.
4. The Company has notified closure of Register of Members and the Share Transfer Books from April 19, 2016 to April 23, 2016 (both days inclusive) to determine entitlement of dividend on equity shares. The dividend will be paid to those shareholders, whose name appears on the 'Register of Members' of the Company as at the end of business hours on April 18, 2016. The dividend, as recommended by the Board of Directors and if declared at the Annual General Meeting, will be paid within the specified time limit.
  - (a) Shareholders, who have not encashed the dividend warrants for the years 2008, 2009, 2010, 2011, 2012, 2013 and 2014 are requested to lodge their request with the Company immediately.
  - (b) Pursuant to provisions of Section 205A read with Section 205C of the Companies Act, 1956 unclaimed Dividend up to the year 2007 were transferred to the Investor Education and Protection Fund in time.
5. In terms of Section 72 of the Companies Act, 2013, Nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to

## NOTICE

Company's Register & Share Transfer Agent (RTA) - M/s. Link Intime India Private Limited, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara-390020, Gujarat, India for nomination form by quoting their folio number.

6. National Electronic Clearing Services (NECS) has been permitted by Reserve Bank of India. Shareholders may fill up the option form and send it to the RTA by March 31, 2016.

7. As per Section 136 of the Companies Act, 2013 read with Rule 11 of Companies (Accounts) Rules, 2014, financial statements may be sent to the Members:

- (a) by electronic mode to such Members whose shares are held in dematerialised form and whose email ids are registered with Depository for communication purposes;
- (b) where Shares are held in physical form, to such Members who have positively consented in writing for receiving by electronic mode; and
- (c) by dispatch of physical copies through any recognised mode of delivery as specified under Section 20 of the Act, in all other cases.

In case, you desire to receive the aforesaid documents in electronic mode in lieu of physical mode, kindly update your e-mail ID with:

- (i) Our RTA: for the Shares held in physical form and
- (ii) Your respective Depository Participants: for the Shares held in dematerialised form.

8. Members, who have not yet dematerialised their shares, are recommended to get their shares dematerialised at the earliest.

9. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL), on all the resolutions set forth in this Notice.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, April 20, 2016, may cast their vote electronically.

The voting right of shareholders shall be in proportion of their share (In the paid up equity share capital of the Company) as on the cut-off date, being April 20, 2016.

Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Wednesday, April 20, 2016, may obtain User ID and

password by sending a request to our RTA i.e M/s Link Intime India Pvt. Ltd., E-mail id: vadodara@linkintime.co.in. However, shareholders who are already registered with CDSL for remote e-voting, can use their existing User ID and password for casting their votes.

**The instructions for shareholders voting electronically are as under:**

- (i) The e-voting period will commence from Sunday, April 24, 2016 at 9:00 am (IST) and will end at 5:00 pm (IST) on Tuesday, April 26, 2016. The e-voting module will be disabled on April 26, 2016 at 5:00 pm (IST).
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Now click on shareholders to cast your votes.
- (iv) Now Enter your User ID
  - a) For Members holding shares in Demat Form:
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - b) For Members holding shares in Physical Form:
 

Enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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#### For Members holding shares in Demat Form and Physical Form

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|                              |   |
|------------------------------|---|
| <b>PAN</b>                   | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number printed on attendance slip.  |
| <b>DOB</b>                   | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.   |
| <b>Dividend Bank Details</b> | Enter the dividend bank details as recorded in your demat account or in the Company records for the said demat account or folio.<br>Please enter the DOB or dividend bank details in order to login. If the details are not recorded with the depository or Company then please enter the member id / folio number in the dividend bank details field as mentioned in instruction (iv). |

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant 'FAG Bearings India Limited' for which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then 'Enter' the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Corporate / Institutional Members Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
10. Statement under Section 102 of the Companies Act, 2013 in respect of Item nos. 6 to 8 under "Special Business", is attached hereto. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 10:00 am and 5:00 pm on any working day up to the date of Annual General Meeting.

## ANNEXURE TO NOTICE

Statement under Section 102 of the Companies Act, 2013 relating to Special Business mentioned in the Notice convening the 53<sup>rd</sup> Annual General Meeting;

### **ITEM No. 6** **Approval on Material Related Party Transactions**

In order to sustain quality standards of the Schaeffler Group, quantitative benefits, ease of customer reach, global representation and in the best interest of the Company and its shareholders, major transactions of the Company pertaining to sale, purchase or supply of goods, materials & services have been since long with Schaeffler Group Company, i.e. Schaeffler Technologies AG & Co. KG, Germany. Considering the prevailing market trend these transactions will continue in the year 2016 and thereafter with an increase of up to 25% over and above the consolidated value of transactions in the previous year.

These transactions as well as the proposed transactions would continue to be in ordinary course of business and at arm's length basis.

