NRB INDUSTRIAL

4th ANNUAL REPORT 2014-15

Vision

Our goal is to be the leader in Friction Management in every market we serve, to the betterment of our customers, employees and our shareholders.

Mission

Our Mission is to create constant value for our customers and supply chain partners that will maximize shareholder value and long-term earnings growth.
We will do this by managing our business with integrity and the highest ethical standards, while operating in a socially responsible manner with particular attention on the contentment & well-being of our colleague and the communities we serve.

4th ANNUAL REPORT
2014-2015

Board Of Directors	:	Mr. Trilochan Singh Sahney - Non-Executive Chairman Mr. Devesh Singh Sahney - Managing Director Ms. Harshbeena Sahney Zaveri - Director Mr. Kaushal Aggarwal - Additional Independent Director Mr. Manish Choksi - Additional Independent Director Mr. Ashish Chugani - Additional Independent Director
Key Managerial Personnel	:	Mr. Devesh Singh Sahney - Managing Director Mr. Ratnakar G. Mehendale - Chief Financial Officer Mr. Pravin Jogani - Company Secretary
Bankers	:	Standard Chartered Bank
Statutory Auditors	:	M/s. Deloitte Haskins & Sells
Internal Auditors	:	MOK & Associates, Chartered Accountants
Registered Office	:	Dhannur, 2nd Floor, 15, Sir P.M. Road, Fort, Mumbai – 400 001, Maharashtra, India
Factory Premises	:	B-18, Five Star, MIDC Area, D-Zone, Shendra, Aurangabad – 431201 Maharashtra, India
Registrar & Transfer Agents	:	Universal Capital Securities Pvt. Ltd. (Formerly Known As: M/S. Mondkar Computers Pvt. Ltd.) 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai – 400 093
Website Address	:	www.nrbindustrialbearings.com
CIN	:	**L29253MH2011PLC213963**

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LETTER TO THE SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure to present the annual report for 2014-15 for NRB Industrial Bearings Limited.

During 2014, the Indian economy continued to witness sluggish growth on the backdrop of a weak global scenario. High inflation and interest rates proved to be challenges for the core sectors. The Index of Industrial Production and the HSBC Purchase Managers' Index remained flat for the first 6 months of 2014, indicating slow activity in the manufacturing and industrial sectors. The election of the new government, however, added some cheer to the economic sentiment in hopes of a better future for India.

The first few months of 2015 have added optimism with a hint of excitement to the economic outlook. The government's 'Make In India' initiative promises to make India a global manufacturing hub. Your company intends to leverage this initiative by offering the highest quality and a diverse range of products. Your company intends to workclosely with our customers and the market, and seek to become the preferred brand for manufacturers; both locally and overseas.Your company will continue our sustainability practices by following processes that have the least impact on the environment.

While Your Company is only in its 4th year of operation, the outlook for 2015-16 is positive. I would like to thank all our stakeholders especially the Shareholders of the Company for their constant support and look forward to the same in the next fiscal year.

Thanking you,

Devesh Singh Sahney
Managing Director

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the members of NRB Industrial Bearings Limited (CIN: L29253MH2011PLC213963) will be held at M.C. Ghia Hall, K. Dubash Marg, Mumbai – 400 001 on Tuesday, July 07, 2015, at 11.00 a.m. to transact the following Business:

ORDINARY BUSINESS:

1) To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2015 and the reports of the Board of Directors of the Company and the Auditors Report.

2) To appoint a Director in place of Ms. Harshbeena Sahney Zaveri (DIN 00003948), who retires by rotation and is eligible for re-appointment.

   "RESOLVED THAT Ms. Harshbeena Sahney Zaveri (DIN: 00003948), Director of the Company, who retires by rotation, pursuant to the provisions of the section 152 of the Companies Act, 2013 read with applicable rules there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and being eligible for re-appointment in terms of Companies Act, 2013, be and is hereby re-appointed to hold office of Director in the Company."

3) **Appointment of Statutory Auditors of the Company:**

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

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs Deloitte Haskins & Sells, Chartered Accountants having ICAI Firm Registration Number 117365W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's Financial Year 2015-16 to hold office from conclusion of this Fourth Annual General Meeting until the conclusion of the Seventh Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the Audit of Accounts of the Company."

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement as may be in force from time-to-time, Mr. Ashish Chugani (DIN: 00009654), who was appointed as Additional Director of the Company effective April 12, 2014, pursuant to the provisions of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years, effective July 07, 2015 not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement as may be in force from time-to-time, Mr. Manish Choksi (DIN: 00026496), who was appointed as Additional Director of the Company effective April 12, 2014, pursuant to the provisions of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years, effective July 07, 2015 not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement as may be in force from time-to-time, Mr. Kaushal Aggarwal (DIN: 00153487), who was appointed as Additional Director of the Company effective May 02, 2014, pursuant to the provisions of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years, effective July 07, 2015, not liable to retire by rotation."

7) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution:**

"**RESOLVED THAT** in supersession to the Ordinary resolution passed by the Shareholders of the Company in 2nd Annual General Meeting held on October 15, 2012, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 read with Rules framed there under, as amended from time to time and any modification(s) for the time being in force, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company that they be and are hereby authorized to create mortgage and/or charge and/or hypothecation and/or creation of security or in any other form or manner, whether by way of first/prior Charge or parri-passu charge or subservient charge or any other kind of charge, as may be necessary, on such movable or immovable assets of the Company, both present and future, in such manner as the Board may direct, on such terms and conditions and at such form in favour of Lenders (viz. any financial institutions, Banks or other body Corporates) to secure the Lenders for the financial assistance extended to the Company with interest, charges, costs, expenses, and all other moneys payable by the Company, if any, for an amount not exceeding Rs. 150 crore (Rupees One Hundred and Fifty Crore) over and above the aggregate Paid-up Share Capital and free reserves of the Company;

RESOLVED FURTHER THAT the securities already created by the Company from time-to-time under the authorization of Board of Directors whether ranked prior/pari-passu /subservient with/to the mortgages and/or charges already created or to be created by the Company in favour of any Lenders, as may be agreed by and between the concerned parties be and are hereby ratified and approved and that the foregoing resolution certified to be true be given to the concerned Lenders or authorities or anybody so interested be given by anyone of the Directors of the Company with a request to the lenders to act thereon."

8) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution:**

"RESOLVED THAT in partial modification to the terms and conditions of remuneration payable to Mr. Devesh Singh Sahney (DIN: 00003956), Managing Director of the Company and pursuant to the provisions of Sections 197 and Schedule V of the Companies Act, 2013, and any other applicable provisions for the time being in force and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members be and is hereby accorded for payment of following Managerial Remuneration to Mr. Devesh Singh Sahney (DIN:00003956), Managing Director of the Company for a period of three years effective from April 01, 2014 to March 31,2017:

A) Basic Remuneration: Rs. 3,00,000/- p.m. in the grade of Rs. 2,00,000-Rs. 5,00,000. Annual increments effective 1st October each year to be recommended by the Nomination and Remuneration Committee and decided by the Board and will be merit based and take into account the Company's performance.

Cash allowance –

Education allowance – Rs. 20,000/- p.m.

Other allowances – Rs. 18,000/- p.m.

B) Perquisites:

In addition to the Basic Salary the perquisites noted below will also be payable:

i) Housing: Free unfurnished company owned accommodation;

ii) The expenditure incurred by the Company on providing electricity and furnishings for the accommodation shall be valued as per the Income Tax rules 1962;

iii) Leave Travel Assistance: Once in a year, incurred in accordance with the rules specified by the Company, subject to a ceiling of Rs. 75,000/- p.a.;

iv) Reimbursement of Medical Expenses: Self and Family at actuals;

v) Medical/Accident Insurance: As per rules of the Company;

vi) Club fees: Reimbursement of membership fees for upto 2 clubs;

vii) Provision of Car with driver and telephone at Residence will not be considered as perquisites;

viii) Contribution to Provident Fund, Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income Tax Act, Gratuity payable will not exceed half a month's salary for each completed year of service; and

ix) Commission – Such remuneration by way of Commission at the rate of 1% for each financial year, in addition to the above salary and perquisites calculated with reference to the net profit of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceiling stipulated Section 197 of the Companies Act 2013 and limited to Half year's Basic Salary will be payable to Managing Director for the relevant year;

RESOLVED FURTHER THAT, if the necessary, the Company be and is hereby authorised to make an application in the prescribed form within the prescribed period to the Central Goverment as per the provisions of Section 196 and section 197 of the Act for obtaining its approval to payment of remuneration as provided above in the event it exceeds the limits provided in Part II of Schedule V to the Act and any of the Directors of the Company or the Company Secretary be and are hereby severally authorized to execute and sign such forms, writings, given such notice, as may be necessary in this regard."

9) To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 61 sub-section 1(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of Company be and is hereby accorded to increase the Authorised Share Capital of the Company from presently Rs. 5,00,00,000/- (Rupees Five Crore Only) divided into 2,50,00,000 equity share of Rs. 2/- each to Rs. 55,00,00,000/- (Rupees Fifty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs. 50,00,00,000/- (Rupees Fifty Crore only) of 5,00,00,000 preference shares of Rs. 10/- each;

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 sub section 1 of the Companies Act, 2013, the existing Clause V (a) of the Memorandum of Association stands substituted as under:

The Authorised Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs. 50,00,00,000/- (Rupees Fifty Crore only) of 5,00,00,000 preference shares of Rs. 10/- each."

10) To Consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to clause (b) of sub – section (1) of Section 23, Section 42, Section 55 and clause (c) of sub – section (1) of Section 62 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) (hereinafter referred to as the "Act") as amended from time to time, subject to the Articles of Association of the Company, shareholder hereby give their consent to issue Preference Shares to Mr. Trilochan Singh Sahney, in one or more tranches, within one year from the approval of members, for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crore Only) through private placement by issuance of 5,00,00,000 Cumulative, Redeemable, Non-convertible Preference Shares at face value of Rs. 10/- each AND THAT the preference dividend be paid annually at 6% p.a. post tax expenses and shall be at redeemed at the end of 3 years, 4 years and 5 years for Rs. 15 Crore, Rs. 15 Crore and Rs. 20 Crore respectively;

RESOLVED FURTHER THAT the Preference shares to be issued by the Company shall rank prior in respect to payment of Dividend or redemption amount compared to equity shareholders of the Company without having voting powers and that in the event of winding up, the right over the equity shareholders in participation of surplus funds, surplus assets and profits of the Company;

RESOLVED FURTHER THAT all the Directors of the Company be and are hereby severally authorized to issue Offer Letter, Application Forms, sign all / any e-forms, other forms, returns, documents as may be required to be filed whether physically or electronically with the Ministry of Corporate Affairs, Registrar of Companies and to take necessary steps to give effect to the issue of Cumulative, Redeemable, Non-Convertible Preference Shares through by the Company;

RESOLVED FURTHER THAT the Company do take into record the Valuation Report from the M/s. MOK Associates Chartered Accountants for issuing the Cumulative Redeemable Non-Convertible Preference Shares to the Investor."

Registered Office:
Dhannur, 2nd floor, 15,
Sir P.M. Road, Fort,
Mumbai – 400 001

By the Order of the Board of Directors
For **NRB Industrial Bearings Limited**

Pravin Jogani
Company Secretary

Dated: May 28, 2015

Notes:

a) The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item Nos. 4 to 10 of the accompanying Notice are annexed thereto.

b) A statement giving the relevant details of the Director seeking appointment/re-appointment of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into the Stock Exchanges is annexed herewith with the requisite declarations for their appointments/re-appointments.

c) A MEMBER ENTITLED TO ATEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF MEETING AND THAT HE HAS TO PROVE HIS IDENTITY AT THE TIME OF MEETING.

d) Blank, Undated, Unsigned and Incomplete Proxy Forms shall be considered as Invalid and if there are Multiple proxies for same shareholdings of the member, the Proxy which is dated last shall be considered valid.

e) A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder. A proxy is valid only for this Annual General Meeting or any adjournments thereof.

f) A Proxy if appointed for more than 50 members, The Proxy holder may choose any 50 Members and confirm the same to the Company before the 48 hours of commencement of the Annual General Meeting and in case the Proxy holder fails to do so, the Company shall consider only first fifty proxies received as valid.

g) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified true copy of the relevant Board of Directors resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.

h) Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio NO.

i) In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

j) Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of Meeting.

k) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

l) Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.

m) SEBI and Ministry of Corporate Affairs encourages paperless communication as contribution to greener environment.

Members who wish to receive email of Documents (Notices of General Meeting/Postal Ballot, Annual Reports, Shareholders communications/ documents, etc.) and have not registered their email address for receiving the same shall give their Positive consent to receive such documents in electronic mode. Positive Consent letter is attached hereto this Annual Report.

n) Members may also note that the Notice of Fourth Annual General Meeting and Annual Report 2014-15 will also be available on the Company's website www.nrbindustrialbearings.com for download.

o) The Register of members and Share Transfer Books of the Company shall remain closed from July 02, 2015 – July 07, 2015 (both days inclusive) for Annual General Meeting purposes.

p) Members are requested to send all communications relating to Equity Shares, unclaimed amounts/ dividend, change of address etc to the Registrar and share transfer Agents at the following Address:

Universal Capital Securities Pvt. Ltd. (Formerly Known as M/s. Mondkar Computers Pvt. Ltd.)

21, Shakil Niwas, Mahakali Caves Road,

Andheri (East), Mumbai – 400 093

Tel.: 022-2820 7203-05, 022-2836 6620

Fax – 022-28369704, 022-28207207

If the shares are held in electronic form, then change of address and change in Bank Accounts etc. should be communicated to the respective depository participants.

q) Voting through electronic means:

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Bank to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 4th Annual General Meeting of the Company, dated May 28, 2015 (the AGM Notice).

The facility for voting, either through polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Upendra Shukla, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional.

In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed July 01, 2015 as the 'Cut-off Date'. The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. July 01, 2015 only.

The instructions for shareholders voting electronically are as under:

(i) The remote e-voting period begins on July 04, 2015 at 10.00 a.m. (IST) and ends on July 06, 2015 at 05.00 p. m (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. July 01, 2015 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00p.m (IST) on July 06, 2015.

(ii) The shareholders should log on to the e-voting website: www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should 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 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:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence Number printed on Attendance Slip, in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB #	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. There are 2 fields provided viz. DOB and Dividend Bank Details. Any one detail may be entered.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the 'Dividend Bank Details' field as mentioned in instruction (iv). Dividend Bank Details means Bank account number which is

(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 to be also used by the demat 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 NRB Industrial Bearings Limited.

(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 you as a Demat account holder have forgotten the existing 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) 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 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.

• 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESSES.

Item No. 4:

Mr. Ashish Chugani (DIN: 00009654), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 12, 2014 and who holds office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Companies Act, 2013 and is eligible for appointment as an Independent Director.

Mr. Ashish Chugani (DIN: 00009654) is a qualified MBA from Duke University and M.Com from Mumbai University and has over 20 years of experience spanning private equity, venture capital, investment banking and commercial banking of which 11 years have been directly in venture capital and private equity banking.

Areas of expertise include:

- Private equity / Venture Capital Investments in technology / BPO, financial services, infrastructure & real estate.
- Post investment portfolio monitoring, mentoring and support.
- Managing and implementing exits.
- Fund raising for various investment strategies.

He joined Centrum in 2008 and was Head of Private Equity Investing of Centrum Group.

Prior to joining Centrum, he was MD of India Cambridge Place Investment Management LLC, a UK based investment management firm investing in equity and debt of financial services companies.

He has also been MD of Ankar Capital in India and before that MD of Antfactory India.

His areas of expertise include private equity investments and exits, early stage venture capital, distressed bank turnarounds, investing in consumer finance, real estate and infrastructure service companies and portfolio management. He has led landmark deals such as turnaround of distressed bank – Centurion Bank, Shriram City Union Finance, Magma Fincorp and Customerasset, one of India's first BPO Companies which was sold to Firstsource.

In terms of Section 149 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, Mr. Ashish Chugani is proposed to be appointed as an Independent Director of the Company for a term of five consecutive years w.e.f July 07, 2015 of this Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Ashish Chugani for the office of Independent Director of the Company.

Mr. Ashish Chugani has nil equity shares in the Company and his Other Directorships/Committee memberships are as follows:

Name of the Company	Board Position held	Committee memberships
Club 7 Holidays Limited	Director	Nil
BBIPL Infrastructure (India) Pvt. Ltd.	Director	Nil
Expressit Logistics Worldwide Limited	Director	Nil
Padma Medical Services Private Limited	Director	Nil
Ashmore-Centrum India Opportunities Investment Advisers Pvt. Ltd.	Director	Nil

In the opinion of the Board, Mr. Ashish Chugani fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company. A copy of the draft letter for appointment of Mr. Ashish Chugani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (10.00 hours to 17.00 hours) on all working days except Saturdays. The Board considers that his association with the Company as Additional Director would benefit the Company and hence desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Ashish Chugani as an Independent Director, for the approval of the members of the Company.

None of the Board of Directors, Key Managerial Personnel of the Company or their respective relatives other than Mr. Ashish Chugani is in any way concerned or interested, financially or otherwise in the said resolution.

Item No. 5:

Mr. Manish Choksi (DIN: 00026496), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 12, 2014 and who holds office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Companies Act, 2013 and is eligible for appointment as an Independent Director.

He joined Asian Paints in 1992 and has held various posts across Sales, Engineering, Marketing in the Decorative and Industrial paint businesses and in his last position he was the Chief – Corporate Strategy & CIO and was responsible for corporate planning and information technology. In this position he guided Asian Paints strategic direction and as Chief Information Officer, he has spearheaded the move to leverage new IT solutions across the Extended Enterprise for growth and achieving improved business performance

He currently is a member of the Executive Council of Asian Paints group and is on the Board of several operating companies of Asian Paints group including the 17 year old automotive and industrial coatings joint venture with PPG Industries Inc, the world's largest coatings company.

