NRB INDUSTRIAL

NIBL/BSE/NSE/19/2016-17

22nd July, 2016

National Stock Exchange Ltd.
Listing Department,
Exchange Plaza, 5th Floor,
G Block, Bandra-Kurla Complex
Bandra (East), Mumbai-400051
Fax No.:022-26598237/38

BSE Limited
Listing Department
Sir P.J. Tower, Dalal Street,
Mumbai-400001
Fax No. 022-22723121/3719/2037

Ref. : BSE Scrip Code: 535458; NSE Symbol: NIBL
Sub. : Annual Report under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

Dear Sir / Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Annual Report for the 5th Annual General Meeting of the Company held on 19th July, 2016.

Kindly update same on record and do the needful.

Thanking you,

Yours truly,

For NRB Industrial Bearings Limited

Gandhi

Ratika Gandhi
Company Secretary

NRB INDUSTRIAL BEARINGS LTD. MUMBAI

NRB INDUSTRIAL

5th Annual Report 2015-16

MOVING THE WHEELS OF INDUSTRY

5th ANNUAL REPORT
2015-2016

Board Of Directors	:	Mr. Trilochan Singh Sahney - Non-Executive Chairman Mr. Devesh Singh Sahney - Managing Director Ms. Harshbeena Sahney Zaveri - Director Mr. Gaurav Motwane - Independent Director Mr. Manish Choksi - Independent Director Mr. Ashish Chugani - Independent Director
Key Managerial Personnel	:	Mr. Devesh Singh Sahney - Managing Director Mr. Ratnakar G. Mehendale - Chief Financial Officer Mrs. Ratika Gandhi - Company Secretary
Bankers	:	Standard Chartered Bank Bank of Maharashtra
Statutory Auditors	:	M/s. Deloitte Haskins & Sells
Internal Auditors	:	Sharp & Tannan (Goa), Chartered Accountants
Registered Office	:	2nd floor, Dhannur building, Sir P.M. Road, Fort, Mumbai – 400 001, Maharashtra, India
Factory Premises	:	B-18, Five Star, M.I.D.C 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 Tel.: 022-28207203/05, 28257641
Website Address	:	www.nrbindustrialbearings.com
CIN	:	**L29253MH2011PLC213963**

CONTENTS

Particulars	Page No.
Letter to Shareholders	03
Notice	04
Director's Report	07
Management Discussion & Analysis Report	30
Corporate Governance Report	33
Auditors Report	43
Balance Sheet Statement	48
Statement of Profit & Loss	49
Cash flow Statement	50
Notes to Financial Statements	52

LETTER TO THE SHAREHOLDERS

Dear Shareholder,

It gives me immense pleasure to introduce NRB Industrial Bearings' 5th Annual Report.

India clocked in 7.6% growth during the 2015-16 and continued to be the 'star performer', outpacing China as the world's fastest growing major economy. The global economy, however, continued to be volatile during this period with three of the BRICS economies; China, Brazil and Russia facing a slowdown. The US Federal Reserve increased interest rates owing to growth in employment for forty one straight weeks (and therefore a drop in unemployment claims) and low inflation. This depreciated the rupee and even though this made India more competitive in exports; India could not take advantage owing to the weak global economic scenario. In a more local context, the government's "Make-In-India" initiative is starting to show results with many investments being made and in the pipeline.

During the course of the year, NRB Industrial Bearings continued to focus towards building a stronger organization. This ranges from a series of initiatives like hiring highly qualified personnel and expanding its dealer network to introducing new products and working towards lean manufacturing which are further highlighted in this report. These activities will help us achieve our goals and take on the opportunities that lie ahead in both; Indian and global markets. In addition to our own product range, we have also continued to strengthen our alliances with our European partners, leading us to have to a wider gamut of products for the Indian manufacturing sector. This will give us a sustained competitive advantage over Indian bearing manufacturers.

