

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Vishal Bearings Limited will be held on Tuesday, June 09, 2015, at 04:00 P.M. at its registered office of the company, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the financial year ended as on that date together with the Reports of the Auditors and the Directors thereon.
2. To ratifies the appointment of M/s. P. Ghanshyam & Co., Chartered Accountants (Firm Registration No. 103153W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-seven AGM of the Company to be held in the year 2018 and to authorize the Board of Directors to fix their remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

3. FURTHER ISSUE OF SHARES

To consider and if thought fit, pass the following resolution with or without modification as a special resolution:

"RESOLVED THAT in terms of Section 23(1)(a), 29, 40, 62 (1) (C) and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the consent of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Foreign Investment Promotion Board ("FIPB") and all other concerned authorities and departments if and to the extent necessary and such other approvals, permissions and sanctions as may be prescribed in granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorised Committee thereof for the time being exercising the powers conferred by the Board) as its sole discretion, the consent of the Members of the Company be and is hereby accorded to the Board of Directors to create, offer, issue and allot to the public from time to time in one or more tranches such number of Equity Shares having Face value of Rs. 10 each at such premium and at such price, as the Board of Directors may deem fit and proper, within the overall limit of Rs. 5.50 Cr. (Rupees five Crore Fifty Lac only) and to enlist such allotted Equity Shares on the recognized Stock Exchange(s) (including SME platform) as the Board of Directors of the Company may deem fit and proper, to such person or persons, who may or may not be the Shareholders/ Members of the Company, to the general public at large and to other categories of investors viz. QIBs (FIIs, FIs, and other eligible entities as per SEBI Regulations), HNIs, Retail Investors, Employees of the Company, Non-resident Indians, Bodies Corporate or other entities as per the extant Regulations and to such other persons in one or more combinations thereof to the exclusion of all other categories of investors on such terms and conditions, as the Board or

a Committee thereof may at its sole discretion decide and approve through the public issue in consultation with Lead Manager (LM) on such terms and conditions including the number of shares to be issued, at par or at premium as may be finalized and approved by the Board in its absolute discretion in accordance with extant SEBI (ICDR) Regulations 2009, as amended from time to time and any other applicable statute.

RESOLVED FURTHER THAT the new equity shares so issued shall upon allotment have the same rights of voting as the equity shares and be treated for all other purposes pari passu with the existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any declared, including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters of whatsoever nature that may be incidental thereto, including but not limited to appointment of Lead Manager (s), Legal Advisor, Syndicate Member(s), Underwriter(s), Market Maker(s), Depository(ies), Registrars and other agencies as may be involved in or concerned in such Public issue and to remunerate all such agencies by way of commission, brokerage, fees or otherwise, by way of entering into agreement or otherwise and to settle any question, doubt or difficulty that may arise in regard to the issue, offer and allotment of the said shares.

RESOLVED FURTHER THAT the consent of the members of the Company is accorded to the Board for allocation of such percentage of the Issue to any category or categories of persons in any Reservation as may be permissible in accordance with Chapter XB of the SEBI ICDR Regulations and other applicable laws, regulations, policies or guidelines and to do all such other acts, deeds, matters and things as it may from time to time, in its absolute discretion decide and including without limitation, to negotiate finalize and execute any document or agreement and any amendments or supplement thereto and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Reservation or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing.

RESOLVED FURTHER THAT all the new Equity Shares as aforesaid to be issued and allotted in the manner aforesaid shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu inter se in all respects with the then existing Equity Shares of the Company except as otherwise provided pursuant to the terms of the Issue in any of the Issue documents.

RESOLVED FURTHER THAT over subscription to the extent of 10% of the Issue be retained for the purpose of rounding off while finalizing the basis of allotment.