He has been a catalyst for the company's foray into services such as painting / décor / home improvement solutions as well as new initiatives. In his current position he leads the company's entry into the Home Improvement, supply chain for coatings and information technology.

In terms of Section 149 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, Mr. Manish Choksi is proposed to be appointed as an Independent Director of the Company for a term of five consecutive years w.e.f July 07, 2015 of this Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Manish Choksi for the office of Independent Director of the Company.

Mr. Manish Choksi has nil equity shares in the Company and his Other Directorships/Committee memberships are as follows:

Name of the Company	Board Position held	Committee memberships
Satyadharma Investments and Trading Company Private Limited	Director	Nil
Ricinash Oil Mill Limited	Director	Chairman in Audit Committee and Remuneration Committee.
PPG Asian Paints Private Limited	Director	Nil
Maxbhumi Developers Limited	Director	Nil
Germinait Solutions Private Limited	Director	Nil
Elf Trading and Chemical Manufacturing Ltd.	Director	Nil
Sleek International Private Limited	Director	Nil

In the opinion of the Board, Mr. Manish Choksi fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company. A copy of the draft letter for appointment of Mr. Manish Choksi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (10.00 hours to 17.00 hours) on all working days except Saturdays. The Board considers that his association with the Company as Additional Director would benefit the Company and hence desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Manish Choksi as an Independent Director, for the approval of the members of the Company.

None of the Board of Directors, Key Managerial Personnel of the Company or their respective relatives other than Mr. Manish Choksi is in any way concerned or interested, financially or otherwise in the said resolution.

Item No. 6:

To appoint a Director in Place of Mr. Kaushal Aggarwal (DIN: 00153487), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 02, 2014 and who holds office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Companies Act, 2013 and is eligible for appointment as an Independent Director.

Mr. Kaushal is one of the co-founders of the company and has spent the last fifteen years in the Indian financial services industry, concluding several marquee transactions in Investment Banking and Private Equity. He co-heads the Financial Advisory business and heads the financial sponsors group and structured finance operations.

Mr. Kaushal has been a speaker at several international conferences on Investment Banking, Private Equity, Venture Capital and other nuances of money raising and corporate strategy, and is a sought after though leader on M&A.

Mr. Kaushal holds an MBA from the Indian Institute of Management, Bangalore and a B.Tech in electrical engineering from Indian Institute of Technology, Delhi.

In terms of Section 149 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, Mr. Kaushal Aggarwal is proposed to be appointed as an Independent Director of the Company for a term of five consecutive years w.e.f. 07 July, 2015 of this Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Kaushal Aggarwal for the office of Independent Director of the Company.

Mr. Kaushal Aggarwal has nil equity shares in the Company and his Other Directorships/Committee memberships are as follows:

Name of the Company	Board Position held	Committee memberships
Avendus Capital Private Limited	Managing Director	Member in CSR and Operations Committee
Avendus Investment Holding Private Limited	Director	Nil
Avendus PE Investment Advisors Private Limited	Director	Nil
Avendus Finance Private Limited	Director	Nil
Poncho Hospitality Private Limited	Nominee Director	Nil
Mahindra Sona Limited	Additional Director	Nil

In the opinion of the Board, Mr. Kaushal Aggarwal fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company. A copy of the draft letter

for appointment of Mr. Kaushal Aggarwal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (10.00 hours to 17.00 hours) on all working days except Saturdays. The Board considers that his association with the Company as Additional Director would benefit the Company and hence desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Kaushal Aggarwal as an Independent Director, for the approval of the members of the Company.

None of the Board of Directors, Key Managerial Personnel of the Company or their respective relatives other than Mr. Kaushal Aggarwal is in any way concerned or interested, financially or otherwise in the said resolution.

Item No. 7:

The members of the Company at the 2nd Annual General Meeting held on October 15, 2012 approved by way of a Ordinary Resolution under provisions of Section 293(1)(a) of the Companies Act, 1956, accorded consent to the Board of Directors for creating mortgage or charge on its movable or immovable properties for an amount not exceeding Rs. 150 crore (Rupees One hundred and Fifty crore). In accordance with this consent, the Board had created charge on Company's movable and immovable assets ("Assets") in favour of Financial Institutions to secure the Financial assistance extended by the Lenders. Such assets continue to be on charge with the financial institutions.

Section 180(1)(a) of the Companies Act, 2013 requires that the Board of Directors shall not create mortgage or charge on its movable or immovable properties, except with the consent of the members by way of a special resolution. It is therefore necessary for the members to pass a special resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 as set out at item No.7 of the Notice, to enable the Board of Directors to create or continue to mortgage or charge on its Assets, approval of members is sought.

None of the Board of Directors, Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested, financially or otherwise in the said resolution.

Item No.8:

The members of the Company at the 2nd Annual General Meeting held on October 15, 2012, had approved the appointment and the remuneration payable to Mr. Devesh Singh Sahney (DIN:00003956) as the Managing Director of the Company on various terms and conditions for a period of five years upto September 2017. Since the Company has no profits, the tenure for the remuneration payable is proposed to be reduce to 3 years from April 01, 2014 to March 31, 2017 and other terms remaining unchanged materially. The remuneration paid/ proposed is in compliance with Clause 12.1 of the Scheme of Arrangement passed by the Hon'ble High Court of Judicature at Bombay by an Order dtd. August 24, 2012. This variation in terms and conditions in tenure is pursuant to the requirements of the Schedule V of the Companies Act, 2013 ("said Act"). The details required as per the said Act is given here under:

I. GENERAL INFORMATION

1) **Nature of Industry:** ENGINEERING INDUSTRY.

2) **Date of Commencement of Commercial Production:** 1 OCTOBER 2012.

3) **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus:** NOT APPLICABLE

4) **Financial Performance based on given indicators:** Turnover of the Company

Financial Year	2012	2012-13
Amount (Rs. in Lacs)	NA	3154.97

5) **Foreign investments or collaborations, if any:** Not Applicable.

II. INFORMATION ABOUT THE APPOINTEE

1) Background Details:

He has worked with Larsen & Tubro Limited in Finance Department followed by Credit Lyonnais, French Bank in various Departments. Before joining the Company he was an Executive Director in NRB Bearings Limited

2) Past remuneration:

Period	Salary and Perquisites
Financial Year 2011-12	68.85 Lac
April 01, 2012 to September 30, 2012(6 months)	38.76 Lac
October 01, 2012 to March 31, 2014 (18 months)	79.51 Lac

3) Recognition or awards:

a) Special Leadership Award given by Asian Institute of Management

4) Job Profile and his Suitability:

a) He has more than 20 years of Experience in the Engineering Industry;

b) He was an Executive Director of NRB Bearings Limited before joining the Company.

5) Remuneration Proposed:

In line with the proposed resolution set out in Item No. 8.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Name of Company	Designation#	Turnover#	Remuneration#
NRB Bearings Limited	Managing Director	Rs. 599.06 crore	Rs. 1.75 crore

Source from Annual Report 2013-14 of NRB Bearings Limited.

7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel:** Holding 9,67,967 (3.99%) Equity Shares as on 31st March, 2015 in the Company. No relationship with the Key Managerial Personnel of the Company.

III. OTHER INFORMATION

1) Reasons of loss or inadequate profits:

a) The gestation period for Manufacturing Company in Industrial Segment is about 3-5 years. The Company Started its Operation only on October 01, 2012.

b) The Company's Operation was not upto its optimized levels.

2) Steps taken or proposed to be taken for improvement:

a) Optimizing the output levels in the Factory.

b) Improving Operational Efficiency.

c) Brand Building in Domestic and International markets.

3) **Expected increase in productivity and profits in measurable terms:** 2-3 years.

None of the Board of Directors, Key Managerial Personnel of the Company or their respective relatives other than Mr. Devesh Singh Sahney and his relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the resolution for the approval of the members of the Company.

Item No.9:

The Company's Authorised Capital is presently Rs. 5 crore and would further increase the Authorised Capital by way of issuing Preference Shares to the tune of Rs. 50 crore. The total Authorised Capital shall stand increased to Rs. 55 crore. The Company wants to broaden the Capital base without diluting shareholding of the existing Equity Shareholders of the Company thus issuance of Preference Shares is a preferred mode to increase the Capital of the Company. This will result not only in broadening the Capital base of the Company but also strengthening the Balance Sheet of the Company.

None of the Board of Directors, Key managerial personnel of the Company or their respective relatives is in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the resolution for the approval of the members of the Company.

Item No. 10:

As per sub-rule (3) of Rule 9 and Clause (d) of Sub-rule2 of Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 the disclosure required is as under:

Name of the Proposed allottee	Mr. Trilochan Singh Sahney
% of Subscription by Proposed allottee	100%
Issue Size	Rs. 50 Crore
Number of Preference shares	5 Crore preference share.
Nominal Value of each share	Rs. 10/- each
Nature of Preference share	Cumulative, Non-participating and Non-convertible Preference shares.
Objective of the Issue	To repay loans of the Company and for other Working Capital requirements of the Company.
Manner of issue of shares	Private Placement basis
Price at which such shares are proposed to be issued	Rs. 10/- each
Basis on which such shares are proposed to be issued	As per the valuation done by MOK & Associates, Chartered Accountants.
Relevant date with reference to which the price is arrived at.	May 28, 2015
Class or class of person to whom the allotment is proposed to be made	Promoter Shareholder of the Company.
Intention of promoters, Directors or Key Managerial Personnel to subscribe to the Offer	Promoter Director would subscribe to the Offer.
Proposed time within which the allotment shall be completed	Within 6 months of passing of members resolution.

No. of persons to whom already allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	Nil.
Expected Dilution in Equity Share Capital upon conversion of preference shares.	Nil.
Change in Control, if any.	No Change in Control.
Terms of Issue & Rate of Dividend	Preference Shares shall rank prior in respect to payment of Dividend or redemption amount compared to equity shareholders of the Company without having voting powers and that in the event of winding up right over the equity shareholders in participation of surplus funds, surplus assets and profits of the Company Annual preference dividend of 6% post tax expenses.
Terms of Redemption	Rs. 15 Crore each at the end of 3rd and 4th Year & Rs. 20 Crore at the end of 5th Year.
Manner and mode of redemption	As stated above.
Current and post issue Preference Share-holding pattern of the Company.	As below:

Sr. No.	**Category**	**Pre-Issue**		**Post Issue**	
		No. of Preference Shares held	% of Shareholding	No. of Preference Shares Held	% of Shareholding
A	Promoter' Holding				
1	Indian:				
	Individual	0	0	5,00,00,000	100%
	Bodies Corporate	0	0	0	0
	Sub-Total	0	0	5,00,00,000	100%
2	Foreign Promoters	0	0	0	0
	Sub-Total (A)	0	0	5,00,00,000	100%
B	Non-Promoters' Holding:				
1.	Institutional Investor	0	0	0	0
2.	Non-Institutional:				
	Private Corporate Bodies	0	0	0	0
	Directors and Relatives	0	0	0	0
	Indian Public	0	0	0	0
	Others (Including NRIs)	0	0	0	0
	Sub-Total (B)	0	0	0	0
	GRAND TOTAL	0	0	5,00,00,000	100%

Company's Equity Shareholding pattern as on March 31, 2015 is as follows:

Category	No. of Shares Held	Percentage
Promoters & Promoters Group		
Individuals	78,06,944	32.22
Trust	94,38,910	38.95
Banks / Mutual Funds / UTI	10,543	0.04
Public & Others		
Bodies Corporate	19,33,581	7.97
Individuals & Others	50,40,672	20.82
Total	**24230650**	**100**

Registered Office:
Dhannur, 2nd floor, 15,
Sir P.M. Road, Fort,
Mumbai – 400 001

By the Order of the Board of Directors
For **NRB Industrial Bearings Limited**

Pravin Jogani
Company Secretary

Dated: May 28, 2015

ANNEXURE TO ITEM NOS. 2, 4, 5 & 6 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General meeting
(in pursuance of Clause 49 of the Listing Agreement)

As on march 31, 2015				
Name of Director	Mrs. Harshbeena Sahney Zaveri	Mr. Ashish Chugani	Mr. Kaushal Aggarwal	Mr. Manish Choksi
Date of Birth	01/03/1960	18/09/1966	20/09/1973	12/09/1967
Nationality	INDIAN	INDIAN	INDIAN	INDIAN
Date of First Appointment on the Board	12/10/2011	12/04/2014	12/04/2014	02/05/2014
Qualifications	Graduate from Magna cum Laude from Wellesley College, USA.	M. Com from Mumbai University; and MBA from Duke University	B-Tech from IIT Delhi; and MBA from IIM, Bangalore	Bachelor of Chemical Engineering; and MBA from Houston Universtity, USA
Expertise in specific functional Areas	General management; TPM & Quality; and Strategic Planning.	Private Equity; Venture Capital; Investment Banking; and Commercial Banking.	Investment Banking.	Sales; Marketing; Engineering; Strategic Planning; Information Technology; and Supply Chain Management.
No. of Shares held in the Company	11,15,416 (4.60%)	NIL	NIL	NIL

List of Directorships held in other Companies	1) NRB Bearings Limited; 2) SNL Bearings Limited; and 3) Karan Chand Thapar & Bros. (Coal Sales) Limited	1) Club 7 Holidays Limited; and 2) Expressit Logistics Worldwide Limited;	1) Mahindra Sona Limited	3) Ricinash Oil Mills Ltd.; 4) Maxbhumi Developers Ltd.; and 5) ELF Trading Chemicals Mfg. Ltd
Chairman/Member in the Committee of the Boards of Companies in which he is a Director	Member of Audit Committee and Stakeholders Relationship Committee in NRB Bearings Ltd. and SNL Bearings Ltd.	Nil	Nil	Chairman of Audit Committee of Ricinash Oil Mill Ltd.
Terms and Conditions of Appointment/re-appointment	As per Section 149 of Companies Act, 2013.	As per Section 149 of Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the Stock Exchanges in India.	As per Section 149 of Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the Stock Exchanges in India.	As per Section 149 of Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the Stock Exchanges in India.
Remuneration paid (Paid in the last year)	Rs. 60,000/- Sitting fees paid.	Nil	Nil	Nil
Relationship with other Directors	Related to Mr. T.S. Sahney and Mr. Devesh Singh Sahney	Not Applicable	Not Applicable	Not Applicable
No. of Board Meetings attended in FY 2014-15	5	5	4	4
Directorships includes Directorships of other Indian Public Companies and committee memberships includes Audit Committee and Stake Holders Relationship Committee of Public Limited Company (whether Listed or not) except NRB Industrial Bearings Limited.				

DIRECTORS' REPORT

To,
The Members,
NRB Industrial Bearings Limited,
Mumbai

Your Directors take this pleasure to present the 4th Annual Report of NRB Industrial Bearings Limited for the period January 01, 2014 to March 31, 2015.

1. FINANCIAL PERFORMANCE:

A summary of the Company's Financial Performance during the Financial Year:

(Rs. in Lac)

Particulars	FY 2014-15	FY 2012-13
Total Revenue for the Year	3871.29	3154.97
Profit/(Loss) before Depreciation, Exceptional Items and Taxes	(1541.52)	(1922.40)
Depreciation and Amortization Expenses	873.94	693.47
Profit/(Loss) before exceptional item	(2415.46)	(2615.87)
Exceptional Item	453.44	192.85
Profit/(Loss) before Tax	(1962.02)	(2423.02)
Tax expenses	Nil	(106.12)
Balance carried forward to General Reserve	(4280.62)	(2318.60)
EPS		
- Basic	(8.10)	(9.56)
- Diluted	(8.10)	(9.56)

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, which is still effective in respect of Section 133 of the Companies Act, 2013 read with Rule 7 of The Companies (Accounts) Rules, 2014. The Company discloses standalone financial results subject to Limited Review by the Statutory Auditors of the Company in each quarter and Audited Financial Results on Annual Basis for the Period January 01, 2014 to March 31, 2015.

2. OPERATIONS OVERVIEW :

Your Company's turnover stood at Rs. 3871.29 Lac for the period ending March 31, 2015 as against Rs. 3154.97 Lac in the previous year. The Exports Turnover of your Company was Rs. 935.86 Lac as against Rs. 542.80 Lac.

The Company manufactures Bearings for Industrial applications viz. Ball Bearings, Needle Cages, Needle Bearings, Needle Thrust Bearings, Cylindrical Roller Bearings, Spherical Roller Bearings, Camfollowers, Wide Inner Ring Bearings & Housed Units etc. There has been no change in the nature of Business activities of the Company.

3. FINANCIAL YEAR :

This report of Directors along with its Annexure, Management Discussion and Analysis, Corporate Governance Report, Financial Statements alongwith their Notes are prepared for the period January 01, 2014 to March 31, 2015 (a period of 15 months). Pursuant to the provisions of Section 2(41) of the Companies Act, 2013, a 'financial year' in relation to the Company means the period ending on the 31st day of March every year, in respect whereof financial statement of the Company is made. Your Company in order to comply with the provisions of the Companies Act, 2013 and has extended this financial year for a period of 15 months.

4. AWARDS & RECOGNITIONS:

The Company's Research & Development Facility at the Factory Premises has now been recognized by the Department of Scientific & Industrial Research, Ministry of Science and Industry, Government of India.

Company Factory premises won the award for outstanding Structure from Aurangabad Association of Civil Engineers.

Sliver Performance for CCQC-2014, by Quality Circle Forum of India, Aurangabad Chapter.

5. SHARE CAPITAL:

During the period January 01, 2014 to March 31, 2015, there is no change in the Issued and Subscribed Capital of your Company. The Share Capital Audit as per the directives of the Securities and Exchange Board of India (SEBI) is being conducted by AJS & Associates, Practicing Company Secretaries. The Equity Shares of your Company are listed on following Stock Exchanges in India viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has entered into Listing Agreement with the respective Stock Exchanges. As per Clause 47 of the Listing Agreement, the said Share Capital Audit reports are duly forwarded to the Stock Exchanges where the Company's' Equity Shares are Listed.