Looking ahead, we appear to have a promising year in the next fiscal. With new developments, we hope to penetrate new segments, using "Make-In-India" to our advantage. While the bearing industry is poised to get further competitive, I am confidant that NRB Industrial Bearings will emerge as a promising player in this market.

We thank you for your support and look forward to the same in 2016-17.

Best Regards,

Sd/-

Devesh Singh Sahney
Managing Director

NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of NRB Industrial Bearings Limited will be held on Tuesday, 19th July, 2016 at 11.00 a.m. at M. C. Ghia Hall, K. Dubash Marg, Mumbai – 400 001 to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet, Statement of Profit and Loss accounts and Cash Flow statement for the Financial Year ended March 31, 2016 together with the Reports of Board of Directors, Management and Auditors thereon.

2. To appoint a Director in place of Mr. Devesh Singh Sahney (DIN No: 00003956) who retires by rotation at this Annual General meeting and being eligible, has offered himself for re-appointment.

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 2016-17 to hold office from conclusion of this Sixth Annual General Meeting until the conclusion of the Seventh Annual General Meeting of the Company on such remuneration as may be mutually 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."

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

Sd/-
Ratika Gandhi
Company Secretary

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

Place: Mumbai
Date: May 27, 2016

Notes :

NRB Industrial Bearings Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide remote e-voting facility to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 5th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.

2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.

3. Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

4. The Securities 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 the PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding the shares in physical form can submit their PAN details to the Company. 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.

i. Members may also note that the Notice of Fifth Annual General Meeting and Annual Report 2015-16 will also be available on the Company's website www.nrbindustrialbearings.com for download.

ii. The Register of members and Share Transfer Books of the Company shall remain closed from July 13,2016 July 19, 2016 (both days inclusive) for Annual General Meeting purposes.

iii. Members are requested to send all communications relating to Equity Shares, change of address etc. to the Registrar and share transfer agents at the following:

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.

iv. Voting through electronic means:

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on July 16, 2016 from 9.00 a.m. and ends on July 18, 2016 till 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in de-materialized form, as on the cut-off date (record date) of July 12,2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(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 first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report 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.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both 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).

(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 NRB Industrial Bearings Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login 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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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 linked in the login 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.

(xx) 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.

ANNEXURE TO ITEM NOS. 2 OF THE NOTICE

[Details of Directors seeking appointment and re-appointment at the forth coming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

Name of Director	Devesh Singh Sahney
Date of Birth	17/11/1968
Nationality	Indian
Date of First Appointment on the Board	24/02/2011
Qualifications	Bachelor in Business Administration and Economics With a double concentration in Financial Accounting and International Business from Richmond University, London. Masters in Business Administration with a concentration in General Management from the Asian Institute of Management (Philippines). Having done Management Development (Harvard Business School
Expertise in specific functional Areas	He possess vast experience in Bearings Industry in India and Abroad.
No. of Shares held in the Company	967,967 Equity Shares
List of Director ships held in other Listed Companies	NRB Bearings Limited;
Chairman / Member in the Committee of the Boards	Member of Audit Committee and Risk Management Committee in NRB Industrial Bearings Limited.
Remuneration paid (Paid in the lastyear)	Rs. 72.03 Lac
Relationship with other directors	Mr. Trilochan Singh Sahney – Father Ms. Harshbeena Sahney Zaveri - Sister
No.of Board Meetings attended in FY2015-16	4

DIRECTORS' REPORT

To,
The Members,
NRB Industrial Bearings Limited,
Mumbai – 400 001

Your Directors take this pleasure in presenting their 5th Annual Report of NRB Industrial Bearings Limited for the period April 1, 2015 to March 31, 2016.

