SCHEME OF AMALGAMATION
OF
FAG ROLLER BEARINGS PRIVATE LIMITED
WITH
FAG BEARINGS INDIA LIMITED
AND
THEIR SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956

This Scheme of Amalgamation (the "**Scheme**") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) for amalgamation of 'FAG Roller Bearings Private Limited' with 'FAG Bearings India Limited'.

The Scheme has been formulated and presented under sections 391 to 394 of the Companies Act, 1956. Upon the relevant sections of the Companies Act, 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs ('MCA'), the Scheme shall be deemed to have been formulated and presented under sections 230 to 240 of the Companies Act, 2013.

For FAG Bearings India Limited

Raj Kumar Sarraf
Company Secretary
ICSI M. No.- ACS 15526

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A. Description of Companies

Transferee Company

(a) FAG Bearings India Limited ("**FAG India**" or "**Transferee Company**") is a listed company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 021, Maharashtra [CIN: L29130MH1962PLC012340]. Transferee Company is a Schaeffler group entity and is engaged in manufacturing and supply of wide range of bearings to Industrial & Automotive Customers.

Transferor Company

(b) FAG Roller Bearings Private Limited ("**FRB**" or "**the Transferor Company**") is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 021, Maharashtra [CIN: U29130MH2001PTC134044]. The Transferor Company is a wholly owned subsidiary of the Transferee Company. The Transferor Company is currently engaged in Special Machines Building activities for bearings.

B. Rationale and Purpose of the Scheme

The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

i) Better focus and concentration on the growth efforts of Bearings business;

ii) Simplified corporate structure;

iii) Post the amalgamation of Transferor Company with Transferee Company, Transferor Company will stand dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory and internal audit requirements, tax filings, company law requirements, etc and therefore reduction in administrative costs;

iv) Enable cost saving and optimum utilization of valuable resources which will enhance the management focus thereby leading to higher operational efficiency;

v) Transferor Company is engaged in special machines building for bearings manufacturing by group companies (mainly for Transferee Company) and

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housed within the premise of Transferee Company's Plant in Maneja in Vadodara.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company.

This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

For sake of convenience this Scheme is divided into following parts:

Part A dealing with definitions and share capital;

Part B dealing with amalgamation of FAG Roller Bearings Private Limited (Transferor Company) with FAG Bearings India Limited (Transferee Company);

Part C dealing with general terms and conditions.

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PART A

1. DEFINITIONS

1.1. In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

1.1.1. **"Act"** or **"the Act"** means the Companies Act, 1956 and/or the Companies Act, 2013 as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Boards of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted;

1.1.2. **"Appointed Date"** means the 1st day of January 2015;

1.1.3. **"Board of Directors"** or **"Board"** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted Committee thereof;

1.1.4. **"Effective Date"** means the date on which the certified / authenticated copies of the order of the High Court of Judicature at Bombay sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra, Mumbai;

Any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" shall be construed to be a reference to the Effective Date;

1.1.5. **"FRB"** or **"the Transferor Company"** means FAG Roller Bearings Private Limited, a company incorporated under the provisions of the Act and having its registered office at Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 021, Maharashtra [CIN: U29130MH2001PTC134044];

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1.1.6. **"FAG INDIA"** or **"the Transferee Company"** means FAG Bearings India Limited, a company incorporated under the provisions of the Act and having its registered office at Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 021, Maharashtra [CIN: L29130MH1962PLC012340];

1.1.7. **"Governmental Authority"** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;

1.1.8. **"High Court"** means the Hon'ble High Court of judicature at Bombay in Maharashtra having jurisdiction in relation to FRB and FAG India or such other competent authority under the provisions of Sections 391 to 394 of the Act, as the case may be, and shall include the National Company Law Tribunal, or any other similar judicial body, if applicable;

1.1.9. **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 15 of this Scheme or any modifications approved or directed by the High Court or any other Government Authority;

1.1.10. **"Stock Exchanges"** means National Stock Exchange of India Limited and BSE Limited;

1.1.11. **"Undertaking"** means and includes the whole of the undertaking / business of Transferor Company, as a going concern, being carried on by Transferor Company and shall include (without limitation):

(a) all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves,

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provisions, funds, licenses, registrations, membership of professional associations, other associations and clubs, certificates, permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions (including but not limited to income-tax, excise duty, service tax or customs, and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade-marks and other rights and licenses including any applications in respect thereof, tenancy rights, leasehold rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, security contracts, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts, deeds, instruments, agreements and arrangements, powers, authorities, permits, registrations / licenses etc including pertaining to expatriates, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, minimum alternate tax i.e. tax on book profits, fringe benefit tax, value added tax, sales tax, service tax, etc.), tax benefits, tax losses (unabsorbed allowances), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the date immediately preceding the Appointed Date;

(b) all the debts, present and future liabilities, payables, contingent liabilities, duties and obligations (including duties/ rights/ obligations under any agreement, contracts, applications, letters of intent or any other contracts) as on the date immediately preceding the Appointed Date; and

(c) all employees on the rolls of the Transferor Company on the closing hours of the date immediately preceding the Effective Date.