6. DIVIDEND:

Your Directors do not recommend any Dividend for the period under review due to Losses made by the Company.

7. PUBLIC DEPOSITS:

Your Company has neither invited nor accepted any public deposits during the period under review.

8. DIRECTORS:

In accordance with the provisions of the Section 152 Companies Act, 2013 read with applicable Rules, if any, Ms. Harshbeena Sahney Zaveri, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for a re-appointment.

During the period under review Mr. Ashish Chugani, Mr. Kaushal Aggarwal and Mr. Manish Choksi were appointed as Additional Independent Director of the Company. Mr. Shailesh Sheth, Mr. Pankaj Baliga and Mr. Daljit Mirchandani's ceased to be Directors during the year under review. The Board placed on record its appreciation for the valuable contributions made by the ceased Directors of the Company.

9. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state and confirm as under:

a) That in the preparations of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) That your Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d) That the Directors had prepared the Annual Accounts on a going concern basis.

10. STATUTORY AUDITORS:

The Statutory Auditors of the Company are Deloitte, Haskins & Sells, Chartered Accountants with a ICAI Firm Registration No. ICAI117365W have audited the Financial Statements of the Company for the period January 01, 2014 to March 31, 2015. The Statutory Auditors were appointed by the members of the Company at the 3rd Annual General Meeting of the Company held on April 11, 2014 to audit the Financial Accounts of the Company. Their term in the office of Statutory Auditors concludes at the ensuing Annual General Meeting and pursuant to provisions of Section 139 of the Companies Act, 2013 read along with the applicable rules framed thereunder, M/s. Deloitte, Haskins & Sells are eligible for re-appointment.

M/s. Deloitte, Haskins & Sells have expressed their willingness to get re-appointed as the Statutory Auditors of the Company and vide a letter dtd. May 28, 2015, have furnished a certificate of their eligibility and consent under section 141 of the Companes Act, 2013 and the rules framed thereunder to hold the office of Statutory Auditors of the Company. As per the requirements of Clause 41 (I) (h) of the Listing Agreement, M/s. Deloitte, Haskins and Sells have vide letter dated. May 28, 2015 confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Board on recommendation of Audit Committee have recommended you, the members of the Company, for appointment of M/s. Deloitte, Haskins & Sells as the Statutory Auditors of the Company for a term of 3 years pursuant to Section 139 of the Companies Act, 2013.

11. COST COMPLIANCE REPORT:

The Companies (Cost Accounting Records) Rules, 2011 dtd. June 03, 2011 issued by Ministry of Corporate Affairs is applicable for the Company and that the Company shall file a Cost Compliance Report with the Central Government in the prescribed form for the period under review.

12. HUMAN RESOURCE AND TRADE RELATIONS:

The Company's biggest asset is its Employees which lays strong foundation and forms a strong pillar to drive the growth of the Company. The Company counted its talent pool of 263 employees as on March 31, 2015 which are its greatest assets. To foster Business growth, HR Strategy is aimed at integrating organisational effectiveness. The Company has a Policy in place which is approved by the Board of Directors under the relevant provisions of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". During the period under review, no complaints received under this Policy. The statement under section 217(2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules, 1975 forms part of this Report. However, pursuant to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the reports and Accounts are being sent to the members and those entitled thereto, excluding the statement of particulars of employees. The Annexure is available for inspection by the members at the Registered Office of the Company during business hours on working days upto the date of ensuing Annual General meeting. Any member may obtain a copy of the said statement by writing to the Company Secretary at the Registered Office of the Company.

Your Company, despite severe competition and challenging business environment, maintained healthy, cordial and harmonious relations with all the stakeholders. Your Company has continued to receive enormous support not only from Employees, Dealers, Customers, Distributors and of the Company but also from the Suppliers and Vendors of the Company. Your Directors place on record their appreciation for the continued support to all the stakeholders of the Company. Your Company will be committed to continue build strong network in dealing with all stakeholders on principles of co-operation, respect and mutuality keeping Shareholders and community at large at its forefront.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis under the requirements of Clause 49 of the Listing Agreement is annexed and forms integral part of this Annual Report.

14. CORPORATE GOVERNANCE:

A separate Section on Corporate Governance under the requirements of Clause 49 of the Listing Agreement, alongwith the Certificate of Practicing Company Secretary confirming Compliance is annexed and forms integral part of this Annual Report.

15. CORPORATE SOCIAL RESPONSIBILITY:

Your Company firmly believes in "inclusive growth" improving the quality of life of the people we touch and in communities where we operate. Your Company's Employees had participated in the Blood Donation Camp organized by Dattaji Bhale Blood Bank, Aurangabad.

16. CAUTIONARY STATEMENT:

Statements in this Report, Management Discussion and Analysis, Corporate Governance, Notice to the Shareholders or elsewhere in this Annual Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statement' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the Market conditions and circumstances.

17. DISCLAIMER:

The Ministry of Corporate Affairs vide Circular No. 8/ 2014 dtd. April 04, 2014 had clarified that the financial statements (and documents required to be attached thereto), auditors report and Board's report in respect of financial years that commenced earlier than 1st April 2014 shall be governed by the relevant provisions/ Schedules/rules of the Companies Act, 1956. Your Directors have prepared this report, Corporate Governance Report and Financial Statements as per the relevant provisions/Schedules/rules of the Companies Act, 1956 and as a matter of good governance, to the extent possible, information is provided under the new Act.

18. APPRECIATION:

Your Directors wish to place on records their sincere appreciation to all the Employees of the Company for their untiring efforts, efficient work management, loyal services, commitment and dedication that developed the culture of professionalism. Your Directors also thank and express gratitude to the Company's Customers, Vendors and Institutions. Your Directors also wishes to express deep sense of gratitude to the all our Bankers, Central and State Governments and their departments and the local authorities for the continued support.

Your Directors register sincere appreciations to the Shareholders of the Company for keeping faith and confidence reposed in us.

ANNEXURE 1 TO THE DIRECTORS REPORT:

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors Report for the year ended March 31, 2015.

Conservation Of Energy:

a) Energy Conservation measures taken:

PROJECT STAGE:

i) The concept of PEB (pre-engineered building) was implemented for the structure of Main Plant Building where on the roof the galvanized sheets were interspersed with transparent polycarbonate sheets to allow sufficient illumination by natural light during daytime.

ii) Usage of LED fixtures across all offices of the Administration Block and Plant ensure energy consumption of around 25-30% as compared to conventional & CFL types.

iii) In the machine shop the bay lighting was done by 170 fixtures with each one comprising 4X 28Watts fluorescent lamps & reflector and providing equivalent illumination at 40% less consumption of energy.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

i) The application to reduce connected load from 2500 KVA to 1600 KVA had been submitted to Electricity Board based on current usage which if approved will in turn reduce maximum demand (MD).

ii) The furnace in Heat Treatment section is operated based on available load and is closed down once the monthly schedule is completed thereby saving 1700 units/day(INR14000).

iii) Proposed to conduct energy audit in this current financial year covering all machineries of the plant to determine the actions necessary to reduce consumption of energy.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: NA

d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto:

Form A: Power and fuel Consumption

1. Electricity

Purchased	**Current Year (2014-15)**	**Previous Year (2013-14)**
Units, KWh	3359168	3823583
Total amount (Rs.)	2,61,20,890	2,68,79,789
Rate/unit, Rs. per KWh	7.776	7.037
Own Generation		
(1) Through Diesel Generator		
Unit, KWh	11659	22633
Diesel Oil consumed (litre)	3774	7600
Generation, KWh per litre	3.08	2.978
(2) Through Steam turbine/generator		
Propane gas consumption (tons)	12.02	16.6
Tons of steel heat treated per ton of propane gas consumed	14.40	15.66
Propane gas cost/ units, Rs. Per ton of steel heat treated	56572.38	85789.22
B. Consumption per unit production		
	Standard (Current Year)	Pevious Year
Production of Bearings (in Lac)	2635.32	3215.585
Electricity (purchased and own generation), KWh consumed per Lac. of Bearings produced	0.01279	0.01196
HT Furnace production, (in Ton)	173.1	260
Propane Gas Consumption (in Ton)	12.02	16.6

Technology Absorption:

Form B:

a) Specific areas in which R&D carried out by the Company:

1. New Product development
2. Technology improvement
3. Product optimization
4. Change in product for new application
5. New method in twist free grinding of races

b) Benefits derived as a result of the above R&D:

1. Developed 35 numbers of products to enhance business in new application and new customer base.
2. Additional source of earnings
3. Improved product quality

c) Future Plan of action:

1. 75 numbers of new product to develop
2. Combine bearing to develop to enhance the product types

3. New range of Spherical roller bearing to develop to enhance the range
4. Design optimization
5. In-house product testing equipment to install

d) Expenditure on R&D:

1) Capital:- FY: 2014-15 - Rs. 1.31 Lac, PY: Rs. 143.65 Lac
2) Recurring:- FY: 2014-15 - Rs. 110.28 Lac, PY: Rs. 123.45 Lac
3) Total:- FY: 2014-15 - Rs. 111.59 Lac, PY: Rs. 267.10 Lac
4) Total R&D expenditure as a percentage of total turnover:- FY 2014-15 : 3%, PY: 9%

Technology, absorption, adaption and innovation :

a) **Efforts, in brief, made towards technology absorption, adaption and innovation:**

We made effort to absorb the new technology in two areas :

1. Adopt the new process in roller grinding to provide special profile on outer surface. For that we trained one engineer in Germany; we absorbed the technology and implemented the same.
2. We learned our selves EGS technology (Twist free grinding technology) with the help of our customer and implemented the same.

b) **Benefits derived as a result of the above efforts eg. Product improvement, cost reduction, product development, import substitution, etc:**

1. To produce special profile rollers, imported toolings were used for grinding the rollers profile; now we design and produce the same in-house that save the tooling cost and development time.
2. Learning the EGS technology opened the new segment of business.

c) **In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial year), following information may be furnished:**

1) Technology imported: 1
2) Year of Import: 2012
3) Has technology been fully absorbed: Yes
4) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action:

Foreign Exchange earnings and outgo:

a) Total Foreign Exchange earnings: FY 2014-15 Rs. 935.87 Lac, PY: Rs. 542.80 Lac

b) Total Foreign Exchange outgo: FY 2014-15 Rs. 46.08 Lac PY: Rs. 227.02 Lac

For and on behalf of Board of Directors

T. S. Sahney	**D.S. Sahney**
Chairman	**Managing Director**
(00003873)	**(00003956)**

Dated: May 28, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

I. Outlook / Business Overview :

A political mandate for reform and a benign external environment have created a historic moment of opportunity to propel India onto a double-digit growth trajectory. Decisive shifts in policies controlled by the Centre combined with a persistent, encompassing, and creative incrementalism in other areas could cumulate to Big Bang reforms.

This times around in last year, outlook for FY 15, a gradual policy environment, revival of large stalled projects and most importantly a stable Government at the Centre. Although this trajectory has largely played out, when we look across an array of economic indicators, mixed signals continue to prevail. On one hand, CPI inflation has edged lower, CAD has narrowed and the rupee is displaying remarkable resilience, while on the other, industrial production remains insipid, credit off take is weak and growth in core sector has slumped to a 16-month low. Business confidence has eased from the 'stable Government' driven high witnessed at the start of the fiscal.

We would consider this as a glass half full in view of the modest slowing evident in economic momentum. This is because even as the pace of reforms has been slower than what was initially expected, a start has indeed been made. A number of proactive steps have been taken that include easing of FDI norms, fast-tracking environmental nod, passing the Mines and Minerals (Development and Regulations) Act, stepping up on public investments in infrastructure and cutting red tape amongst others. These changes in economic incentives are starting to bear fruit. Early signs of gradual pickup in investment demand are visible. Stalling of projects has started to decline while new investment announcements are growing substantially.

These initiatives are certainly adding luster to the picture but are not sufficient to propel the economy too far ahead. Many more such structural bottlenecks to infrastructure and manufacturing growth will have to be addressed in order to grease the wheels of the expansion. A nervous wait lies ahead. The big question that now lingers is how the economic landscape would like in FY16.

The steady acceleration in manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the buoyancy in domestic demand can be traced to consumption. Investment activity, which is slowly picking up, needs to be grounded on a stronger footing.

Real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15.

Amidst the not so encouraging data sets, the newly estimated data for India's output based on the revised methodology has set a mystery for India's growth story. The GDP at current market prices for India according to new methodology for FY14 stands at Rs. 113.45 tn (growth of 13.6%) while according to the old estimates its stands at slightly higher level at Rs. 113.55 tn with a growth rate of 12.3%. However, the estimation on gross value added at basic prices basis shows higher growth rate of 6.6% during FY14, indicating a recovery phase from FY14, (compared to 4.7% as per the old estimates) when the disaggregated macroeconomic indicators point otherwise.

In the light of the Government's expected commitment to reforms, along with the improvements in the price and external sector scenarios, the outlook for domestic macroeconomic parameters is generally optimistic, notwithstanding the uncertainties that could arise from situation prevailing in Greece within Euro-zone. Given the above, impetus to higher exports for Indian products and services, a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

The performance of listed manufacturing companies in the private sector in terms of growth of sales and net profit appeared to turn around in Q1 2014-15. However, the performance in Q2 2014-15 dampened expectations of sustained improvement. There is no discernible improvement in capacity utilization in the first two quarters of 2014-15.

All the other major industrial sectors except some have witnessed slowdown in the growth of credit in 2014-15 as compared to 2013-14. The growth of credit flow to the manufacturing sector at 13.3 per cent in 2014-15 is lower than the growth of 25.4 per cent in 2013-14.

The manufacturing sector continues to remain tepid, registering growth of 1.2 per cent in April- December 2014-15. The low growth in manufacturing is mainly due to high rate of interest, infrastructure bottlenecks, and low domestic and external demand.

The year FY15 has witnessed a series of policy reforms that was long pending and stuck amidst administrative hurdles. Some of the initiatives of the new government in the industrial sector such as; Skill Development, easing of FDI norms in sectors including insurance, Streamlining Environment and Forest Clearances and Labour Sector Reforms. The Government at Centre has laid emphasis on rapidly improving ease of doing business and launching fresh initiatives like Make in India, creating a National Industrial Corridors Authority. To overcome critical constraints holding up use of land and natural resources, action has been taken by the Government to remove regulatory uncertainty by passing necessary Act / Laws to streamline the ease of doing business in India.

While it seems that the government's approach has been to undertake a series of smaller steps instead of a few big-bang announcements, the focus has been multi-directional, with emphasis on governance and easing different processes. This has clearly set the stage for bigger initiatives to follow.

The Company's primary business is manufacturing of Industrial Bearings which caters to the requirements of the Industries. The Company has more than 200 types/sizes of bearing in its Product itenary for Industrial segment and is growing.

II. Financial Condition:

Sources of Funds

1. Share Capital

At present, we have only one class of shares – equity shares of par value Rs. 2/- each. Our authorized share capital is Rs. 5 Crore, divided into 2.42 Crore Equity Shares of Rs. 2/- each. The issued, subscribed and paid up capital stood at Rs. 2.42 Crore as at March 31, 2015.

2. Reserves and Surplus

The balance of Capital Reserve as at March 31, 2015 amounted to Rs. 5700 Lac. General Reserve of the Company for the financial year ended March 31, 2015 stood at Rs. 1419.54 Lac.

Shareholders Fund stood at Rs. 1904.15 Lac decreased from 3866.17 Lac y-o-y basis.

3. Fixed Assets

Additions to gross block

During the year, we capitalized Rs. 985.19 Lac to our gross block comprising Rs. 266.90 Lac for Infrastructures investments including Land & Buildings, Rs. 644.57 Lac on Plant and Equipments, Rs. 24.4 Lac on Furniture and Fixtures, Electric Installations and Computer Software.

Deductions to gross block

During the year, we deducted Rs. 49.07 Lac from the gross block on disposal of various assets, which includes Land & Buildings, Plant & equipments, Furniture & Fixtures.

4. Deferred tax assets / liabilities

Deferred tax asset primarily comprise deferred taxes on fixed assets, unavailed leave, trade receivables, accrued compensation to employees and other provisions which are not tax-deductible in the current year.

5. Trade receivables

Trade receivables amounted to Rs. 767.07 Lac as at March 31, 2015 compared to Rs. 770.63 Lac as December 31, 2013. Debtors are at 19.81% of revenues for the year ended March 31, 2015, compared to 24.43% as December, 2013.

6. Cash and cash equivalents

The bank balances in India include both rupee accounts and foreign currency accounts. The bank balances in overseas accounts are maintained to meet the expenditure of the overseas operations.

Deposits with financial institutions represent surplus money deployed in the form of deposits.

7. Loans and advances and other non-current assets

The following tables give the details of our long-term and short-term loans, advances and other non-current assets.

Loans and advances

(Rs. In Lac)

Particulars	31st March, 2015	31st December, 2013
Capital advance	31.14	161.34
Security deposits	45.22	44.59
Total	76.35	205.93

Capital advances represent amount paid in advance on capital expenditure.

Non-current Investments

The Company has invested 42,00,000 equity shares of Rs. 10/- each comprising 35% of paid-up capital in its associate viz. NRB-IBC Bearings Private Limited for the year ended 31st December, 2013.

Further there's No change for the year ended 31st March, 2015.

8. Liabilities

Long term Liabilities

(Rs. In Lac)

Particulars	31st March, 2015	31st December, 2013
Secured Term Loan	2481.38	5703.36
Other Loan	29.57	8.53
Total	2510.95	5711.89

Explanation to be provided below

Term Loan from Bank

(a) Rs. 4224.88 Lac (Previous period Rs. 7162.37 Lac) secured by first charge over immovable fixed assets (leasehold land and buildings thereon) of the Company and its movable plant & machinery, furniture & fixture and other movables at Shendra (near Aurangabad). The term loan is repayable in remaining 7 equal quarterly installments by November 2016. Interest rate swap taken to convert floating interest rate of LIBOR+300 under the loan agreement into fixed interest rate of 6.45% p.a.