Pursuant to provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all 'Material Related Party Transactions' will require approval of the Members through an Ordinary Resolution.

Since the aggregate value of these transactions (year to date plus proposed in 2016) is likely to exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, the said transactions would be considered to be Material Related Party Transactions for the purpose of provisions of Regulation 23 of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, and will thus require approval of the Members of the Company through an Ordinary Resolution. The Audit Committee and the Board of Directors have reviewed major terms & conditions of these transactions and recommend to the members for their approval by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 6 of the notice except to the extent of their shareholding or employment in the Company, its Holding Company or Associate Group Company.

The Board recommends the Resolution under Item No. 6 of the notice for approval of the Members as an Ordinary Resolution.

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### **ITEM No. 7** **Remuneration to the Cost Auditors**

The Board of Directors, at its meeting held on February 11, 2015, upon the recommendation of the Audit Committee, approved the appointment of M/s Y. S. Thakar & Co., Cost Accountants, as Cost Auditors of the Company for conducting the Cost Audit of the Company, for the Financial Year ending December 31, 2015 at a remuneration of ₹ 1 lakh (Rupees One Lakh only), excluding all taxes and out of pocket expenses.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of that Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 7 of the notice for ratification of the remuneration payable to the Cost Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 7 of the notice.

The Board recommends the Resolution under Item No. 7 of the notice for approval of the Members as an Ordinary Resolution.

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### **ITEM No. 8** **Remuneration to the Non-executive Directors**

In accordance with the Nomination and Remuneration Policy of the Company (hereinafter referred as the 'Policy'), the remuneration payable to each Non-executive Director (including Independent Directors) will be based on the remuneration structure as determined by the Board depending upon performance, and be paid under the categories viz. 'Sitting Fee' and 'Profit Related Commission'. It is further stated in the Policy that Non-executive Directors, who are in whole-time employment with other Associate Companies of the Schaeffler Group, will not be entitled for any remuneration, from the Company.

Subject to approval of the shareholders, in accordance with the Policy and pursuant to recommendation of the Nomination & Remuneration Committee (NRC) and the Board of Directors, the Non-executive Directors shall be entitled for the remuneration as under;

a. Sitting Fee:

As per the approval of the Board or maximum limit prescribed in the Companies Act, 2013 read with rules made thereunder, whichever is lesser.

b. Profit Related Commission:

An aggregate amount of ₹ 3.85 million for the year 2015 and within the maximum of ₹ 11.0 million per annum (provided it does not exceed the maximum limit prescribed in the Companies Act, 2013 read with rules made thereunder) for the period up to and including 2019; as may be decided by the Board of Directors.

The resolution under item no. 8 of the notice is in accordance with prevailing regulatory requirements and the maximum permissible limits calculated in accordance with provisions of the Sections 197 & 198 of the Companies Act, 2013 that can be paid to the Non-executive Directors of the Company (both existing and any future appointments that may be made on the Board).

None of the Directors (except respective Non-executive Director) or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the aforesaid resolution except to the extent of their shareholding, if any, in the Company.

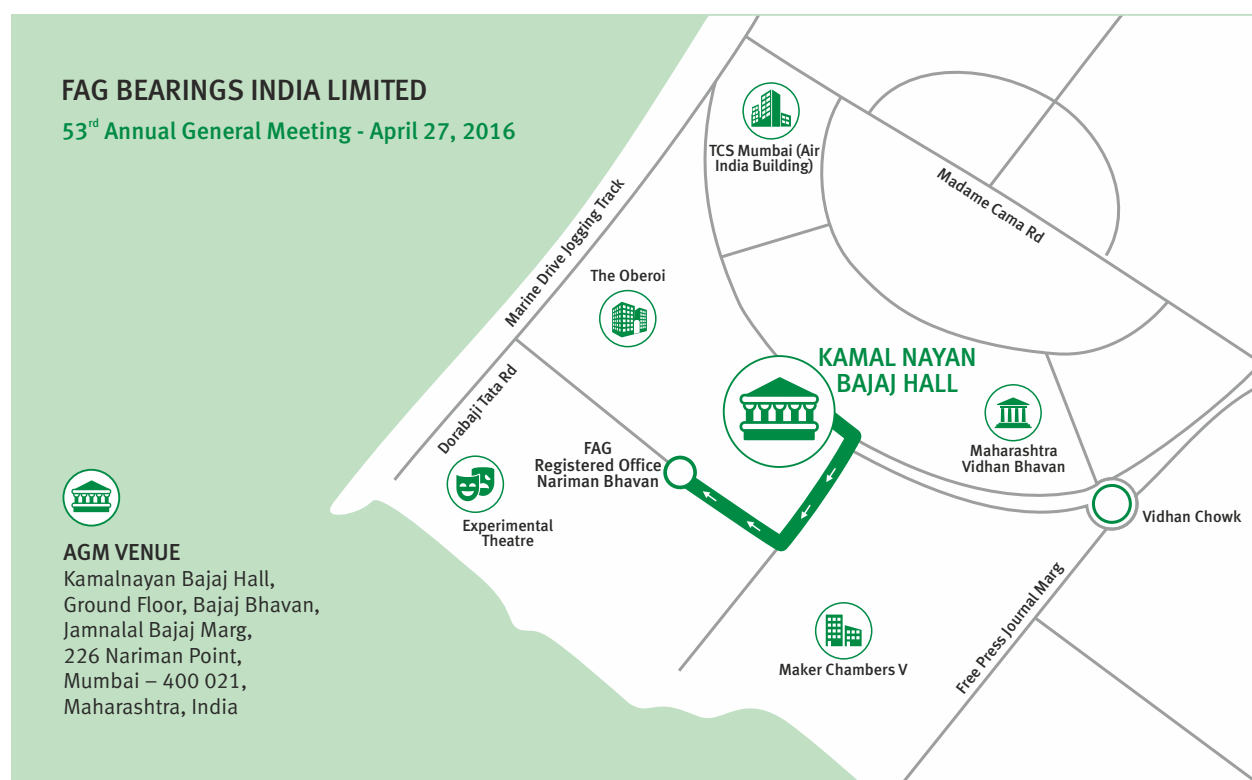
The Board recommends the resolution under Item No. 8 of the notice for approval of the Members as an Ordinary Resolution.