It is intended that the definition of Undertaking under this clause would

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enable the transfer of all property, assets, rights, duties, employees and liabilities of Transferor Company into Transferee Company pursuant to this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be.

2. DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court under Clause 15 of the Scheme shall be effective from the Appointed Date but shall become operative only from the Effective Date.

The amalgamation of the Transferor Company with the Transferee Company shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.

3. SHARE CAPITAL

3.1. The Share Capital structure of the Transferee Company as per the last audited accounts for the year ended as on December 31, 2014 is as under:

Particulars	Amount in Rs
Authorized	
20,000,000 equity shares of Rs. 10/- each	200,000,000
Total	**200,000,000**
Issued	
16,818,270 equity shares of Rs. 10/- each	168,182,700
Total	**168,182,700**
Subscribed and Paid-up	
16,617,270 equity shares of Rs. 10/- each fully paid	166,172,700
Total	**166,172,700**

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Subsequent to January 1, 2015, and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferee Company.

3.2. The Share Capital structure of the Transferor Company as per the last audited balance sheet as on December 31, 2014 is as under:

Particulars	Amount in Rs
Authorized	
20,000,000 Equity Shares of Rs. 10/- each	200,000,000
Total	**200,000,000**
Issued, subscribed and fully paid up	
17,400,000 Equity Shares of Rs. 10/- each	174,000,000
Total	**174,000,000**

Subsequent to January 1, 2015, and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Company. Further, the entire equity share capital of the Transferor Company is held by the Transferee Company (i.e. the Transferor Company is a wholly owned subsidiary of the Transferee Company).

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PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Amalgamation of FRB with FAG India as a going concern shall be in the following manner:

4. TRANSFER AND VESTING OF UNDERTAKING

Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

4.1. The Undertaking of the Transferor Company comprising its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 4.2 and 4.3 below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

4.2. All the movable assets of the Transferor Company, capable of passing by physical delivery or by endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date.

4.3. In respect of any assets of the Transferor Company, other than those mentioned in Sub Clause 4.2 above, including sundry debtors, deferred tax asset, outstanding loans and advances, if any, recoverable in cash or kind or for value to be received, bank balances and deposits, if any, with the Government, semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.

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4.4. With effect from the Appointed Date, all debts, liabilities (including deferred tax liabilities and contingent liabilities), duties and obligations of the Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Court or such other competent authority as may be applicable under provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities (including deferred tax liabilities and contingent liabilities), duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

4.5. Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company per se shall be considered as intra-party transactions for all purposes from the Appointed Date.

5. CONSIDERATION

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Company with the Transferee Company, and the equity shares held by the Transferee Company and along with the joint holders in the Transferor Company shall stand cancelled without any further act, application or deed.

6. ACCOUNTING TREATMENT

6.1. On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date.

6.2. Amalgamation of the Transferor Company with the Transferee Company shall be accounted in accordance with the Indian Accounting Standard – 14 as notified under the Act.

6.3. All assets & liabilities, including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as they appear in the financial statement of the Transferor Company.

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6.4. Amount of share capital of the Transferor Company and the value recorded as investment in the books of the Transferee Company shall be adjusted against each other and difference, if any, shall be debited to general reserve account or credited to capital reserve account of the Transferee Company, as the case may be.

6.5. All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company, shall be cancelled and there shall be no obligation/outstanding in that behalf.

6.6. In case of any differences in accounting policy between the Transferee Company and the Transferor Company, the impact of the same till the Appointed Date will be quantified and recorded in accordance with the applicable Accounting Standards notified under the Act to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

PART C

GENERAL TERMS AND CONDITIONS

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

7.1. Upon the coming into effect of this Scheme and subject to the provisions of the Scheme and without any further act of the parties, all memoranda of understanding, contracts (including but not limited to customer contracts, service contracts and supplier contracts), schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.

7.2. The Transferee Company shall, if so required or becomes necessary, upon the coming into effect of this Scheme enter into and/ or issue and/or execute deeds, writings or confirmations to give effect to the provisions of this Scheme and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be.

