

ABC Bearings Limited

Minutes of the proceedings of 54th Annual General Meeting of ABC Bearings Limited held at 4.30 p.m. on Tuesday, the 11th August, 2015, at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

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| Present: | Mr. S.M. Patel | - | Chairman |
| | Mr. P. M. Patel | - | Managing Director |
| | Mr. T.M. Patel | - | Executive Director |
| | Mr. S.K. Diwanji | - | Directors |
| | Mr. Jal R. Patel | - | |
| | Mr. Nalin M. Shah | - | |
| | Ms. Jolly P. Abraham | - | |
| | Mr. S.K. Choudhary | - | Chief Financial Officer |
| | Members | - | 44 |
| In Attendance: | Mr. S.B. Desai | - | Company Secretary |

Shri S.M. Patel took the chair.

The Chairman welcomed the members at the meeting.

The Chairman then announced that the Register of Directors' Shareholding was available at the meeting for inspection by the Members and was kept open for inspection before the meeting. Thereafter, with the consent of members present, the notice convening the meeting was taken as read.

The Chairman further announced that copies of Annual Report including Balance Sheet, Statement of Profit and Loss, Directors' Report and Auditors' Report thereon were posted to all the shareholders and the originals were laid on the table for inspection.

Mr. S.B. Desai, Company Secretary, read out the Auditors' Report for the year ended 31st March, 2015.

The Chairman in his statement dealt with general economic scenario, the performance of the Company and future outlook of the Company.

He informed the members that the global economy gained marginal momentum during 2014 and grew by 2.6% as against the 2.5% growth registered in 2013. The recovery of the global economy has been weaker than anticipated due to the disappointing growth in the Eurozone, Japan, part of emerging Europe region, especially Russia and Latin America.

He further informed that the financial year 2014-15 was the year of revival for the Indian Economy as it grew in excess of 7% for the first time since the financial year 2010-11. The key driver of the growth was the service sector which grew by 10.6% during the year. The performance of the industrial sector also improved during the year and registered a growth of 5.9% compared to 4.5% growth registered during 2013-14. In the year 2014-15, the bearing industry as a whole did not show any significant growth. Unfortunately, the Taper and Roller Bearings category in which the Company is spaced recorded negative growth.

The Chairman further informed the members that the growth in the Automotive Industry was somewhat flat. The Heavy Commercial Segment showed a positive growth, in which there was a negative growth. The Tractor industry, however, is not showing any sign of improvement despite reasonable onset of the monsoon activities. If good rains continue, this industry should also see positive growth going forward. Cheap imports of bearings from countries such as China continue to be a challenge for the Industry.

He then informed that the Government of India had promised for opening up of mining and boosting of infrastructure activities in current year and in the Budget for 2015-16, Government has earmarked large amounts for infrastructure related activities. Once the Government clears the various projects and increases spend on the industrial activities, the automotive industry should see positive growth.

The aftermarket continues to be floated with spurious products despite strong action to eradicate the misuse being taken by the Industry, Association and the Government. The Company is also trying to explore new markets abroad.

He further informed that the Company recorded a turnover of Rs.180 crores showing a growth of approximately 14% over the previous year. The financial performance during the year registered a net profit after tax of Rs.4.18 crores as against Rs. 4.63 crores of the previous year. The directors have recommended dividend of Rs.2.00 per share (20%) for the year under review.

He further informed that the turnover of the Company for the first quarter of the current year was Rs.44 crores compared to Rs.40 crores in the previous year.

Thereafter, the Chairman invited comments, queries and suggestions from the Members on the Annual Finance Statements. The Managing Director answered all queries raised by the members satisfactorily.

The Chairman thanked the shareholders for their appreciation and suggestions.

The Chairman then requested Company Secretary to commence the voting process through poll.

The Company Secretary briefed the Members about the e-voting facility provided by the Company to all Members through CDSL e-Voting platform during 7th August, 2015 to 10th August, 2015, in respect of all agenda items as set forth in the notice calling Annual General Meeting, as per new regulatory requirements. He further added that many of the Members have exercised their rights and cast votes on the agenda items.

The Company Secretary communicated to the Members that those who could not vote through electronic means could cast their vote using poll papers which were given to all the Members.

Following resolutions as set forth in the notice calling Annual General Meeting were put to vote through poll.