By Order of the Board

**Raj Sarraf**  
Company Secretary  
ICSI M. No.: ACS15526

Mumbai: February 12, 2016

## ROUTE MAP FOR AGM



FAG BEARINGS INDIA LIMITED

CIN - L29130MH1962PLC012340

Regd. Office: 'Nariman Bhavan', 8<sup>th</sup> Floor, 227, Backbay Reclamation, Nariman Point, MUMBAI - 400 021, Maharashtra, India

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

53<sup>rd</sup> Annual General Meeting - April 27, 2016

|                       |
|-----------------------|
| Name of the Member(s) |
| Registered address    |
|                       |

|           |
|-----------|
| E-mail ID |
|-----------|

|                       |
|-----------------------|
| Folio No. / Client ID |
|-----------------------|

|       |
|-------|
| DP ID |
|-------|

I / We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1 | Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_

Signature \_\_\_\_\_, or failing him

2 | Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_

Signature \_\_\_\_\_, or failing him

3 | Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_

Signature \_\_\_\_\_



as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 53<sup>rd</sup> Annual General Meeting of the Company, to be held on Wednesday, the 27<sup>th</sup> day of April, 2016 at 03.00 p.m. at Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan. Jarnalal Bajaj Marg, 226 Nariman Point, Mumbai - 400 021, Maharashtra, India and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Ordinary Business

1. To receive, consider and adopt the Financial Statements including Balance Sheet as at December 31, 2015 and the Statement of Profit and Loss for the year ended on that date along with Directors' and Auditors' Report thereon.
2. To declare dividend for the year ended December 31, 2015.
3. To appoint a Director in place of Mr. Avinash Gandhi, (DIN: 00161107) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dietmar Heinrich, (DIN:00928243) who retires by rotation and being eligible offers himself for re-appointment.
5. To ratify the appointment of Auditors and to fix their remuneration.

#### Special Business

6. Approval on Material Related Party Transactions.
7. Remuneration to the Cost Auditors.
8. Remuneration to the Non-executive Director.

Signed this (Date) day of (Month) 2016.

Signature of Shareholder

₹ 1  
Revenue  
Stamp with  
Proxy's  
Signature

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



(Shareholders' option to receive documents through e-mail)

To,

**Link Intime India Private Limited**

**The Registrar & Share Transfer Agent**

**Unit: FAG Bearings India Limited**

B-102 & 103, Shangrila Complex, First Floor,  
Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota,  
Vadodara - 390 020 Gujarat, India  
E-mail: vadodara@linkintime.co.in  
Ph. No.: 0265 - 2356573, 2356794

Dear Sir(s),

**Subject: Update my / our e-mail address(es) in your records.**

Please note my / our following e-mail address(es) and send notice / documents through electronic mode in future:

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1 | Name of the Shareholder / Beneficial Owner

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2 | Registered Folio / DP ID and Client ID

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3 | No. of shares

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4 | E-mail address of the first named  
Shareholder / Beneficial Owner

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5 | E-mail address of the second / third named  
Shareholder / Beneficial Owner

---

6 | Contact Numbers

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Date:

Place:

---

Signature of the Shareholder / Beneficial Owner