(b) Rs. 938.86 Lac (Previous year 928.45) to be secured by security stated in (a) above. The term loan is repayable by September 2018 in 14 equal quarterly installments commencing from June 2015 and carries floating interest rate of LIBOR+350 bps. The present rate of interest is 3.74%.

Term loan from others

(a) Rs. 36.86 Lac (previous period Rs. 10.29 Lac) secured by hypothecation of a vehicles. The term loan is repayable in remaining 42 equal monthly installments by September, 2018 .The present rate of interest is 10.71%.

(b) Rs. 28.80 lac (previous period Rs. Nil) secured by hypothecation of a vehicle. The term loan is repayable in remaining 60 equal monthly installments by April, 2020 .The present rate of interest is 12.75%.

Short term Liabilities

(Rs. In Lac)

Particulars	31st March, 2015	31st December, 2013
Maturities of Long Term Debt	2689.65	2389.22
Interest accrued but not due on borrowings	42.30	74.46
Other Payable	357.03	1488.22
Total	3088.98	3951.90

Other Payables includes – payables on purchase of fixed assets, statutory remittances (Contribution to PF, PT, Withholding Tax, Service Tax, VAT, Excise Duty etc.), Advance received from customers, advance against assignment of certain Rights, Premium on call Spread.

9. Provisions

Short term provisions for the previous financial year ended 31st December, 2013 was Rs. 6.61 Lac compared to Rs. 9.09 Lac for the financial year ended 31st March, 2015.

10. Revenue from Operations

The classification of the Statement of Profit and Loss is as follows: (Rs. In Lac)

Particulars	31st March, 2015	31st December, 2013
Revenue from Operations	3,871.29	3,154.97
Expenses	(3751.83)	(2,706.88)
Other Expenses	(1696.18)	(2,370.49)
Depreciation and amortization	(873.94)	(693.47)
Operating Loss before Exceptional items and Tax	(2415.46)	(2,615.87)
Exceptional Items	453.44	192.85
Loss Before Tax	(1962.02)	(2,423.02)
Tax Expenses	-	(106.12)
Loss after Tax	(1962.02)	(2,316.90)

III. Environment, Health & Safety

Environment, Health and Safety (EHS) is one of the primary focus areas for your Company. Minimisation of water consumption, effluents generation and hazardous waste through reduction at source has been a key focus area at the factory of your Company. Your Company also gives priority and attention to the health and safety of its employees and trains all the employees.

IV. Human Resources

As always, people development continues to be an extremely important area in your Company. Anchoring developmental conversations at every level and ensuring that all managers are skilled in holding developmental conversations has been an area of focus.

Your Company now has a pool of internal coaches, trainers and facilitators, and employees across functions dip into this resource for their development.

V. Opportunities and Threats

The initiative taken by the Government of India on its flagship Make in India drive is a huge game changer for the Company. Your company has a big market share available in all the product categories. New product development in the in house R&D Centre will expand the portfolio of the product offerings. The R&D centre could cater to customized demands of the customers. While the slow economy remains as worry coupled with the competition with local players and unorganized sector.

VI. Segment wise performance

Your Company has a single reportable segment of Industrial Bearings as the primary business segment for the purposes of Accounting Standards -17. The assets and liabilities of the Company are all expended towards this business segment.

VII. Risks and concern

The changes in the Business environment during the year and the slowdown in the economy domestically led to slow demand of the company's products. Financial risks over the interest rate, currency fluctuations and liquidity risks have been managed through continuously monitoring them and taking effective steps to mitigate those risks.

VII. Internal control systems and their adequacy:

The management has devised its Internal Control Systems to safeguard its assets, controlling costs, efficiency in operations, compliance of statutes, effective management of working Capital. These systems are designed keeping in mind the Business plans and overall growth of the company and its stakeholders.

For and on behalf of Board of Directors

	T. S. Sahney Chairman (00003873)	D.S. Sahney Managing Director (00003956)
Dated: May 28, 2015		

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with Stock Exchanges.

1. The Company's philosophy on code of Corporate Governance:

Your Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices. Integrity, transparency, accountability and compliance with laws which are the pillars of good governance are maintained in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

Your Company is committed to sound principles of Corporate Governance with respect to all of its procedures, policies and practices. The governance processes and systems are continuously reviewed to ensure highest ethical and responsible standards being practiced by your Company. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way the business is done.

Your Company's Corporate Governance philosophy is based on the following principles:

- Corporate governance standards should go beyond the law and satisfy the spirit of law, not just the letter of law
- Ensure transparency and maintain a high level of disclosure
- Ensuring a timely and accurate flow of information at various organizational levels in general and to the Board and its various committees in particular.
- Comply with the laws of the territory where we operate
- The Management is the trustee of the shareholders capital and not the owner
- Being Ethical Corporate Citizenship, which means that setting exemplary standards both internally within the organization, as well as in external relationships.
- Fair and equitable treatment of all its stakeholders, including employees and shareholders.

The company is in full compliance with the requirements of clause 49 of the Listing Agreement with the Indian Stock Exchanges, the disclosure are as follows.

2. Board of Directors:

(a) Composition:

Yours Company's Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals. Executive Directors, do not generally exceed one-third of the total strength of the Board. The Governance Policy requires that the Non-Executive Directors, including Independent Directors, be drawn from amongst eminent professionals with experience in business / finance / law / public administration and enterprises. Directors are appointed / re-appointed with the approval of the Shareholders. All Directors (except Independent Directors and ex-officio Directors) are liable to retire by rotation unless otherwise approved by the Shareholders or provided under any statute.

As on date the present strength of the Board is six, of which one Managing-Director of the Company, one Non-Executive Chairman, one is Non-Independent Non-Executive Director and three Independent Directors.

The Board of Directors is constituted with appropriate combination of Independent, Non-Independent directors as per revised clause 49 effective from 1st October, 2014 of the Listing Agreement with the Stock Exchanges.

Composition of the Board as on 31st March, 2015:

Particulars	Category	No. of Other Company Directorships	No. of Membership(s) [including Chairmanship(s) of Board Committees of other Companies
Mr. Trilochan Singh Sahney	Chairman / Non-Executive	5	Nil
Mrs. Harshbeena Sahney Zaveri	Non Executive	7	9
Mr. Devesh Singh Sahney	Executive	3	2 (including 1 as Chairman)
Mr. Kaushal Aggarwal	Independent	4	2 (as a Member)
Mr. Manish Choksi	Independent	7	2 (as a Chairman)
Mr. Ashish Chugani	Independent	6	Nil

Mr. Devesh Singh Sahney and Ms. Harshbeena Sahney Zaveri are son and daughter respectively of Mr. Trilochan Singh Sahney.

Ceasation of Directos during the financial year:

Mr. Daljit Mirchandani has ceased to be Director of the Company with effect from 14th February, 2014.

Mr. Pankaj Baliga and Mr. Shailesh Sheth have resigned from the post of Board of Directors of the Company with effect from 11th April, 2014.

The Board places an immense gratitude to the above Directors who have guided the Company this so far.

Directors Appointed during the financial year:

Mr. Ashish Chugani & Mr. Kaushal Aggarwal were appointed as Additional Directors on the Board of the Company with effect from 12th April, 2014.

Mr. Manish Choksi were appointed as Additional Directors on the Board of the Company with effect from 2nd May, 2014.

Board Training and Familiarisation Program

At the time of appointing a Director, a formal letter of appointment is given. The Directors are familiarised with the History, Vision and Mission of the Company and also explaned in details the compliances required from them under Companies Act, 2013, Clause 49 of Listing Aggrement and other relevant regulations. The Managing Director also had a one-to-one discussion with the newly appointed Director. The above initiative helps the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips them to effectively fulfill his role as a Director of the Company.

Board Meeting & Procedures:

Number of Board Meeting & Attendance

During the financial year ended 31st March, 2015, seven (7) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed four (4) months. Board Meetings were held on 18th January, 2014; 28th February, 2014; 10th April, 2014; 2nd May, 2014, 5th August, 2014, 5th November, 2014; 10th February, 2015.

Details of attendance at the Board meetings and the last Annual General Meeting (AGM):

Particulars	Attendance at the Board Meeting Held on							Attendance at the AGM Held 11th April, 2014
	January 18, 2014	February 28, 2014	April 10, 2014	May 02, 2014	August 05, 2014	November 05, 2014	February 10, 2015	
*Pankaj Baliga	✔	Leave Of Absence	✔	NA	NA	NA	NA	NA
*Daljit Mirchandani	✔	NA	NA	NA	NA	NA	NA	NA
Trilochan Singh Sahney	✔	✔	✔	✔	✔	✔	✔	✔
Harshbeena Sahney Zaveri	✔	Leave Of Absence	✔	✔	✔	✔	✔	Leave Of Absence
Devesh Singh Sahney	✔	✔	✔	✔	✔	✔	✔	✔
*Shailesh Sheth	✔	Leave Of Absence	✔	NA	NA	NA	NA	NA
$ Kaushal Aggarwal	NA	NA	✔	✔	✔	✔	Leave Of Absence	NA
^ Manish Choksi	NA	NA	NA	✔	✔	✔	✔	NA
$Ashish Chugani	NA	NA	✔	✔	✔	✔	✔	NA

* Mr. Daljit Mirchandani Ceased to be Director w.e.f 14th February, 2014.

* Mr. Pankaj Baliga and Mr. Shailesh Sheth have resigned from the position of Directorship of the Company w.e.f 11th April, 2014.

$ Mr. Kaushal Aggarwal and Mr. Ashish Chugani were appointed on the Board w.e.f 12th April, 2014.

^ Mr. Manish Choksi was appointed on the Board w.e.f 2nd May, 2014

Procedures :

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of a Director in Board / Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, progress of major projects and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in the revised Clause 49 of the Listing Agreement effective from 1st October, 2014 to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

A detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board discharge its responsibilities effectively.

The dates of meeting were generally decided well in advance, enabling the Director to keep the day reserved for the meeting.

b. Profile of Directors :

1. Mr. Trilochan Singh Sahney :

He is a Post-Graduate having secured his degree of Master of Arts from University School of Economics and Sociology, Bombay. He is an Alumni of International Institute of Management Development - Lausanne (Switzerland) Mr. Trilochan Singh Sahney is Founder, Managing Director and later Chairman of NRB Bearings Ltd. He posse's vast experience in Bearings Industries in India and Abroad. He is well travelled within India and Abroad.

Member – Executive Committee:

- Indo French Chamber of Commerce & Industry (Past Vice-President)
- Indo German Chamber of Commerce;
- Textile Machinery Manufacturers Association (India) (TMMA).
- Ball & Roller Bearing Manufacturers Association of India (BRBMA) - (Past President).

2. Mr. Devesh Singh Sahney : Managing Director :

2005- Program for Management Development (Harvard Business School, (Comprehensive Leadership Course)

2003-(Executive) Masters in Business Administration, with a concentration in General Management; from the Asian Institute of Management (Philippines).

1992-Bachelor in Business Administration and Economics With a double concentration in Financial Accounting and International Business; from Richmond University, London.

Experience :

1992-Bachelor in Business Administration and Economics. With a double concentration in Financial Accounting and International Business; from Richmond University, London.

Recognition or awards :

After his Bachelors graduation from UK, Devesh worked with Larsen & Tubro (Bombay) in the Finance department, L&T is a technology, engineering, construction and manufacturing company; one of the largest and most respected companies in India's private sector. Followed by working with Credit Lyonnais, French Bank in Bombay in various departments.

He had won a Special Award for Leadership and gave the Valedictorian Speech during the graduation ceremony at

Philippines.

3. Ms. Harshbeena Sahney Zaveri :

She has graduated from magna cum Laude with Honours from Wellesley College, USA. She has 26 years of experience in the industry at NRB Bearings Ltd where she has held positions in the areas of Corporate Planning, Purchase and Imports, Marketing.

In December 2005, she was awarded the best CEO by the Quality circle Forum of India for her contribution for TPM and the Quality movement. In 2009 she received from Women Leaders in India (WIL) award as Leader in Manufacturing Sector. She has also been ranked amongst most powerful women in Indian business by various magazines during 2011 and 2013.

She also holds the respected position of president and member of various organizations across the Globe.

She created the strategic plan for NRB to become a supplier to global OEMs and the company has now become a front runner in the Indian and global markets with supplies to the world's foremost automotive companies in the European and American markets. Exports currently constitute over 25% of the turnover of the company.

In addition to her organizational responsibilities she is actively engaged with the Ball and Roller Bearing Manufacturers Association (BRBMA) as Past President and Executive Committee Member, Automotive Component Manufacturer's Association of India (ACMA) as Executive Committee Member, CII as Executive Member of Western Region Council and Maharashtra State Council, TPM Club in India as Board Member, Indo American Chamber of Commerce (IACC)as Member of Western India Council and Wellesley College, USA, Business Leadership Council as Member of President's International Committee.

4. Mr. Ashish Chugani :

Mr. Chugani has more than 20 years of experience in private equity, investment banking. Previously, MD-India of Cambridge Place Investment Management LLC.

Currently, Head-Private Equity Investing of Centrum Group joined Centrum in 2008.

He has over 20 years of experience spanning private equity, venture capital, investment banking and commercial banking of which 11 years have been directly in venture capital and private equity banking.

Prior to joining Centrum, he was MD of India Cambridge Place Investment Management LLC, a UK based investment management firm investing in equity and debt of financial services companies.

He has also been MD of Ankar Capital in India and before that MD of Antfactory India.

His areas of expertise include private equity investments and exits, early stage venture capital, distressed bank turnarounds, investing in consumer finance, real estate and infrastructure service companies and portfolio management.

He has led landmark deals such as turnaround of distressed bank – Centurion Bank, Shriram City Union Finance, Magma Fincorp and Customerasset, one of India's first BPO Companies which was sold to Firstsource.

He is a qualified MBA from Duke University and M.Com from Mumbai University.

Areas of expertise include :

- Private equity / Venture Capital Investments in technology / BPO, financial services, infrastructure & real estate.
- Post investment portfolio monitoring, mentoring and support.
- Managing and implementing exits.
- Fund raising for various investment strategies.

5. Mr. Manish Choksi :

Manish joined our Board w.e.f 12th April, 2014. He joined Asian Paints in 1992 and has held various posts across Sales, Engineering, Marketing in the Decorative and Industrial paint businesses and in his last position he was the Chief – Corporate Strategy & CIO and was responsible for corporate planning and information technology. In this position he guided Asian Paints strategic direction and as Chief Information Officer, he has spearheaded the move to leverage new IT solutions across the Extended Enterprise for growth and achieving improved business performance

He currently is a member of the Executive Council of Asian Paints group and is on the Board of several operating companies of Asian Paints group including the 17 year old automotive and industrial coatings joint venture with PPG Industries Inc, the world's largest coatings company.

He has been a catalyst for the company's foray into services such as painting / décor / home improvement solutions as well as new initiatives. In his current position he leads the company's entry into the Home Improvement, supply chain for coatings and information technology.

6. Mr. Kaushal Aggarwal :

Kaushal is one of the co-founders of the company and has spent the last fifteen years in the Indian financial services industry, concluding several marquee transactions in Investment Banking and Private Equity. He co-heads the Financial Advisory business and heads the financial sponsors group and structured finance operations.

Kaushal has been a speaker at several international conferences on Investment Banking, Private Equity, Venture Capital and other nuances of money raising and corporate strategy, and is a sought after though leader on M&A.

Kaushal holds an MBA from the Indian Institute of Management, Bangalore and a B.Tech in electrical engineering from Indian Institute of Technology, Delhi.

III. Committees of the Board :

Audit Committee

The Audit Committee of the Company acts as a supervisor to the Accounting system of the Company which it reports to the Board of Directors of the Company.

Our Audit Committee comprises of three (3) Independent Directors namely Mr. Kaushal Aggarwal (Chairman), Mr. Ashish Chugani and Mr. Manish Choksi and one (1) Managing Director viz. Mr. Devesh Singh Sahney. The terms of reference include:

- Reviewing of internal audit control and system with the management and internal auditors;
- Oversight of financial reporting process/disclosures and review of interim & annual financial statements before the Board approval;
- Periodic discussions with the Statutory Auditor of the Company (whether before or during or after the audit) on internal systems, nature and scope of audit, audit observations and areas of concern, if any;
- Review the outcome of internal investigations of material fraud, irregularity and failure of internal system;
- Review financial and risk management policy;
- To look into substantial defaults, if any, in payment to creditors and shareholder;
- In addition to the above, the committee may look into the matter pertaining to finance and accounts areas, as it may deem fit and for this purpose the Audit committee shall have full access to information contained in the contained in the record of the company and external professional advice, if necessary.

Attendances for the Audit Committee Meeting of the Company for the Financial Year are as follows:

Particulars	Attendance at the Audit Committee Meeting Held on				
	February 27th , 2014	May 2nd , 2014	August 5th , 2014	November 5th , 2014	February 10th , 2015
$ Kaushal Aggarwal	NA	✔	✔	✔	Leave of Absence
Devesh Singh Sahney	✔	✔	✔	✔	✔
^ Manish Choksi	NA	✔	✔	✔	✔
$Ashish Chugani	NA	✔	✔	✔	✔
*Pankaj Baliga	✔	NA	NA	NA	NA
* Shailesh Sheth	✔	NA	NA	NA	NA

* Mr. Pankaj Baliga and Mr. Shailesh Sheth ceased to be member w.e.f 11th April, 2014.

$ Mr. Kaushal Aggarwal were appointed Chairman w.e.f 12th April, 2014 and Mr. Ashish Chugani were appointed as member w.e.f 12th April, 2014.

^ Mr. Manish Choksi was appointed as member w.e.f 2nd May, 2014

A. Stakeholders Relationship Committee – (Constituted as Shareholders / Investors' Grievances & Share Transfer Committee)

As Companies Act, 2013 ('the Act') have come into force w.e.f 1st April, 2014; pursuant to Section 178 of the Act, your Company has re-constituted Shareholders / Investors Grievances & Share Transfer Committee to Stakeholders Relationship Committee.