1. Financial Performance:

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

(Rs. in Lac)

Particulars	FY2015-16	*FY2014-15
Total Revenue for the Year	4080.98	3871.29
Profit/(Loss) before Depreciation, Exceptional Items and Taxes	(1151.16)	(1541.52)
Depreciation and Amortization Expenses	768.60	873.94
Profit/(Loss) before ExceptionalItem	(1919.76)	(2415.46)
Exceptional Item	-	453.44
Profit/(Loss) before Tax	(1919.76)	(1962.02)
Tax expenses	Nil	Nil
Balance carried forward to General Reserve	(6,200.38)	(4280.62)
EPS		
- Basic	(7.92)	(8.10)
- Diluted	(7.92)	(8.10)

** Previous financial year was 15 months i.e. Jan 2014 to March 2015.*

This report of Directors along with its Annexures, Management Discussion and Analysis Report, Corporate Governance Report, Financial Statements along with their Notes are prepared for the period April 1, 2015 to March 31, 2016 (hereinafter referred as financial year).

2. Transfer to Reserves:

No amount has been transferred to reserves, due to accumulated losses.

3. Dividend:

Your Directors do not recommend dividend for the period under review due to losses made during the year.

4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Not applicable as company has not declared any dividend in past and neither during the period of review.

5. Material Changes And Commitment If Any Affecting The Financial Position Of The Company Occurred Between The Ends Of The Financial Year To Which This Financial Statements Relate And The Date Of The Report:

No material changes and commitments affecting the financial position of the Company occurred between the financial year to which this financial statements relate on the date of this report.

6. Operations Overview Overall:

a) Company's Performance:

Your Company's turnover stood at Rs. 4080.98 Lac for the period ending March 31, 2016 as against Rs. 3871.29 Lac in the previous year. Company`s net sales has been increased by Rs. 258.31 Lac. The Export's turnover of your company was Rs. 905.36 Lac in Previous Year as against Rs. 879.44 Lac in Current Year.

Manufacturing:

Company has been focused on re-defining the level of perfection achieved by it, hence incorporating various level testing methods to achieve minimum level of defects in order to reduce sales returns.

NIBL's KAIZEN Team from Tool Room won first place at a competition organized by 'Quality Circle Forum of India' in Aurangabad on 25th April' 2015. Your company had initiated KAIZEN activities in the shop floor. Our engineers have managed in reduction in grinding cycle time for BB, WIR and De-bottlenecking of bottom roller bearing line.

Quality Assurance:

Your company in order to enhance the level of Quality assurance has initiated projects to bring down internal rejections and drive continual improvement. Our Quality Assurance team imparted training to shop floor supervisors for improving the effectiveness of the Lean Daily Management System- a system designed to focus on daily performance measurement and improvement, improve effectiveness of supervisory communication, solicit and evaluate employee improvement ideas, and assess lean status and define improvement objectives; all steps taken towards developing a "Kaizen" culture.

Your company has ISO 9001:2008 certification for all the products.

Marketing and Sales:

Your company is focused to build in a strong segment wise mapping in terms of customer and products. Your Company is associated with professional team of application engineers to get the approvals from Original Equipment Manufacturers (OEMs)/ Consultants in order to strengthen the distribution channels in India. Approaching the targeted market with dynamic pricing and supply of products as per industry requirements.

Original Equipment Manufacturers (OEM) market accounts for 40% of total demand of bearing industry and this market is characterized by requirements of high quality, stringent delivery norms and lower margins. Today OEM market for industrial bearings in India of Rs.2600 crore with growth rate of 3.5%, with total 17 segments. OEM's have been facing price competition in their own markets, continue to exert price pressure on the bearing suppliers. OEM market is also supplemented with replacement market i.e. demand arising on account of replacing the used and worn-out bearings. The size of replacement market is Rs. 2800 crore and is dependent on equipment population and frequency of maintenance.

The focused segments of your company are Textile, Material handling, Pumps & Motors, Compressors & Blowers, Mining, Gear Box, Printing & Electric machinery. We have managed to achieve a good position in Bottom roller bearings in textiles segment. Company intends to focus on eight (8) new bearing segments which will strengthen its base in the Indian markets. We have added six (6) new distributors in areas such as Coimbatore, Ahmedabad, Rajkot, Delhi, Mumbai and Raipur.