8. LEGAL PROCEEDINGS

If any legal proceedings including but not limited to suits, summary suits, indigent petitions, appeal, or other proceedings of whatever nature (hereinafter called "the **proceedings**") by or against the Transferor Company are pending as on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the entire business and Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the Transferor

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Company, if the Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

9. EMPLOYEES OF TRANSFEROR COMPANY

9.1. On the Scheme coming into effect, all staff, workmen and employees (including those on sabbatical / maternity leave) of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break or interruption in their service and on the terms and conditions not less favorable than those applicable to them with reference to the Transferor Company on the Effective Date.

9.2. It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund or any other Special Scheme(s)/Fund(s) (hereinafter referred as "Fund or Funds") created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Fund or Funds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company and all the rights, duties and benefits of the staff, workmen and employees of the Transferor Company under such Fund or Funds shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds and for other benefits such as long service awards.

9.3. In so far as the Fund or Funds created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the said Fund or Funds as on the Effective Date shall stand transferred from the respective Fund or Funds of the Transferor Company to the corresponding Fund or Funds set up by the Transferee Company.

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10. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

10.1. The Transferor Company shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of the Undertaking for and on account of and for the benefit of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

10.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior consent in writing of any of the persons authorised by the Board of Directors of the Transferee Company, (i) sell, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the assets comprising the Undertaking or any part thereof or undertake any financial commitments of any nature whatsoever, except in the ordinary course of business (ii) nor shall it undertake any new business or substantially expand its existing business.

10.3. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising to or incurred or suffered by the Transferor Company, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits, incomes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

10.4. All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor Company to any Statutory Authorities such as Income Tax (including advance tax and Tax Deducted receivable and Minimum Alternate Tax (MAT) credit), Service Tax, Customs Duty, VAT etc or any tax deducted / collected at source relating to the period after the Appointed Date and up to the Effective Date shall be deemed to have been on account of or on behalf of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order in the Scheme by High Court upon relevant proof and documents being provided to the said authorities to this effect.

10.5. The Transferor Company shall not alter its equity capital structure either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, sub-division, consolidation, re-organisation or in any other manner, except by and with the consent of the Board of Directors of the Transferee Company.

10.6. The Transferee Company shall be entitled, pending the sanction of the Scheme, to

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apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

10.7. Upon the Scheme becoming effective, the Main Objects as well as relevant incidental objects of the Memorandum of Association of the Transferor Company shall form part of the Memorandum of Association of the Transferee Company.

11. DIVIDENDS

The Transferor Company shall not declare any dividend for the period commencing from and after the Appointed Date without the prior written consent of the Transferee Company.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the entire business and Undertaking of the Transferor Company pursuant to this Scheme, and the continuance of proceedings under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

13. DISSOLUTION OF THE TRANSFEROR COMPANY

13.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act by the parties.

13.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

13.3. Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.

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14. APPLICATIONS/PETITIONS TO THE HIGH COURT AND APPROVALS

14.1. The Transferor Company shall, with all reasonable dispatch, make application / petition to the High Court or such other appropriate authority under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor Company as may be directed by the High Court or such other appropriate authority.

15. MODIFICATIONS / AMENDMENTS TO THE SCHEME

15.1. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the High Court or any other Government Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the High Court or such other Government Authority, or make any modifications / amendments to the Scheme in pursuance of a change in law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

15.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulties that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee

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Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

17.1. The Scheme is conditional upon and subject to:

17.1.1. approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Company and the Transferee Company, if applicable, in terms of the applicable provisions of the Act;

17.1.2. approval of the Scheme by majority of public shareholders of the Transferee Company through postal ballot and e-voting in accordance with clause 5.16 of SEBI Circular No.CIR/CFD/DIL/5/2013 dated 4th Feb 2013 as modified by clause 7 of SEBI Circular No.CIR/CFD/DIL/8/2013 dated 21st May 2013;

17.1.3. sanctions and orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Company and the Transferee Company from the High Court;

17.1.4. the certified or authenticated copies of the orders of the High Court sanctioning this Scheme being filed with the appropriate Registrar of Companies.

18. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS

18.1. In the event of any of the said approvals referred to in Clause 17 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid at a date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect.

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18.2. The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/ or the Transferee Company.

18.3. If any part of this Scheme hereof is invalid, ruled illegal by the High Court, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme.

19. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of /payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

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For FAG Bearings India Limited

Raj Kumar Sarraf
Company Secretary
ICSI M. No.- ACS 15526