The objective of the Committee is to look after various stakeholders' grievances and speedy disposal of the same.

The Committee consists of 3 Independent Directors of the Company namely: Mr. Manish Choksi, Mr. Ashish Chugani and Mr. Kaushal Aggarwal. Mr. Manish Choksi is the Chairman of the Committee.

Mr. Pravin Jogani, Company Secretary of the Company acts as the Secretary of the Committee and is the Compliance officer of the Company.

During the year under review the Company has not received any complaint and thus there were no meetings conducted for this committee.

B. Risk Management Committee

The Committee was formed on November 05, 2014 and comprises of Mr. Devesh Singh Sahney, Managing Director of the Company, being the Chairman of the Committee, Mr. Ashish Chugani, Independent Director and Mr. R.G. Mehendale, Chief Financial Officer of the Company.

C. Nomination & Remuneration Committee

As per Section 178 (1) of the Companies Act, 2013, every listed Company shall constitute a Nomination & Remuneration Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board. The Committee functions pursuant to provisions of Section 178 of the Companies Act, 2013.

The Nomination & Remuneration Committee comprises of three (3) Independent Directors and one (1) Non-Executive Director namely Mr. Ashish Chugani who chairs the Committee, Mr. Trilochan Singh Sahney, Mr. Kaushal Aggarwal, and Mr. Manish Choksi. The meeting of the Committee was held on 10th February, 2015 in which Mr. Kaushal Aggarwal was granted leave of absence.

The remuneration of Key Managerial Personnel, Senior Management and all the employees of the Company should be based on the Candidates' Qualifications, Working Experience, Domain Knowledge, the Economic Conditions as well as the Requirements of the Company and the Job Market Conditions in the employment area.

Remuneration Paid to Directors during the financial year ended 31st March, 2015 :

SN	Particulars	Amount
1	Mr. Trilochan Singh Sahney	NIL
2	Mr. Devesh Singh Sahney*	Rs. 81,16,898/-
3	Mrs. Harshbeena Sahney Zaveri	Rs. 60,000/-
4	Mr. Ashish Chugani	Rs. 30,000/-
5	Mr. Manish Choksi	NIL
6	Mr. Kaushal Aggarwal	NIL
7	Shailesh Seth	Rs. 20,000/-
8	Pankaj Baliga	Rs. 20,000/-
9	Daljit Mirchandani	Rs. 15,000/-

*****Mr. Devesh Singh Sahney, Managing Director of the Company was paid Rs. 50,70,000/- as Basic Salary and cash allowaances and Rs. 30,46,898/- as perquisites for the 15 months ended 31st March 2015. The Company did not pay any performance linked incetives while severance fees, stock options, service contracts, Notice period, bonus are not applicable to the Managing Director.

IV. General Body Meetings :

- **Particulars of past three Annual General Meetings of the Company**

AGM	Financial Year	Venue	Date	Time	Special Resolutions Passed
1st	31.03.2012	15, Dhannur, Sir P. M. Road, Mumbai – 400 001	04.09.2012	10.00 A.M.	None
2nd	30.09.2012		15.10.2012	11.00 A.M.	1) Appointment of Managing Director 2) Pursuant to the provisions of section 372 A of Companies Act, 1956 Maxmium ceiling of Rs. 100 Crore in excess of limits prescribed
3rd	31.12.2013	M. C. Ghia Hall, K. Dubash Marg, Mumbai 400 001	11.04.2014		Increase in borrowing limit up to Rs. 150 Crore u/s 180(1) (a) (c) of Companies Act, 2013

No postal ballot was conducted during the period. As on date the company does not have any proposal to pass any special resolution by way of postal ballot and No Extra Ordinary General Meeting held during the period.

Disclosures :

Your Company has not entered into any materially significant transaction which may have potential conflict of interest of the Company at large. The Company could not file two statutory electronic forms with the regulatory authority due to misinterpretation of provisions in the statute and an appropriate step to rectify the same has been implemented. The Company neither had no penalty nor strictures imposed by the Stock Exchange or SEBI or any other Statutory Authority on any matter related to capital markets, during the last three years.

The Company has adopted Whistle Blower policy in which any employee / officer of the Company can inform to the Chairman Audit Committee of the Company regarding any suspicious / fraudulent activities in the Company and that the Company has not denied access to any one to report any malafide practices to the Audit Committee. However, employees are free to report to Management or the Audit Committee on any matter concerning unethical behaviour or violation of the Company's code of Conduct.

Non-mandatory requirements:

a) The Chairman of the Board is a Non-Executive Chairman.

b) Half-yearly financial performance of the Company is hosted on the Company's Website and is published in the Newspapers.

c) Audit Qualification: There was Emphasis on Matter by the Auditor, hence not Audit Qualification

d) The Company has a Non-Executive Chairman and a separate Managing Director who functions as a CEO of the Company.

e) Internal Auditor of the Company directly reports to the Managing Director/ Audit Committee.

V. Means of Communication :

The Company has an active, running Website, where all the Information like Quarterly Financial Results, Shareholding Pattern and Press Releases on significant developments in the Company that has been made available from time to time to the Press release hosted on the Company's website www.nrbindustrialbearings.com and which has also been submitted to stock Exchanges to enable them to put them on their web sites.

The Quarterly Financial Results are published in English newspaper of Mumbai edition in Business Standard and in Marathi newspaper in Mumbai Tarun Bharat.

As per the amendment to Listing Agreement a separate e-mail ID of the grievance redressal division/Compliance office exclusively for the purpose of registering complaints by investors, the company has already displayed the e-mail ID on the website.

The e-mail ID is investorscare@nibl.in.

VI. General Shareholder Information :

AGM	Tuesday, July 07, 2015 at 11.00 a.m.		
Financial Year	1st January, 2014 – 31st March, 2015		
Date of Book Closure	July 02, 2015 - July 07, 2015		
Listed on Stock Exchange	BSE & NSE	ISIN No.	INE04O01014
Scrip Code	535458	Scrip Id: NIBL	
RTA	Universal Capital Securities Pvt. Ltd ,21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai,Maharashtra,400093		

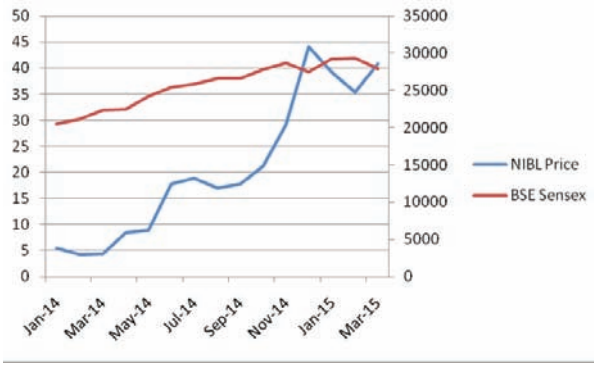
- Market Price Data: High, Low during each month in last Financial Year

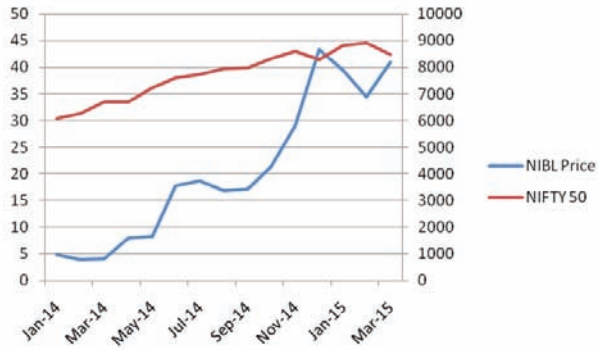
BSE

Month	Open	High	Low	Close
Jan-14	7.01	8.04	5.45	5.45
Feb-14	5.18	5.67	3.86	4.27
Mar-14	4.30	4.57	3.26	4.31
Apr-14	4.52	8.80	4.52	8.49
May-14	8.10	9.25	7.00	8.92
Jun-14	8.50	18.70	8.25	17.83
Jul-14	18.70	23.55	16.70	18.80
Aug-14	18.70	19.95	15.55	17.00
Sep-14	17.00	18.65	16.15	17.70
Oct-14	17.10	21.50	17.00	21.25
Nov-14	21.05	36.60	20.00	29.15
Dec-14	29.50	46.15	28.50	44.10
Jan-15	45.45	45.45	36.75	39.30
Feb-15	40.50	40.50	33.55	35.30
Mar-15	37.05	41.80	32.25	40.75

NSE

Month	**Open**	**High**	**Low**	**Close**
Jan-14	7.00	8.05	4.80	4.80
Feb-14	5.00	5.35	3.75	3.85
Mar-14	4.00	4.50	3.25	4.10
Apr-14	4.30	8.45	4.30	8.00
May-14	8.40	8.85	6.65	8.30
Jun-14	8.40	17.85	8.00	17.75
Jul-14	18.60	23.60	16.90	18.75
Aug-14	18.70	19.70	15.35	16.85
Sep-14	16.70	18.75	16.00	17.10
Oct-14	17.10	21.50	17.10	21.35
Nov-14	21.35	36.10	19.50	29.00
Dec-14	29.00	45.95	28.00	43.35
Jan-15	43.35	43.65	36.75	39.45
Feb-15	39.45	40.00	33.20	34.50
Mar-15	34.50	42.00	32.00	40.95





■ Shareholding Pattern as on 31st March, 2015

Category	No. of Shares Held	Percentage
Promoters & Promoters Group		
Individuals	78,06,944	32.22
Trust	94,38,910	38.95
Banks / Mutual Funds / UTI	10,543	0.04
Public & Others		
Bodies Corporate	19,33,581	7.97
Individuals & Others	50,40,672	20.82
Total	**24230650**	**100**

■ **Shares Transfer System :**

99.41 % of the equity shares of the Company are in electronic form. Transfers of these shares are done through depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Universal Capital Securities Pvt. Ltd ,21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093. Tel: 022-2836 66 20, 28207203-05

Fax: 022-2836 9704, 28207207

Transfer of shares in physical form is normally processed within 15 days from the date of receipt, if the documents are complete in all respects. The Directors and certain Company Officials (Company Secretary), under the authority of the Board, severally approve transfers in Stakeholders Relationship Committee Meeting and subsequent Board Meetings.

There are no Outstanding GDRs/ADRs/Warrants or any Convertible instruments, which are pending for conversion.

Company's Plant is situated at B-18, Five Star, MIDC Area, D-Zone, Shendra, Aurangabad – 431201.

■ **Address for Correspondence :**

Mr. Pravin Jogani (Company Secretary & Compliance Officer)

NRB Industrial Bearings Limited

Dhannur, 2nd Floor, 15, Sir P. M. Road, Fort, Mumbai 400 001.

Email ID: investorscare@nibl.in

For and on behalf of Board of Directors

T. S. Sahney
Chairman
(00003873)

D.S. Sahney
Managing Director
(00003956)

Dated: May 28, 2015

MD / CFO CERTIFICATION

We the undersigned, in our respective as and Managing Director and Chief Financial Officer of NRB Industrial Bearings Limited ("the Company") to the best of our knowledge and belief certify that:

a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that:

   i. These statements do not contain any materially untrue statements or omit any material fact or contain any statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:

   i. Significant changes, if any, in internal control over financial reporting during the year;

   ii. Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Devesh Singh Shaney
Managing Director
DIN: 00003956

R. G Mehendale
Chief Financial Officer

Date : 28th May, 2015
Place: Mumbai

Practicing Company Secretaries Certificate to the members of NRB Industrial bearings Limited on Compliance of the condition Corporate Governance for the year ended 31st March, 2015, under Clause 49 of the Listing Agreement with relevant Stock Exchange.

To
The Members
NRB INDUSTRIAL BEARINGS LTD
Mumbai

We have examined the compliance of conditions of Corporate Governance by NRB INDUSTRIAL BEARINGS LTD ("the Company"), for the Fifteen months period ended on 31st March 2015, (extended financial year) as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For AJS & ASSOCIATES
Company Secretaries

M. No.: 32696
CP No.: 12028
Date : May, 27, 2015
Place : Mumbai

Sd/-
(Ajitkumar J Sharma)
Proprietor

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

NRB INDUSTRIAL BEARINGS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NRB INDUSTRIAL BEARINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31stMarch, 2015, the Statement of Profit and Lossand the Cash Flow Statement for the period 1st January 2014 to 31st March 2015, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act")(which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;

(b) in the case of the Statement of Profit and Loss, of the loss of the Company for the period ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

Emphasis of Matter

We draw attention to Note 41 to the Financial Statements. As stated in the Note, the remuneration paid to the Managing Directorof Rs. 6.00 lacs for the quarter ended March 31, 2014 and Rs. 28.81 lacs for the period ended December 31, 2013 is subject to approval by the Central Government and Rs. 65.03 lacs for the period from April 01, 2014 to March 31, 2015 is subject to approval by the members.

Our opinion is not qualified in respect of this matter.

Other Matters

The Ministry of Corporate Affairs had on 1st April, 2014, vide its General Circular No.07/2014, Dissemination of Information with Regards to the Provisions of the Companies Act, 2013 as Notified Till date vis a vis Corresponding Provisions of the Companies Act, 1956, identified such sections of the Companies Act, 1956 that would cease/ continue to have effect from 1st April 2014.

Accordingly, in terms of the aforesaid Circular, our reporting in respect of section 227(3)(f) of the Companies Act, 1956, and clauses (iii), (v)(a) and (b), (vi), (viii), (xiv), (xviii) of the Companies (Auditor's Report) Order, 2003 (dealing with sections 49, 58A, 58AA, 209(1)(d) and 301 of the Companies Act, 1956) is only for the period beginning from i.e. 1stJanuary 2014 till 31stMarch 2014 since as per the aforementioned MCA Circular these sections have ceased to have effect from 1st April, 2014.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order for the year ended 31stMarch, 2015, to the extent the same are applicable to the Company.Refer Other Matters paragraph above.

2. As required by Section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet,the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act(which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry ofCorporate Affairs).

   (e) Since the provisions of Section 274(1) (g) of the Act are not in effect from 1stApril, 2014, the reporting requirement under Section 227(3) (f) of the Act is not applicable as of the balance sheet date.Refer Other Matters paragraph above.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

Uday M. Neogi
Partner
(Membership No.30235)

Mumbai : 28 May ,2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) Having regard to the nature of the Company's business/ activities/ results during the period, clauses (vi), (x), (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventories:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has generally maintained proper records of its inventories and material discrepancies were noticed on physical verification.

(iv) (A)The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, during the period the said Section was applicable.

(B) In respect of unsecured loans, taken by the Company from one party covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

a) The Company has taken loans aggregating Rs.115 lacs from one party during the period the said Section was applicable. At the year-end, the outstanding balances of such loans taken aggregated Rs. 1,115 lacs (one party) and the maximum amount involved during the period of such loans was Rs. 1,115 lacs (one party).

b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.

c) The payment of principal amounts are not due as of the period end.

(v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered for the period the said Section was applicable.

(b) Where each of such transaction made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, for the period the said Section was applicable, is in excess of Rs. 5 lakhs during such period in respect of any party, according to the information and explanation given to us, the transactions which are purchases and sales are of a special nature for which comparable quotations are not available and in respect of which we are, therefore, unable to comment if the transactions have been carried out at prices having regard to the prevailing market prices at the relevant time.

(vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 and prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained, for the period the said Section was applicable. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) According to the information and explanations given to us in respect of statutory dues:

(a) The dues of Income-tax,Sales Tax,and Service tax have not been regularly deposited during the year with the appropriate authorities, the delays in deposit have been serious. The Company has generally been regular in depositing other undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2015 on account of disputes.

(x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks

(xi) In our opinion and according to the information and explanations given to us, the term loan has been applied by the Company during the year for the purposes for which it was obtained.

(xii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis aggregating approximately Rs. 4,409.80 lacs have been used for long-term investments.

(xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

Uday M. Neogi
Partner
(Membership No.30235)

Mumbai :28 May, 2015

BALANCE SHEET AS AT 31st MARCH, 2015

	Note No.	Rs.lacs	As at 31.03.2015 Rs.lacs	Rs.lacs	As at 31.12.2013 Rs.lacs
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	484.61		484.61	
(b) Reserves and Surplus	4	1,419.54		3,381.56	
			1,904.15		3,866.17
(2) Non-Current Liabilities					
(a) Long term borrowings	5	2,510.95		5,711.89	
(b) Deferred tax liabilities (Net)	6	-		-	
(c) Long term provisions	7	39.71		35.72	
			2,550.66		5,747.61
(3) Current Liabilities					
(a) Short term borrowings	8	7,203.44		2,914.93	
(b) Trade payables	9	1,238.43		2,191.57	
(c) Other current liabilities	10	3,088.98		3,951.90	
(d) Short-term provisions	11	9.09		6.61	
			11,539.94		9,065.01
Total			15,994.75		18,678.79
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	12	11,008.54		10,937.29	
(ii) Intangible assets	12	39.74		45.51	
(iii) Capital work-in-progress		9.62		-	
		11,057.90		10,982.80	
(b) Non-current investments	13	420.00		420.00	
(c) Long term loans and advances	14	76.36		205.93	
(d) Other non current assets	15	289.29		763.48	
			11,843.55		12,372.21
(2) Current assets					
(a) Inventories	16	1,882.56		1,927.87	
(b) Trade receivables	17	767.07		770.63	
(c) Cash and cash equivalents	18	17.50		46.70	
(d) Short-term loans and advances	19	1,039.71		1,148.46	
(e) Other current assets	20	444.36		2,412.92	
			4,151.20		6,306.58
Total			15,994.75		18,678.79

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Uday M. Neogi
Partner

Mumbai: 28/05/2015

For and on behalf of the Board of Directors

T. S. Sahney
Chairman
DIN : 00003873

D. S. Sahney
Managing Director
DIN : 00003956

R. G. Mehendale
Chief Financial Officer

Pravin Jogani
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2015

	Particulars	Note No.	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
			Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
I.	Revenue from operations (gross)	21	4,124.56		3,312.71	
	Less: Excise duty		394.78		310.84	
	Revenue from operations (net)			3,729.78		3,001.87
II.	Other Income	22		141.51		153.10
III.	**TOTAL REVENUE (I +II)**			3,871.29		3,154.97
IV.	**EXPENDITURE**					
	Cost of materials consumed	23A		1,214.57		1,536.49
	Purchase of stock in trade			148.85		-
	Changes in inventories of finished goods and Work-in-progress	23B		0.29		(541.40)
	Employee benefits expense	24		1,325.83		1,023.70
	Finance costs	25		1,062.29		688.09
	Depreciation and amortization expense	12		873.94		693.47
	Other expenses	26		1,660.98		2,370.49
	Total Expenses			6,286.75		5,770.84
V.	**LOSS BEFORE EXCEPTIONAL ITEMS AND TAX (III - IV)**			(2,415.46)		(2,615.87)
VI.	Exceptional items (Net)	27		453.44		192.85
VII.	**LOSS BEFORE TAX (V- VI)**			(1,962.02)		(2,423.02)
VIII.	Tax expense:					
	- Current tax		-		-	
	- Deferred tax		-	-	(106.12)	(106.12)
IX.	**LOSS AFTER TAX (VII - VIII)**			(1,962.02)		(2,316.90)
	Earnings per share (of Rs. 2 each)	39				
	Basic, as well as diluted (In Rs.)			(8.10)		(9.56)

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Uday M. Neogi
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T. S. Sahney
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DIN : 00003873

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Chief Financial Officer

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Company Secretary

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
CASH FLOW FROM OPERATING ACTIVITIES:				
LOSS BEFORE TAX		(1962.02)		(2423.02)
Adjustments for:				
Depreciation/amortisation	873.94		693.47	
Foreign exchange loss/(gain) - unrealised	(5.63)		(56.18)	
Finance cost	1062.29		688.09	
Dividend income	-		(36.35)	
Profit on sale of current investment in joint venture	-		(241.31)	
Provision for doubtful debts	64.73		7.31	
Profit on assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon (Refer Note 27)	(268.44)		-	
Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.(Refer Note 27)	(185.00)		-	
Assets written off (net)	9.12		-	
Interest Income	(39.96)	1511.05	(45.50)	1009.53
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS		(450.97)		(1413.49)
Changes in working capital:				
Adjustment for (increase)/ decrease in operating assets				
- Trade receivables	(81.09)		(344.44)	
- Short-term loans and advances	113.49		(519.11)	
- Long-term loans and advances	(0.63)		(44.59)	
- Other current assets	50.02		(108.45)	
- Inventories	45.31		(519.50)	
Adjustment in increase/(decrease) in operating liabilities				
- Trade payables	(931.45)		1546.65	
- Other current liabilities and provisions	(266.21)	(1070.56)	331.63	342.19
CASH USED IN OPERATIONS		(1521.53)		(1071.30)
Direct taxes paid		(4.75)		(5.40)
NET CASH USED IN OPERATING ACTIVITIES (A)		(1526.28)		(1076.70)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets (including adjustments on account of capital advances)		(1265.39)		(3044.21)
Sale of fixed assets		22.89		13.76
Advance against assignment of certain Rights		-		455.00
Purchase of fixed assets related to the Project (Refer to Note 43)		-		(2069.15)
Amount received on sale of fixed assets related to the Project (Refer to Note 43)		1922.73		-
Bank balance not considered for cash and cash equivalents (refer Note 18)		(5.00)		-
Sale of current investments in joint venture		-		252.56
Dividend income from joint venture		-		36.35
Interest Income		39.74		49.20
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)		714.97		(4306.49)
CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from long term borrowings		28.80		952.49
Repayment of long term borrowings		(2496.54)		(1003.42)
Proceeds from short term borrowings (net)		4329.82		2908.62
Finance cost paid		(1084.97)		(694.73)
NET CASH FROM FINANCING ACTIVITIES (C)		777.11		2162.96
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(34.20)		(3220.23)
Cash and cash equivalents as at the beginning of the period		46.70		0.72
Transfer under the Scheme (Refer Note 1)		-		3266.21
Cash and cash equivalents as at the end of the period		12.50		46.70

Note:

(i) The Cash flow for the previous period ended 31 December 2013 has been determined after considering all the assets and liabilities pertaining to the Industrial Bearings Undertaking, transferred under the Scheme referred to in Note 1 of the Financial Statements. The Consideration for the transfer and vesting of the Industrial Bearings Undertaking of NRB, has been discharged by way of equity shares issued as stated in that Note

(ii) Cash and cash equivalents at the end of the year comprises:

Cash in Hand	0.31	0.17
Balances with banks		
In current accounts	12.19	46.53
	12.50	46.70

(iii) Figures for the previous period have been regrouped / restated where necessary to conform to the current period's classification.

See accompanying notes forming part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

T. S. Sahney
Chairman
DIN : 00003873

D. S. Sahney
Managing Director
DIN : 00003956

Uday M. Neogi
Partner

R. G. Mehendale
Chief Financial Officer

Pravin Jogani
Company Secretary

Mumbai: 28/05/2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE

1. Corporate Information:

NRB Industrial Bearings Limited ('the Company) was incorporated on 24th day of February, 2011 as a Private Limited Company under the provisions of the Companies Act, 1956 (the Act).On the acquisition of equity shares of the Company on 4th November, 2011 by NRB Bearings Limited, a public limited company, the Company in terms of Section 3 (1) (iv) (c) of the Act became a Public Limited Company and the name of the Company was changed from "NRB Industrial Bearings Private Limited" to "NRB Industrial Bearings Limited"

The Company is engaged in the business of manufacturing and selling of all types of industrial bearings.

The Scheme of Arrangement (the Scheme) for the transfer of Industrial Bearings Undertaking of NRB Bearings Limited (NRB) to the Company under section 391 to 394 read with section 100 to 103 of the Companies Act, 1956 was sanctioned by the Hon'ble High Court of Judicature, Bombay on 24th August 2012. The Scheme, which has become operative from 25th September, 2012 upon filing of the certified copies of the Orders of the Hon'ble High Court with the Registrar of Companies became effective from 1st October, 2012 (the Appointed Date).

Pursuant to the Scheme, with effect from the Appointed date the Industrial Bearings Undertaking of NRB is transferred and vested in the Company as a going concern, with all its assets, liabilities, properties, rights, benefits and interest therein subject to existing charges thereon.

In terms of the Scheme, in consideration of the transfer and vesting of the Industrial Bearings Undertaking of NRB, in respect of every 4 equity shares of Rs. 2 each, held by the shareholders of NRB, 1 equity share of Rs. 2 each fully paid up aggregating 24,230,650 equity shares have been issued and allotted on 31st October, 2012, to the shareholders of NRB whose names appeared in the Register of Members, as on 25th October, 2012, being the record date.

All the staff, workmen and employees of Industrial Bearings Undertaking of NRB in service as on 1st October, 2012 have become staff, workmen and employees of the Company without any break in their service.

In terms of the Scheme, the Company recorded all the assets and liabilities pertaining to the Industrial Bearings Undertaking, at the respective book values appearing in the books of NRB as on the Appointed Date. The Company credited to its share capital account, the aggregate face value of the equity shares issued by it pursuant to the Scheme. The difference of Rs. 5,700.16 lacs between excess of net assets and the amount credited as share capital after adjusting the cancellation of existing share capital of the Company held by NRB has been credited to Capital Reserve. The equity shares allotted have been listed on the Bombay Stock Exchange and the National Stock Exchange on 9th April, 2013.

2. Significant accounting policies:

i. Basis of accounting

The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Act and comply with the Accounting Standards notified under the Act,(which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) . The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous period.

ii. Use of estimates

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialized.

iii. Fixed assets and depreciation/amortisation

(a) All fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use less accumulated depreciation.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(b) Depreciation/amortization

i. Tangible Assets

a. Leasehold land is amortised over the remaining period of the lease.

b. Depreciation on other tangible fixed assets has been provided on the straight line method, in the manner and at the rates prescribed in Schedule XIV to the Companies Act, 1956

ii. Intangible Assets

Computer software is amortised on straight line method over the estimated useful life of 6 years.

(c) Also see Note 2(xi) below.

iv. Impairment

The carrying values of assets at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

v. Foreign currency transactions

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the period-end rates. Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.vi. Investments

vi. Investments

Long-term investments are stated at cost less provision for diminution, other than temporary, in the value of investments, if any. Current investments are stated at lower of cost and fair value.

vii. Inventories

Inventories are valued at the lower of cost (weighted average method) and net realisable value. Costs of conversion and other costs are determined on the basis of standard cost method adjusted for variances between standard costs and actual costs.

viii. Sale of products

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

ix. Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

x. Employee benefits

(a) Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the period in which the related service is rendered.

(b) Long term benefits:

(i) Defined Contribution Plans :

1. Provident and Family Pension Fund

The eligible employees of the company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the company has no further obligations beyond making the contribution.

2. Superannuation

The eligible employees of the company are entitled to receive post employment benefits in respect of superannuation scheme, in which the company makes quarterly contributions at 15% of employees' eligible salary. Superannuation scheme is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution.

The Company's contributions to Defined Contribution Plans are charged to the statement of profit and loss as incurred.

(ii) Defined Benefit Plan / Other Employee Benefit :

1. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service.

Vesting occurs upon completion of five years of service. The Trust established for the purpose has arrangement with insurance company (currently HDFC Standard Life Insurance Company Limited) for future payments of gratuities on behalf of the Trust. The Company accounts for gratuity benefits based on an independent actuarial valuation as at the period end. Actuarial gains and losses are recognized in the statement of profit and loss.

2. Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation as at year end. Actuarial gains and losses are recognized in the statement of profit and loss.

xi. Borrowing costs

Borrowing costs include interest,amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

xii. Operating Lease

Lease, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset during the lease term, is classified as operating lease. Operating lease payments and receipts are recognised as an expense and income respectively in the Statement of Profit and Loss on a straight-line basis over the lease term.xiii. Taxation

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

xiii. Taxation

Taxation expenses comprise current tax and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

xiv. Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements

xv. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xvi. Derivative Contracts

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities and firm commitments. Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised on grounds of prudence.

xvii. Current / Non-Current Assetsand Liabilities:

Assets are classified as current when it satisfies any of the following criteria:

a) it is held primarily for the purpose of being traded;

b) it is expected to be realised within twelve months after the reporting date; or

c) it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities are classified as current when it satisfies any of the following criteria:

a) it is held primarily for the purpose of being traded;

b) it is due to be settled within twelve months after the reporting date; or

c) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 3 - Share Capital

	As at 31.03.2015 Rs. lacs	As at 31.12.2013 Rs. lacs
Authorised:		
25,000,000 (as at 31.12.2013 - 25,000,000)		
equity shares of Rs. 2 each	500.00	500.00
Issued, subscribed and fully paid up:		
24,230,650 (as at 31.12.2013 - 24,230,650)		
equity shares of Rs. 2 each fully paid up	484.61	484.61
Per balance sheet	484.61	484.61

i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the period:

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Number of shares	Rs. Lacs	Number of shares	Rs. Lacs
Shares outstanding at the beginning of the year	2,42,30,650	484.61	2,50,000	5.00
Less: Shares cancelled under the Scheme (Refer Note 1)	-	-	2,50,000	5.00
Add: Shares issued under the Scheme (Refer Note 1)	-	-	2,42,30,650	484.61
Shares outstanding at the end of the year	2,42,30,650	484.61	2,42,30,650	484.61

ii) Number of shares held by each shareholder holding more than 5% shares in the Company are as follows:

Particulars	As at 31.03.2015		As at 31.12.2013	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares:				
Trilochan Singh Sahney	29,29,101	12.09	29,29,101	12.09
Trilochan Singh Sahney Trust 1 [held by a trustee (Trilochan Singh Sahney) in his individual name]	94,38,910	38.95	94,38,910	38.95
ICICI Prudential Life Insurance Company Limited	13,25,904	5.47	13,53,478	5.59

(iii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of 5 years immediately preceding the balance sheet date

Particulars	As at 31.03.2015 No of Shares	As at 31.12.2013 No of Shares
Equity shares allotted as fully paid up in Consideration of transfer and vesting of Industrial Bearings Undertaking of NRB in the Company pursuant to the Scheme referred to in Note 1.	2,42,30,650	2,42,30,650

(iv) Rights attached to equity shares:

a) The Company has only one class of equity shares having a face value of Rs. 2 each. The Equity Shareholders have all the rights of equity shares as provided by the Companies Act, 2013 and Rules & Regulations made thereunder

b) The Company in General Meeting may declare dividend to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 4 - Reserves and Surplus

	Rs. Lacs	As at 31.03.2015 Rs. Lacs	Rs. Lacs	As at 30.12.2013 Rs. Lacs
Capital reserve				
Opening balance	5,700.16		-	
Add: On account of the Scheme (Refer Note 1)	-		5,700.16	
Closing balance		5,700.16		5,700.16
Surplus in the Statement of Profit and Loss:				
Opening balance	(2,318.60)		(1.70)	
Add: Loss for the period	(1,962.02)		(2,316.90)	
Closing balance		(4,280.62)		(2,318.60)
Per balance sheet		1,419.54		3,381.56

NOTE 5 - Long Term Borrowings

Term Loans				
From Bank				
Secured	5,163.74		8,090.82	
Less: Current maturites of long-term debt (Refer Note 10)	(2,682.36)		(2,387.46)	
		2,481.38		5,703.36
From Others				
Secured	36.86		10.29	
Less: Current maturites of long-term debt (Refer Note 10)	(7.29)	29.57	(1.76)	8.53
Per balance sheet		2,510.95		5,711.89

Footnotes:

Term loans from Bank

(a) Rs. 4224.88 lacs (Previous period Rs. 7162.37 lacs) secured by exclusive first charge over immovable fixed assets (leasehold land and buildings thereon) of the Company and its movable plant & machinery, furniture & fixtures and other movables at its factory at Shendra (near Aurangabad). The term loan is repayable in remaining 7 equal quarterly installments by November 2016. Interest rate swap taken to convert floating interest rate of LIBOR + 300 bps under the loan agreement into fixed interest rate of 6.45% p.a.

(b) Rs. 938.86 lacs (Previous year Rs. 928.45) to be secured by security stated in (a) above (security created after the year end). The term loan is repayable by September 2018 in 14 equal quarterly installments commencing from June 2015 and carries floating interest rate of LIBOR + 350 bps.

Term loan from Others

(a) Rs. 36.86 lacs (previous period Rs. 10.29 lacs) secured by hypothecation of vehicles. Out of these , the term loan of Rs. 8.06 lacs carrying interest rate of 10.71 % is repayable in remaining 42 equal monthly installments by September, 2018 and the term loan of Rs. 28.80 lacs carrying interest rate of 12.75 % is repayable in 60 equal monthly installments by April, 2020.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 6 - Deferred Tax Asset / (Liability)

	Deferred tax asset / (liability) as at 01.01.2014	Credit / (charge) for the period	Deferred tax asset / (liability) as at 31.03.2015
	Rs. lacs	Rs. lacs	Rs. lacs
Nature of timing difference			
Deferred tax liability			
Depreciation	(674.61)	**(73.10)**	**(747.71)**
Sub - total	(674.61)	**(73.10)**	**(747.71)**
Deferred tax assets			
Provision for doubtful debts	13.01	**20.00**	**33.01**
Provision for compensated absence	13.08	**2.00**	**15.08**
Other	21.98	**(15.99)**	**5.99**
Business loss **	626.54	**67.09**	**693.63**
Sub - total	674.61	**73.10**	**747.71**
Per balance sheet	-	**-**	**-**

** Recognised to the extent of balance in deferred tax liability net of other deferred tax assets.

NOTE 7 -Long Term Provisions

	As at 31.03.2015 Rs. Lacs	As at 31.12.13 Rs. Lacs
Provisions for employee benefits:		
Compensated absences	**39.71**	**35.72**
Per balance sheet	**39.71**	**35.72**

NOTE 8 - Short Term Borrowings

Secured		
i) Loan repayable on demand		
From Bank	**1,376.84**	**893.78**
ii) Other short term borrowings		
From Bank	**622.75**	**1,020.15**
Unsecured		
i) Loans from Related Party:		
a) Director - Interest free	**3,981.85**	**1,001.00**
b) Inter Corporate Deposits	**1,222.00**	**-**
Per balance sheet	**7,203.44**	**2,914.93**

Footnotes:

(i) Loans repayable on demand from bank

Secured by first exclusive charge on all present and future stock and book debts of the Company. The present interest rate is 12.5% p.a.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Other Short term borrowings

(a) Rs. Nil (Previous year Rs. 513.60 lacs) was secured by security stated in footnote (i) above.

(b) Rs. 622.75 lacs (Previous year Rs. 506.55 lacs) secured by security stated in footnote (i) above. The present interest rate is in the range of 3% - 4% p.a.

(iii) Loan from related party

The present interest rate of Inter Corporate Deposits is 10.15% p.a.

NOTE 9 - Trade Payables

	As at 31.03.2015 Rs. Lacs	As at 31.12.2013 Rs. Lacs
Trade payables (see Footnote)		
- due to micro and small enterprises	-	-
- due to others	1,238.43	2,191.57
Per balance sheet	1,238.43	2,191.57

Footnote:

Based on the details regarding the status of the suppliers obtained by the Company, there is no supplier covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). This has been relied upon by the auditors.