Company is focused to achieve its goals by building a strong network with its Dealers, Customers and Suppliers. Get-togethers were arranged with dealers with an objective to strengthen partnership & initiate team building. NIBL held 3rd Dealer Symposium on 5th & 6th February, 2016, wherein seminars were conducted on product and manufacturing capabilities.

Company has focused business plan to penetrate in European Union region through direct channels and agents in international markets. Prime focus to get a brand recognition and quality customers base by participating in exhibitions both domestic and international level. Your company participated in Hannover Messe exhibition in Germany in April 2015 which is well known as world's leading show for industrial technology highlights innovations and groundbreaking solutions in all the core sectors.

Information Technology :

Your company has initiated various activities to enhance capabilities of gathering, storing, analyzing and providing access to data in the form of dashboards and scorecards to help users make better business decisions. Initiation of Implementation of a Customer Relationship Management (CRM) solution to register leads and contacts, track all customer interaction including complaints and feedback to provide better service to customers and accelerate business development.

Research and Development (R&D) :

Our R&D team has developed and added 56 types of new products during the financial year 2015-16. Under the focused industries segment company has developed 10 new bearings and High performance "Idler roller" for JUTE industry. Such initiatives will lead company towards perfection and excellence.

R&D forms the backbone of company and hence had arranged seminar on "fatigue analysis".

Human resource :

Human resource department has successfully implemented policies such as Accident Investigation policy, Safety policy, Email policy and Travel policy and Induction & Orientation policy etc. The Company also 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 have been received under this Policy.

During the period Safety Audit was conducted in the factory by the authorized agency i.e. Industrial Safety Services in order to meet the statutory requirements wherein no major hazards/ lacunae were found.

Medical check-up and firefighting trainings were arranged to meet safety benchmarks along with orientation sessions on "Swine Flu" and Blood donation campaign on 12th December, 2015 at DattajiBhale Blood Bank. Your Company conducted "Togetherness Programmes" which enabled the employees to share their views and ideas on different areas.

Legal :

During the financial year 2014-15,Company had traced Cybercrime and was vigilant during period under review and has taken preventive measures for future.

b) Change in nature of business :

The Company manufactures Bearings for Industrial applications defined broadly as Anti Friction Ball Bearings & Roller bearings, Bearings for transmission shafts etc. There has been no change in the nature of business activities of the Company during the period of review.

Your Company has been aggressively striving to achieve its well defined "Vision" to be market leader in "Friction management" in every market it serves, to the betterment of our customers, employees and shareholders. Currently company has no Subsidiaries in India or Abroad.

c) Share Capital :

During the period under review the Company has increased the authorized share capital via. shareholders' approval in 4th Annual General Meeting held on July 7, 2015 from Rs. 5,00,00,000/- to Rs. 55,00,00,000/-.

During the period from April 1, 2015 to March 31, 2016, Company has issued Redeemable, Cumulative, Non-convertible Preference shares to Mr. Trilochan Singh Sahney under private placement for 1,00,00,000 (One Crore) preference shares each having nominal value of

Rs. 10/- (Ten Only) amounting to Rs. 10,00,00,000/- (Ten crore only).

In subsequent financial year 2016-17 company has further allotted Redeemable, Cumulative, Non-convertible Preference shares to Mr. Trilochan Singh Sahney under private placement for 1,00,00,000 (One Crore) preference shares each having nominal value of Rs. 10/- (Ten Only) amounting to Rs. 10,00,00,000/- (Ten crore only). Hence the existing paid up share capital of your company as on 27th May,2016 is Rs. 24,84,61,300/- divided into 2,42,30,650 Equity Shares of Rs. 2/- each and 2,00,00,000 Preference Shares of Rs. 10/- each.