Item No.1 (Ordinary Resolution):

Adoption of Audited Financial Statements for the year ended 31st March, 2015.

"RESOLVED THAT the Audited Financial Statements as at 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon, printed copies of which have already been forwarded to members and the originals of which are now laid before this meeting, be and they are hereby approved and adopted."

CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

Item No.2 (Ordinary Resolution):

Approval of dividend of Rs.2/- per equity share for 2014-15.

"RESOLVED THAT dividend @ Rs.2/- (20%) per equity share on 1,15,50,000 Equity Shares of Rs.10/- each be and is hereby declared for distribution out of the Profit for the year ended 31st March, 2015."

Item No.3 (Ordinary Resolution):

Re-appointment of Mr. P. M Patel, Director who retires by rotation.

"RESOLVED THAT Mr. P.M. Patel having Director Identification Number 00012138 retiring by rotation at this meeting and who is eligible for re-appointment be and is hereby re-appointed as Director of the Company."

Item No.4 (Ordinary Resolution):

Re-appointment of Mr. T. M Patel, Director who retires by rotation.

"RESOLVED THAT Mr. T.M. Patel having Director Identification Number 00016788 retiring by rotation at this meeting and who is eligible for re-appointment be and is hereby re-appointed as Director of the Company."

Item No.5 (Ordinary Resolution):

Ratification of appointment of M/s. Parikh & Shah as Auditors.

"RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment thereof, for the time being in force), the appointment of M/s. Parikh & Shah, Chartered Accountants (Firm Registration No.107528W) made in the 53rd Annual General Meeting held on 17th July, 2014, at such remuneration plus service tax, out of pocket expenses, travelling expenses, etc., mutually agreed between the Board of Directors of the Company and the Auditors, be and is hereby ratified and confirmed."

Item No.6 (Ordinary Resolution):

Appointment of Mr. Nalin M. Shah as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Nalin Mansukhlal Shah (holding DIN 00882723), who was appointed as Director with effect from 16th July, 2013 in casual vacancy caused due to death of Mr. C.U. Shah and who in terms of Section 161 of the Companies Act, 2013 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received Notice from member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Nalin Mansukhlal Shah as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2020."

Item No.7 (Ordinary Resolution):

Appointment of Ms. Jolly P. Abraham as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Jolly Plammoottil Abraham (holding DIN 07108545), Director of the Company who was appointed as Additional Director and whose term of office expires at this annual general meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2020."

Item No.8 (Special Resolution):

Appointment of Mr. T. M. Patel as Executive Director.

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the appointment of Mr. T.M. Patel as the Executive Director of the Company for a period of three years with effect from 1st April, 2015, on the terms and conditions including remuneration as set out in the draft Agreement to be entered into between the Company and Mr. T.M. Patel, copy whereof initialled by the Chairman for the purpose of identification placed before this meeting be and is hereby approved."

"RESOLVED FURTHER THAT subject to the provisions of Section 198 and other applicable provisions, if any, of the Companies Act, 2013, in the event of inadequacy or absence of profits, Mr. T.M. Patel, be paid the remuneration as set out in the Draft Agreement to be entered into between the Company and Mr. T.M. Patel, as the Minimum Remuneration subject to the limits laid down in Schedule V to the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps including the power to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. T.M. Patel, subject to such approval as may be necessary, proper and expedient and to do any act, deeds, matters and things to give effect to this Resolution."

Item No.9 (Ordinary Resolution):

Ratification of remuneration payable to M/s. B.J.D Nanabhoy & Co., Cost Auditors for the year ending 31st March, 2016.

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or enactment thereof, for the time being in force), B. J. D. Nanabhoy & Co., the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

HELD AT _____ ON _____ TIME _____

Item No.10 (Special Resolution):

Adoption of new set of Articles of Association.

"RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this resolution."

The resolutions were put for voting through electronic means during the period from 7th August, 2015 to 10th August, 2015 and through ballot during the 54th Annual General Meeting of the members. After the meeting Scrutinizer Mr. Devang Dalal, Practising Company Secretary, had submitted his report on e-voting as well as on voting by poll, which taken together was placed on the Company's website, confirming above resolutions as passed with requisite majority.

The Company Secretary proposed a vote of thanks to the Chair and the meeting ended.

Mumbai
17.08.2015



CHAIRMAN 17/8/2015