NOTE 10 - Other Current Liabilities

Current maturities of long-term debt (Refer Note 5)	2,689.65	2,389.22
Interest accrued but not due on borrowings	42.30	74.46
Interest accrued and due on borrowings	9.48	-
Other Payables		
- Payables on purchase of fixed assets	260.24	673.22
- Statutory remittances (Contribution to PF, Profession Tax , Withholding tax, Service Tax, VAT, Excise Duty etc.)	34.27	272.88
- Security Deposits from dealers	1.00	-
- Advance received from customers	19.27	28.63
- Advance against assignment of certain Rights (Refer Note 42)	-	455.00
- Others - Premium on Call Spread	32.77	58.49
Per balance sheet	3,088.98	3,951.90

NOTE 11 - Short Term Provisions

Provision for employee benefits:		
- Compensated absences	9.09	6.61
	9.09	6.61

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 12 - Fixed assets

Rs. lacs

	GROSS BLOCK - AT COST					DEPRECIATION / AMORTISATION				NETBLOCK
Description	**Balance As at 01.01.14**	**Transfer under the Scheme***	**Additions**	**Deductions**	**Balance As at 31.03.15**	**Balance As at 01.01.14**	**For the period**	**On Deductions/ Amortisation**	**Balance As at 31.03.15**	**As at 31.03.15**
A. Tangible Assets										
Leasehold land										
Own Use	680.97	-	6.97	-	687.94	10.15	8.95	-	19.10	668.84
	(-)	(650.62)	(30.35)	(-)	(680.97)	(-)	(10.15)	(-)	(10.15)	(670.82)
Given under operating lease	91.43	-	-	-	91.43	1.20	1.20	-	2.40	89.03
	(-)	(91.43)	(-)	(-)	(91.43)	(-)	(1.20)	(-)	(1.20)	(90.23)
	772.40	-	6.97	-	779.37	11.35	10.15	-	21.50	757.87
	(-)	(742.05)	(30.35)	(-)	(772.40)	(-)	(11.35)	(-)	(11.35)	(761.05)
Buildings and flats										
Own Use	3,155.69	-	266.90	13.16	3,409.43	125.57	149.41	0.79	274.19	3,135.24
	(-)	(22.81)	(3,132.88)	(-)	(3,155.69)	(-)	(125.57)	(-)	(125.57)	(3,030.12)
Given under operating lease	307.11	-	-	-	307.11	8.37	12.79	-	21.16	285.95
	(-)	(-)	(307.11)	(-)	(307.11)	(-)	(8.37)	(-)	(8.37)	(298.74)
	3,462.80		266.90	13.16	3,716.54	133.94	162.20	0.79	295.35	3,421.19
	(-)	(22.81)	(3,439.99)	(-)	(3,462.80)	(-)	(133.94)	(-)	(133.94)	(3,328.86)
Leasehold Improvement	137.39	-	-	-	137.39	2.73	2.79	-	5.52	131.87
	(-)	(2.00)	(135.39)	(-)	(137.39)	(-)	(2.73)	(-)	(2.73)	(134.66)
Plant and equipment										
Own Use	6,215.71	-	644.57	31.54	6,828.74	439.34	587.57	1.95	1,024.96	5,803.78
	(-)	(721.55)	(5,494.16)	(-)	(6,215.71)	(-)	(439.34)	(-)	(439.34)	(5,776.37)
Given under operating lease	83.62	-	-	-	83.62	7.70	7.73	-	15.43	68.19
	(-)	(-)	(83.62)	(-)	(83.62)	(-)	(7.70)	(-)	(7.70)	(75.92)
	6,299.33	-	644.57	31.54	6,912.36	447.04	595.30	1.95	1,040.39	5,871.97
	(-)	(721.55)	(5,577.78)	(-)	(6,299.33)	(-)	(447.04)	(-)	(447.04)	(5,852.29)
Furniture and fixtures										
Own Use	206.56	-	24.41	3.55	227.42	15.69	18.39	0.44	33.64	193.78
	(-)	(0.18)	(206.38)	(-)	(206.56)	(-)	(15.69)	(-)	(15.69)	(190.87)
Given under operating lease	2.50	-	-	-	2.50	0.20	0.20	-	0.40	2.10
	(-)	(-)	(2.50)	(-)	(2.50)	(-)	(0.20)	(-)	(0.20)	(2.30)
	209.06	-	24.41	3.55	229.92	15.89	18.59	0.44	34.04	195.88
	(-)	(0.18)	(208.88)	(-)	(209.06)	(-)	(15.89)	(-)	(15.89)	(193.17)
Office equipments										
Own Use	118.55	-	3.69	-	122.24	12.96	15.29	-	28.25	93.99
	(-)	(12.79)	(105.76)	(-)	(118.55)	(-)	(12.96)	(-)	(12.96)	(105.59)
Given under operating lease	0.79	-	-	-	0.79	0.04	0.11	-	0.15	0.64
	(-)	(-)	(0.79)	(-)	(0.79)	(-)	(0.04)	(-)	(0.04)	(0.75)
	119.34	-	3.69	-	123.03	13.00	15.40	-	28.40	94.63
	(-)	(12.79)	(106.55)	(-)	(119.34)	(-)	(13.00)	(-)	(13.00)	(106.34)
Electrical installations										
Own Use	559.13	-	-	0.82	558.31	51.95	51.76	0.12	103.59	454.72
	(-)	(-)	(559.13)	(-)	(559.13)	(-)	(51.95)	(-)	(51.95)	(507.18)
Given under operating lease	36.09	-	-	-	36.09	3.35	3.34	-	6.69	29.40
	(-)	(-)	(36.09)	(-)	(36.09)	(-)	(3.35)	(-)	(3.35)	(32.74)
	595.22	-	-	0.82	594.40	55.30	55.10	0.12	110.28	484.12
	(-)	(-)	(595.22)	(-)	(595.22)	(-)	(55.30)	(-)	(55.30)	(593.92)
Vehicles	22.06	-	32.65	-	54.71	1.06	2.64	-	3.70	51.01
	(-)	(6.88)	(28.94)	(13.76)	(22.06)	(-)	(2.70)	(1.64)	(1.06)	(21.00)
Sub Total (A)	**11,617.60**	**-**	**979.19**	**49.07**	**12,547.72**	**680.31**	**862.17**	**3.30**	**1,539.18**	**11,008.54**
	(-)	(1,508.26)	(10,123.10)	(13.76)	(11,617.60)	(-)	(681.95)	(1.64)	(680.31)	(10,937.29)
B. Intangible Assets										
Computer Software	**57.03**	**-**	**6.00**	**-**	**63.03**	**11.52**	**11.77**	**-**	**23.29**	**39.74**
	(-)	(-)	(57.03)	(-)	(57.03)	(-)	(11.52)	(-)	(11.52)	(45.51)
Sub Total (B)	**57.03**	**-**	**6.00**	**-**	**63.03**	**11.52**	**11.77**	**-**	**23.29**	**39.74**
	(-)	(-)	(57.03)	(-)	(57.03)	(-)	(11.52)	(-)	(11.52)	(45.51)
Total (A) + (B) Per balance sheet	**11,674.63**	**-**	**985.19**	**49.07**	**12,610.75**	**691.83**	**873.94**	**3.30**	**1,562.47**	**11,048.28**
	(-)	(1,508.26)	(10,180.13)	(13.76)	(11,674.63)	(-)	(693.47)	(1.64)	(691.83)	(10,982.80)

Footnote:

* Refer Note 1

Previous period figures are indicated in brackets

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 13 - Non Current Investments

	As at 31.03.2015 Rs. Lacs	As at 31.12.2013 Rs. Lacs
Trade		
Investments in equity instruments		
- Of associate		
Unquoted		
NRB-IBC Bearings Private. Limited		
42,00,000 (as at 31.12.2013 - 42,00,000) equity shares of		
Rs. 10 each fully paid-up	**420.00**	**420.00**
Per balance sheet	**420.00**	**420.00**
Aggregate amount of unquoted investments	**420.00**	**420.00**

NOTE 14 - Long Term Loans and Advances

(Unsecured, considered good)		
Capital advance	**31.14**	**161.34**
Security deposits	**45.22**	**44.59**
Per balance sheet	**76.36**	**205.93**

NOTE 15 -Other non current assets

Others		
- Exchange loss on long term loan covered under call spread option	**289.29**	**763.48**
Per balance sheet	**289.29**	**763.48**

NOTE 16 - Inventories

(at lower of cost and net realisable value)				
- Raw materials and components	**300.93**		**329.85**	
- Goods in Transit	-	**300.93**	-	**329.85**
- Work-in-progress		**653.10**		**428.58**
- Finished goods		**885.22**		**1,110.04**
- Stores and spares		**43.30**		**59.40**
- Per balance sheet		**1,882.56**		**1,927.87**

Footnotes:

i)	**Raw Materials Comprise of:**		
	Steel	110.46	116.48
	Rings	52.31	98.37
	Roller	30.98	29.06
	Components	89.66	75.69
	Packing Material	17.52	10.25
	TOTAL	**300.93**	**329.85**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii)	**Work-in-Progress Comprise of:**		
	Bearings	22.72	69.10
	Roller	126.89	108.23
	Rings	351.88	206.90
	Manufactured components	151.61	44.35
	TOTAL	**653.10**	**428.58**
iii)	**Finished Goods Comprise of:**		
	Ball & roller bearings	800.66	1,066.70
	Rings	84.57	43.34
	TOTAL	**885.22**	**1,110.04**

NOTE 17 -Trade Receivables

		As at 31.03.2015		As at 31.12.2013
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Trade receivables outstanding for a period exceeding six months from the date they are due for payment:				
Secured, considered good	-		-	
Unsecured, considered good	185.66		151.35	
Unsecured, considered doubtful				
*(includes transferred under the Scheme (Refer Note 1) Rs. 29.75 lacs (previous period Rs. 34.78 lacs)	*106.82		*42.09	
	292.48		193.44	
Provision for doubtful debts	106.82		42.09	
		185.66		151.35
Other trade receivables:				
Secured, considered good	-		-	
Unsecured, considered good	581.41		619.28	
		581.41		619.28
Per balance sheet		767.07		770.63

NOTE 18 - Cash and Cash Equivalents

Cash on hand	0.31	0.17
Balances with banks:		
- In current accounts	12.19	46.53
- In fixed deposit accounts *	5.00	-
Per balance sheet	17.50	46.70
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is	12.50	46.70

* Balance with bank held as security against the guarantee

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 19 - Short Term Loans and Advances

(Unsecured, considered good)

	As at 31.03.2015 Rs. Lacs	As at 31.12.2013 Rs. Lacs
Advance to related party	10.00	-
Loans and advance to employees	3.24	1.30
Prepaid expenses	22.99	16.93
CENVAT receivable	44.98	10.01
VAT receivable	108.16	-
Balances with government authorities		
CENVAT/ Service tax	788.73	1,006.69
VAT	7.48	-
Others		
Advance to suppliers	14.23	83.27
Gratuity fund	8.15	24.86
Income taxes paid	10.15	5.40
Receivables from suppliers	21.60	-
Per balance sheet	1,039.71	1,148.46

NOTE 20 - Other Current Assets

Receivable from related party (Refer Note 43)	53.17	2,026.74
Exchange loss on long term loan covered under call spread option	385.71	381.74
Export benefits	5.26	4.44
Interest accrued on Fixed Deposit	0.22	-
Per balance sheet	444.36	2,412.92

NOTE 21 - Revenue from operations

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Sale of products		4,014.81		3,208.05
Other operating revenues:	56.42		68.1	
Agency Commission	19.19		11.52	
Sale of scrap	14.08		9.17	
Export incentives	3.65		0.81	
Job work charges	1.41		-	
Service Charges	15.00		15.00	
		109.75		104.66
		4,124.56		3,312.71
Less: Excise Duty		394.78		310.84
Per statement of profit and loss		3,729.78		3,001.87

Revenue from operations comprise of:

Ball & roller bearings	2,936.04	2,731.84
Roller	135.91	77.30
Manufactured components	277.86	88.07
Trading	270.22	-
	3,620.03	2,897.21
Other operating revenues	109.75	104.66
Total	3,729.78	3,001.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 22 - Other income

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Rent		96.00		68.90
Interest Income:				
Interest from banks on deposits		0.24		39.02
Interest income from related party		39.72		6.48
Dividend Income		-		36.35
Liability no longer required written back		2.25		-
Other		3.30		2.35
Per statement of profit and loss		141.51		153.10

NOTE 23A - Cost of materials consumed

Opening Stock		329.85		-
Add: Transfer of inventory under the Scheme (Refer Note 1)		-		322.86
Add: Purchases		1185.65		1543.48
		1515.50		1866.34
Less: Closing stock		300.93		329.85
Per statement of profit and loss		1214.57		1536.49

Footnotes:

i) Materials and components consumed comprises of:

Steel		272.80		254.70
Rings		420.82		374.60
Roller		39.65		256.32
Components		426.45		578.71
Packing Material		54.85		72.16
TOTAL		1,214.57		1,536.49

NOTE 23B - Changes in inventories of finished goods, work-in-progress

Opening stock		-		
Transfer under under the Scheme (Refer Note 1)				
Work - in - progress	428.58		411.10	
Finished goods	1110.04	1538.62	586.12	997.22
Closing stock				
Work - in - progress	(653.10)		(428.58)	
Finished goods	(885.23)	(1,538.33)	(1,110.04)	(1,538.62)
Per statement of profit and loss - Net (increase) / decrease		0.29		(541.40)

NOTE 24 - Employee benefit expenses

Salaries and wages (net of write back of provision for leave encashment transferred under the Scheme Rs. Nil (previous period Rs 41.78 lacs)		1148.86		915.78
Contribution to provident fund and other funds		101.06		50.77
Staff welfare		75.91		57.15
Per statement of profit and loss		1325.83		1023.70

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 25 - Finance costs

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Interest expenses:				
On borrowings		964.70		664.78
Other		40.94		0.84
Net loss on foreign currency transactions (considered as finance cost)		39.88		-
Other borrowing costs		16.77		22.47
Per statement of profit and loss		1062.29		688.09

NOTE 26 - Other expenses

Consumption of stores and spare parts		264.22		354.92
Power and fuel		343.91		343.43
Rent		24.67		30.29
Repairs and maintenance -				
Buildings	4.12		0.73	
Plant and machinery	55.95		175.75	
Others	40.97		78.11	
		101.04		254.59
Insurance		6.71		15.23
Rates and taxes		17.91		11.33
Travelling and conveyance expense		80.84		96.51
Printing and stationary		14.99		13.70
Freight and forwarding		59.23		57.74
Business promotion		24.38		26.86
Legal and professional expenses		73.91		103.99
Auditors' remuneration (see Footnote below)		27.02		22.23
Foreign exchange fluctuation (gain) / loss		(7.04)		93.40
Premium on Call Spread Option		367.65		457.63
Provision for doubtful debts (net)		64.73		7.31
Director sitting fees		1.52		2.75
Security charges		39.22		29.79
IT related expenses		89.51		73.36
Bank charges		11.90		7.85
Assets written off		9.12		-
Excise duty on closing stock		(83.82)		281.82
Miscellaneous expenses		129.36		85.76
Per statement of profit and loss		1,660.98		2,370.49
Footnote:				
Details of Auditors' remuneration:				
(excluding service tax)				
As auditors (for audit and review of unaudited quarterly results)		23.50		18.50
Taxation matters		3.50		3.50
Others		-		0.15
Out of pocket expenses		0.02		0.08
Total		27.02		22.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 27 - Exceptional items

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. lacs
Profit on assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon. (Refer note no. 42)		268.44		-
Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai. (Refer note no. 42)		185.00		-
Profit on sale of current investment in joint venture Company		-		241.31
Expenses relating to transfer and vesting of Industrial Bearing Undertaking (Referred to in Note 1)		-		(48.46)
		453.44		192.85

	As at 31.03.2015 Rs. Lacs	As at 31.12.2013 Rs. Lacs
NOTE 28 - Contingent liabilities not provided for:		
a) Bank guarantees		
- To Indian Custom Department	3.95	55.00
- To Maharashtra Pollution Control Board	5.00	2.00
NOTE 29 - Commitments		
1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	28.49	607.96
2. Other commitment		
- Premium payable for remaining period of Call Spread Option Contract.	224.12	618.53

NOTE 30 - Value of imported and indigenous materials consumed

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. lacs
Imported	65.00	5	59.01	4
Indigenous	1,149.57	95	1,477.48	96
TOTAL	1,214.57	100	1,536.49	100

NOTE 31 - Value of imported and indigenous stores & spare parts consumed

Imported	37.93	14	30.33	9
Indigenous	226.29	86	324.59	91
TOTAL	264.22	100	354.92	100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 32 - CIF value of imports

	For the Period From 01.01.2014 to 31.03.2015		For the Period From 01.10.2012 to 31.12.2013	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. lacs
i) Capital Goods (Includes purchases for the Project referred to in Note 43 Rs. NIL (previous period Rs. 1,918.05 lacs))		**562.84**		**5138.28**
ii) Raw materials and components		**31.61**		**147.04**
iii) Stores & spares		**7.48**		**66.00**

NOTE 33 - Expenditure in foreign currency

i) Foreign travel		**6.99**		**13.98**
ii) Interest expense (excludes Rs. Nil (Previous period Rs 135.40 lacs) relating to the Project referred to in Note 43)		**560.31**		**562.49**
iii) Premium on long term loan covered under Call Spread Option (excludes Rs. Nil (Previous period Rs 104.01 lacs) excludes incurred for NRB - IBC Bearings Private Limited referred to in Note 43)		**367.65**		**457.63**

NOTE 34 - Earnings in foreign exchange:

i) Export of goods calculated on F.O.B basis		**879.44**		**477.22**
ii) Agency commission		**56.42**		**65.58**

NOTE 35 - Financial and Derivative Instruments

i) Call spread option entered into by the company outstanding as at 31.03.2015:

Currency	Amount in foreign currency	Buy/Sell	CrossCurrency
USD	6,75,00,000	Buy	INR
	(1,15,71,429)	Buy	INR

This Call Spread Option Contract is entered into for hedging purposes and not for speculation purposes

ii) Interest rate swaps to hedge against fluctuations in interest rate changes: No. of contracts: 1 (as at 31.12.2013: 1)

iii) Foreign currency exposures that have not been hedged by a derivative instrument or other wise outstanding as on 31st march 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Currency

	currency	Amount	Equivalent Rs. Lacs as at 31st March 2015
a) Amount receivable in foreign currency :			
Receivables			
	EURO	3,78,953.58	255.83
		(2,63,709.64)	(225.11)
	USD	19,956	12.49
		(43,495.12)	(26.92)
	GBP	10,818	10.00
		(4,316.29)	(4.40)
Advance to Supplier	EURO	775.70	0.52
		(60,327.50)	(51.50)
	JPY	-	-
		(39,41,250.00)	(23.24)
b) Amounts payable in foreign currency :			
Payables			
	EURO	1,57,612.65	106.41
		(88,009.65)	(75.12)
	CHF	-	-
		(3,557.32)	(2.48)
	JPY	-	-
		(5,54,253.34)	(3.27)
	USD	806.08	0.50
		(-)	(-)
Advance from Customer			
	EURO	4,066.79	2.75
		(7,540.69)	(6.43)
	USD	1,040.92	0.65
		(5,358.00)	(3.32)
	GBP	664.00	0.61
		(-)	(-)
c) Term Loan from Bank			
	USD	15,00,000.00	938.86
		(15,00,000.00)	(928.45)

iv) Figures in brackets are the corresponding figures in respect of the previous period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 36 - Details of Employee Benefits as required by the Accounting Standard - 15 "Employee Benefits" are as follows

1) Defined contribution plans :

Contribution to Defined Contribution Plans, recognised in the statement of profit and loss for the period, under employee benefits expense,are as under :

		For the Period From 01.01.2014 to 31.03.2015 Rs. lacs	For the Period From 1.10.2012 to 31.12.2013 Rs. lacs
i)	Employer's Contribution to Provident Fund	**32.77**	**29.04**
ii)	Employer's Contribution to Family Pension Fund	**23.00**	**17.45**
iii)	Employer's Contribution to Superannuation Fund	**28.28**	**22.18**

2) Defined Benefit Plans : (Funded)

Gratuity- as per actuarial valuation as at the period end (based on Projected Unit Benefit Method).
The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service, without any payment ceiling. Vesting occurs upon completion of five years of service.