RESOLVED FURTHER THAT Board may determine the terms of the Issue including the class of investors to whom the equity shares are to be allotted, listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit, price of the Equity Shares offers to the public and further, the Board may do all such acts, deeds, matters and things as it may in its

absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the Issue including but not limited to allotment and utilization of the proceeds and further to do all such acts, deeds, documents and agreements, matters and things and to appoint Lead Manager(s), Advisor(s), if any, and such intermediaries as may be required in the process and to finalize the issue expenses including payments to intermediaries, regulators and any other entities as may be required and to decide on the structure of the Issue, including reservations/firm allotments for specified categories as permitted under the SEBI ICDR Regulations, and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit including the various agreements for the Issue with various parties and to give such directions and/or instructions as it may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regard the terms and conditions, including the timing of the Issue, vary the premium to be charged on the Equity Shares and to vary the size of the Issue as the Board may in its absolute discretion decide in the interest of the Company without requiring any further approval of the members or in relation to raising of resources as authorised herein and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or such Committee thereof as the Board may constitute in this behalf.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the equity shares are to be issued and allotted, number of equity shares to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Act in respect of any Securities as may be required either on pari-passu basis or otherwise, to decide and approve the terms and conditions of the Issue at its sole discretion, including but not limited to reservations for employees or other permitted categories, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of equity shares and utilization of the issue proceeds and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as

may be required by the SEBI, the RoC, the Lead Managers, or other authorities or agencies involved in or concerned with the issue of equity shares and as it may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing Resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT any of the Director(s) of the Company and/or Company Secretary of the Company be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, and to execute and sign the documents including consent letter, power of attorney, certificates etc., as may be required in connection with the above and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company.”

By order of the Board of Directors

DILIPKUMAR CHANGELA
Chairman & Managing Director

Shapar (Veraval)
May 30, 2015

Registered office:

Survey No. 22/1, Plot No. 1,
Shapar Main Road,
Shapar (Veraval),
Rajkot – 360 002 (GUJARAT)
Tel : +91-2827-252273
E-Mail : compliance@vishalbearings.com
Website : www.vishalbearings.com

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. All the documents referred in the Notice, Annual Report as well as Register of Directors' Shareholding are open for inspection, during the business hours, at the Registered Office of the Company up to and including the date of Annual General Meeting.
4. While Members holding shares in physical form may write to the Company for any change in their address and bank mandates may inform to the Company.
5. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
6. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH.13).
7. The Members desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting.
8. Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed there under, the Company may send notice of general meeting, directors' report, auditors' report, audited financial statements and other documents through electronic mode. Further, pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rule, 2014, the Company shall provide an advance opportunity atleast once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
9. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS
(Pursuant to Section 102 of the Companies Act, 2013)**ITEM NO.3**

The Company has grown consistently in past years. It is desirable that the Company may consider tapping the Capital market with an Initial Public Offering of Shares (IPO) to fund its massive fund raising programme by raising money for Working Capital Requirement, the Board of Directors of the Company at its meeting held on May 30, 2015 proposed a Public Issue by an offer, issue, allotment of such number Equity Shares of Rs. 10/- each (hereinafter referred to as "Securities") not exceeding Rs. 5.50 Cr. (Five Crore Fifty Lakh). Since the Board of Directors has proposed to come out with the Company's Initial Public Offer (IPO), the Board, in consultation with the Lead Merchant Banker(s), Underwriters, Market Makers and other Advisors, will finalize detailed terms of the issue including the pricing of the issue which will be fixed keeping in view the capital market conditions / practices and guidelines, if any, issued by the Securities and Exchange Board of India (SEBI). The proposed Resolution is an enabling resolution to authorize the Board of Directors to mobilize adequate resources to meet the growing needs of the Company through Public Issue(s).

Under the proposed Special Resolution, consent of the shareholders be and is hereby accorded to pursuant to the provisions of 62 (1)(C) and all other applicable provisions of the Companies Act, 2013, unlisted Public Companies (preferential Allotment) Rules 2003 and in terms of the provisions of the Listing Agreements proposed to be executed by the Company with Stock Exchange in India where the Company's Securities are proposed to be listed.

Since the Special Resolutions proposed may result in issue of Equity Shares of the Company otherwise than to the Members of the Company, consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013, the Listing Agreements and other applicable rules and regulations.

The Directors recommended the Special resolution for your approval.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

By order of the Board of Directors

DILIPKUMAR CHANGELA
Chairman & Managing Director

Shapar (Veraval)
May 30, 2015

Registered office:

Survey No. 22/1, Plot No. 1,
Shapar Main Road,
Shapar (Veraval),
Rajkot - 360 002 (GUJARAT)
Tel: +91-2827-252273
E-Mail: compliance@vishalbearings.com
Website: www.vishalbearings.com