Particulars	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	For the Period From 01.10.2012 to 31.12.2013 Rs. Lacs
i) Components of employer expenses		
a) Current Service cost	10.96	8.52
b) Interest cost	8.59	9.28
c) Expected return on plan assets	(10.71)	(10.63)
d) Actuarial Losses/ (Gains)	7.87)	(16.04)
Total expenses recognised in the Statement of Profit and Loss	16.71	(8.87)
ii) Actual contribution and benefit payments for the period		
a) Actual benefit payments	(16.11)	(8.34)
b) Actual Contributions	-	7.09
iii) Net asset/(liability) recognised in the Balance Sheet		
a) Fair Value of plan assets at the end of the period	97.92	98.53
b) Present Value of defined benefit obligation	89.77	73.67
Net assets/(liability) recognised on the Balance Sheet	8.15	24.86
iv) Change in Defined Benefit Obligations (DBO) during the period		
a) Present Value of DBO at the beginning of the current period	73.67	-
b) Transferred under the Scheme	-	89.99
c) Current Service cost	10.96	8.52
d) Interest cost	8.59	9.28
e) Actuarial Losses/ (Gains)	12.66	(25.78)
f) Benefits paid	(16.11)	(8.34)
Present Value of DBO as at the end of the period	89.77	73.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

v) Change in Fair Value of Assets during the period		
a) Plan assets at beginning of the period	98.53	-
b) Transferred under the Scheme	-	98.89
c) Expected return on plan assets	10.71	10.63
d) Actuarial (Losses)/ Gains	4.79	(9.74)
e) Actual Company contributions	-	7.09
f) Benefits paid	(16.11)	(8.34)
Plan assets as at the end of the period	97.92	98.53
vi) Actuarial Assumptions		
a) Discount Rate	8.02%	9.50%
b) Expected rate of return on Plan assets	8.02%	8.70%
c) Salary escalation	8.00%	8.00%
d) Mortality Table	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate
e) Attrition rate	4.00%	4.00%
vii) Composition of plan assets		
-Insurer Managed Funds	100%	100%
viii) Experience Adjustments		
a) Defined Benefit Obligation	89.77	73.67
b) Fair Value of Plan assets	97.92	98.53
c) Funded status [surplus / (deficit)]	8.15	24.86
d) Experience adjustment arising on :	-	-
1) Plan Liabilities [Losses / (Gains)]	2.26	(12.96)
2) Plan Assets [(Losses) / Gains]	4.79	(9.74)

Footnotes:

(i) The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation

(ii) The assumption of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion, increment and other relevant factors.

(iii) The discount rate is based on the benchmark rate yield of government of India security as at the Balance sheet date.

NOTE 37 - Disclosure under Accounting Standard 18 - " Related Parties " :-

A) Name of the related party and nature of relationship where control exists:

Reno	Nature of relationship	Names of related parties
(a)	Subsidiary	NRB IBC Bearings Private Limited upto 08.12.2013
(b)	Entity on which the Company can exercise significant influence	NRB IBC Bearings Private Limited from 09.12.2013
(c)	A Joint Venture	Schneeberger India Private Limited upto 10.09.2013
(d)	Key Management Personnel (KMP)	Mr. Devesh S. Sahney, Managing Director
(e)	A Company over which relatives of KMP are able to exercise significant influence.	NRB Bearings Limited NRB Bearings (Thailand) Limited SNL Bearings Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

B) Related Party Transactions:

Name of the related parties	Nature of Transactions	Volume of Transactions For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	Receivable as at 31.03.2015 Rs. Lacs	Payable as at 31.03.2015 Rs. Lacs
NRB Bearings (Thailand) Limited	Sale of raw materials	17.93 (10.09)	6.72 (3.27)	- (-)
NRB Bearings Limited	Purchase of Raw material	146.58 (242.40)	- (-)	7.61 (1,005.17)
	Purchase of Fixed Assets	- (132.77)	- (-)	- (-)
	Commission received	- (2.58)	- (-)	- (-)
	Advance against assignment of certain Rights	- (455.00)	- (-)	- (455.00)
	ICD given	- (1,000.00)	- (-)	- (-)
	ICD refunded	- (1,000.00)	- (-)	- (-)
	ICD taken	1,222.00 (-)	- (-)	1,222.00 (-)
	Interest received on ICD	- (6.48)	- (-)	- (-)
	Interest paid on ICD	139.16 (-)	- (-)	9.48 (-)
	Guarantee to third party for loan taken by the company and outstanding as at the year end Rs. 5163.74 lacs (previous period Rs.8090.82 lacs)	- (-)	- (-)	- (-)
	Proceeds from assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon	270.00 (-)	- (-)	- (-)
	Proceeds from grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.	185.00 (-)	- (-)	- (-)
	Sale of Semi Finished Material	6.65 (53.28)	5.67 (-)	- (-)
	Income from job work	3.65 (0.81)	- (-)	- (-)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NRB IBC Bearings Private Limited (Subsidiary upto 08.12.13)	Payments made/ expenses incurred on behalf of related party	- (206.33)	- (-)	- (-)
	Rent Income	- (60.82)	- (-)	- (-)
	Investment in equity shares (equity contribution in kind)	- (415.00)	- (-)	- (-)
	Sale of Fixed Assets (net of liabilities transferred Rs.694.14 lacs relating to fixed assets)	- (2,337.73)	- (-)	- (-)
	Sale of Semi Finished Material	- (43.05)	- (-)	- (-)
	Rendering of services	- (1.64)	- (-)	- (-)
	Service Charges	- (16.85)	- (-)	- (-)
NRB IBC Bearings Private Limited (Entity on which the Company can exercise significant influence from 09.12.13)	Payments made/ expenses incurred on behalf of related party	158.53 (30.41)	- (-)	- (-)
	Rent Income	96.00 (1.53)	- (-)	(-)
	Sale of Semi Finished Material	160.15 (4.33)	150.93 (22.57)	(-) -
	Service Charges	15.00 (16.85)	- (-)	(-)
	Recoverable for sale of fixed assets, expenses and other income	- (-)	53.27 (2,026.74)	- (-) -
	Advance paid for jobwork	10.00 (-)	10.00 (-)	(-) -
	Interest income	39.72 (-)	- (-)	(-) -
	Royalty income	1.41 (-)	- (-)	(-) -
	Purchase of material	0.10 (-)	- (-)	(-) -
	Sale of fixed assets	22.90 (-)	- (-)	(-)
Mr. D. S. Sahney	Remuneration	81.17 (79.51)	- (-)	- (-)
Schneeberger India Private Limited (Joint venture upto 10.09.13)	Rent income	(-) 6.56	- (-)	- (-)
	Dividend Received	(-) 36.35	- (-)	- (-)
SNL Bearings Limited	Purchase of Fixed Assets	- (31.70)	- (-)	- (-)

Footnote:

i) Figures in brackets are in respect of the previous period.

ii) No amounts pertaining to related parties have been provided for as doubtful debts. Further, no amounts have either been written off or written back during the period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 38 - Disclosure under Accounting Standard 19 - " Leases"

1) Lease Expense

(a) The company has taken vehicle and residential premises on operating lease. Lease rental charged to the Statement of Profit and Loss for the period ended 31.03.2015 Rs. 24.67 lacs (previous period Rs. 30.29 lacs includes minimum lease payment of 9.45 lacs for the non-cancellable period up to February, 2013)

(b) (i) Under some agreements, refundable interest free deposit have been given and contain a provision for renewal.

(ii) The agreements provide for early termination by either party with a notice period which varies from 1 month to 6 months.

2) Lease Income

The Company has entered into lease agreements for certain portion of its factory and office premises including furniture and fixtures, electrical installation, etc. During the period, Rs.96.00 lacs (previous period Rs. 68.90 lacs) recognised as rental income in the Statement of Profit and Loss. The agreement existing as at the year end provide for increase in rent after 3 years and contain renewal clause. The agreement provide for termination prior to the expiry of the term, as per mutual understanding of the parties or due to breach of terms and conditions as mentioned in the agreements.

NOTE 39 - Disclosure under Accounting Standard 20 - " Earnings per shares"

	For the Period From 01.01.2014 to 31.03.2015 Rs. lacs	For the Period From 1.10.2012 to 31.12.2013 Rs. lacs
(i) Loss after tax (Rs. in lacs)	**(1,962.02)**	**(2,316.90)**
(ii) Number of Equity Shares	**2,42,30,650**	**2,42,30,650**
(iii) Par value per share (Rs.)	**2**	**2**
(iv) Earnings per share - Basic and diluted (Rs.)	**(8.10)**	**(9.56)**

NOTE 40 - Disclosure under Accounting Standard 17 - " Segment Reporting"

The operations of the Company fall within a single primary segment viz. Industrial bearings.

NOTE 41 - Managerial Remuneration

The Board of Directors and the Members of the Company had approved the appointment and remuneration of Mr. Devesh Singh Sahney as Managing Director of the Company (""hereinafter MD"") for a term of 5 years effective October 01, 2012 to September 30, 2017 at their meetings held on October 04, 2012 and October 15, 2012 respectively.

The Central Government vide letter dated August 28, 2014 approved the appointment of MD for a term of five years and partially addressed the remuneration payable (Basic remuneration & Cash allowances) for the period upto March 31,2014 and has not specifically addressed Perquisites payable for that period. The Company has submitted an application for obtaining clarification/approval from the Central Government in respect to perquisites paid for the period upto March 31, 2014.

Pursuant to provisions of section 179 read with Schedule V of the Companies Act, 2013, the Company will seek approval by way of a special resolution from the members in the forthcoming Annual General Meeting to amend the terms of remuneration of MD by reducing the tenure of remuneration payable to three years (April 01, 2014 to March 31, 2017). The Nomination & Remuneration Committee and Board of Directors of the Company have approved remuneration payable to the MD from April 01, 2014 to March 31, 2017.

Accordingly remuneration paid to the MD of Rs. 6.00 lacs for the quarter ended March 31, 2014 and Rs. 28.81 lacs for the period ended December 31, 2013 is subject to approval by the Central Government and Rs. 65.03 lacs for the period from April 01, 2014 to March 31, 2015 is subject to approval by the members.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In terms of Clause 12.1 of the Scheme referred to in Note 1 above to the financial statement, the terms and conditions of the employment of all the employees transferred from NRB shall not be less favorable than those applicable to them with reference to NRB in relation to Industrial Bearing Undertaking on the effective date. Since the remuneration paid to the Managing Director is the same as that was paid to him by NRB as Executive Director, the Company is confident of getting approval from the Central Government and members for the remuneration paid / payable for the relevant period. Pending such clarification / approval, the Managing Director holds the remuneration paid in trust for the company.

NOTE 42 -

(a) In terms of the separate Memorandum of Understanding entered into on 1st November, 2013 with NRB Bearings Limited, the Company has,

(i) assigned its leasehold rights in the plot of land at Aurangabad admeasuring 576 sq.mtrs. with building structure thereon admeasuring 144 sq.mtrs. of built up area for a consideration of Rs. 270 lacs. The profit on assignment of its leasehold rights of Rs. 268.44 lacs is included in Note 27 - Exceptional items.

(ii) granted exclusive rights to use 700 Sq. ft.of carpet area situated on the 3rd Floor of Building Dhannur at Mumbai, for a consideration of Rs. 185 Lacs . The profit on grant of exclusive rights of Rs. 185 lacs is included in Note 27 - Exceptional items.

NOTE 43 -

NRB Bearings Ltd (NRB) had entered into a Joint Venture agreement in the year 2011 with IBC Industrial Bearings and Components AG, Switzerland to form a joint venture Company for manufacture of Angular Contact Bearings. Pending formation of the joint venture company, the Project was started in 2011 by NRB as a part of Industrial Bearings Undertaking and Loan of USD 2.5 Million was availed for the Project. In terms of the Scheme referred to in Note 1, Industrial Bearings Undertaking of NRB which included the said Project was transferred and vested in the Company. The Project of Angular Contact Bearings was completed in December, 2013 and Assets pertaining to the Project having aggregate cost of Rs. 3031.87 lacs (including capitalised interest on the Loan) were sold to NRB IBC Bearings Pvt. Ltd (NIBC). Also, liabilities of Rs. 694.14 lacs outstanding relating to machineries purchased were transferred. Further, premium of Rs.104.01 lacs on Call Spread Option Contract relating to the loan referred to above has been debited to NIBC. The amount of Rs. 2026.74 lacs is fully recovered during the period ended 31st March 2015.

NOTE 44 Expenditure on Research and Development (R & D)

	For the Period From 01.01.2014 to 31.03.2015 Rs. lacs	For the Period From 1.10.2012 to 31.12.2013 Rs. lacs
a) Charged to Statement of Profit and Loss	110.28	123.45
b) Capitalized to Fixed Assets	1.31	143.65

Footnote:

i) The Department of Scientific and Industrial Research has given recognition to the In- House R & D unit of the Company at B -18, Five star MIDC area, Shendra, Aurangabad from 28th October 2014. Revenue Expenditure on R & D charged to Statement of Profit and Loss after the date of recognition as mentioned above is Rs 36.77 lacs. No Capital Expenditure on R & D incurrred after the date of recognition.

NOTE 45 -

The figures for the previous period have been regrouped / restated where necessary to conform to the current period's classification.

Signatures to Notes 1 to 45 which form an integral part of the financial statements

For and on behalf of the Board of Directors

T. S. Sahney	**D. S. Sahney**
Chairman	Managing Director
DIN : 00003873	DIN : 00003956
R. G. Mehendale	**Pravin Jogani**
Chief Financial Officer	Company Secretary

NRB INDUSTRIAL BEARINGS LIMITED

(CIN: L29253MH2011PLC213963)

Regd. Office.: 15, Dhanuur, 2nd Floor, Sir P.M. Road, Fort, Mumbai – 400 001

Dear Shareholder(s), Date: 28th May 2015

Sub.: Service of Documents through Electronic Mode.

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18(3)(1) of The Companies (Management and Administration) Rules, 2014 and Rule 11 of The Companies (Accounts) Rules, 2014, the Company is requesting a positive consent from its shareholders to receive Notice of General Meeting/ Postal Ballot, Annual Report and other Shareholders communication/ documents (herein collectively referred to as "Documents"). This will enable Shareholders to prompltly receive the Documents without loss in postal transit.

Once we receive your positive consent from Shareholders, the Documents will be sent electronically to the Shareholders on the registered Email addresses provided and/or made available to the Company by National securities Depository Limited(NSDL)/Central Depository Services (India) Limited (CDSL) (herein called "Depositories").

Also shareholders holding shares in Dematerialised form are requested to update their e-mail addresses with the Depositories and those holding in Physical form can register their email addresses by sending an e-mail on investorcare@nibl.in mentioning your Name and Folio No.

Please also note that if you still wish to receive a physical copy of the above documents, the Company will send the same, free of cost upon receipt of a request from shareholder(s).

We look forward for your support.

Thanking you,

Yours sincerely,

For NRB Industrial Bearings Limited

Sd/-

Company Secretary

To,
Company Secretary,
NRB Industrial Bearings Limited
15, Dhanuur, 2nd Floor, Sir P.M. Road,
Fort, Mumbai – 400 001, India.
Dear Sir,

As per your Letter dtd. 28th May 2015, I/We give my/our consent to use my/our registered email id in my/our demat account with Depository Participant/ mentioned below for receiving Documents under Companies Act, 2013.

DP id/ CL: _____ Folio No. _____

Registered Email Id.(For Demat Shareholders): _____

New Email Id. (For Physical Shareholders): _____

YES NO

Thanking You,

Yours Faithfully,

Name of the Shareholder(s): _____ Signature: _____

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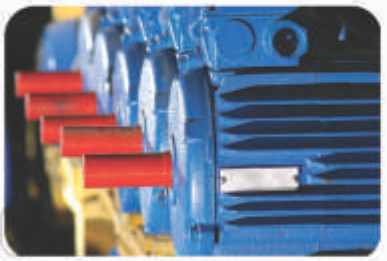
Bearings for every application



NRB
INDUSTRIAL

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