7. Public Deposits :

The Company has not accepted any deposits from the public/members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

8. Awards /Recognitions and Initiatives :

The Company's Research & Development Facility at the Factory Premises has now been recognised by the Ministry of Science and Industry, Government of India as In house R&D unit, which is major boost to promote R & D and promotion of potential products by the company.

Company factory premises won the award for outstanding Structure from Aurangabad Association of Civil Engineers with proper work environment for the workers.

Your Company had participated in programme organized by Maharashtra Labour Welfare department on February 24, 2016 for benefits and rights workers and their families. The attendees of the programmes included Government officials and reputed NGO`s.

Company has initiated with "ROTI BANK PROJECT" campaign, wherein extra food from our canteen is donated to "Food Bank" run by Haroon Mukati Islamic Center (HMIC) which feeds poor and homeless people.

Directors :

In accordance with the provisions of the Section 152 Companies Act, 2013 read with applicable Rules, if any, Mr. Devesh Singh Sahney (DIN 00003956), retires by rotation at the ensuing Annual General Meeting for the financial year 2015-16 and being eligible, offers himself for a re-appointment.

Mr. Kaushal Aggarwal (DIN 00153487), ceased to be Director of the Company w.e.f 7th August, 2015.

Mr. Gaurav Motwane (DIN 00746165) was appointed as an Independent Director by Casual Vacancy under section 161(4) of Companies, Act 2013 w.e.f 6th November, 2015.

Familiarisation Programme for Independent Directors :

Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Managing Director and CFO on the Company's manufacturing, marketing, finance and other important aspects.

Evaluation of the Board's Performance :

The Board has a formal mechanism for evaluating its performance annually based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc. Independent directors have meet separately during the period of review.

Remuneration Policy :

The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws and is approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and senior management employees.

9. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:

The information pertaining to Conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in 'Annexure I' and is attached to this Report.

10. Statement Concerning Development And Implementation Of Risk Management Policy of The Company:

The Board has constituted the Risk Management Committee on November 5, 2014 with pursuant to requirements of the Companies Act, 2013 along with applicable Rules and requirements under Regulation 17 (9) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

11. Details Of Policy Developed And Implemented By The Company On Its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

12. Particulars of Loans, Guarantees Or Investments Made Under Section 186 of Companies Act, 2013:

The particulars of loans, guarantees and investments made & given by the Company in the year 2015-2016 as per Section 186 of Companies Act, 2013 is stated in the Notes to Account which forms part of this Annual Report.

13. Particulars of Contracts or Arrangements made with Related Parties:

The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of Companies Act 2013 and Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in 'Annexure II' in Form AOC -2 and the same forms part of this report. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which approval of the shareholders is required. All related party transactions are in the ordinary course of business and at arm's length basis, which are not material in nature. All related party transactions are with the approval of the Audit Committee and periodically placed before the Board for review.

14. Policy on Related Party Transactions:

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards. The Company has adopted a policy on 'Related party transactions policy' and the same has been displayed on the Company's website: www.nrbindustrialbearings.com.

15. Subsidiaries and Joint Ventures:

The company has framed a Policy for determining material subsidiaries. However the Company does not have any subsidiary as defined under Companies Act, 2013 at present.

NRB Industrial Bearings has 35% Equity participation in NRB –IBC Bearings Private Limited which is a joint venture with IBC Industrial Bearings and Components AG, Switzerland. Further with Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures is annexed as Annexure III' in form AOC -1.

16. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports and management`s reply for the same.

There are no qualifications in the Auditors report of company`s Statutory Auditors and Secretarial Auditor.

17. Company's policy relating to directors appointment, payment of remuneration and discharge of their duties :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and have constituted proper composition of Independent directors for various committees.

Company has three independent directors on Board and Company has taken "Declaration of Independent directors" from them. There is no material pecuniary benefits to independent directors from Company or any Promoter group.

18. Number of Board Meetings Conducted during the year under review :

The Board met 4(Four) times during the financial year, and 3 (three) times Circular resolution was passed, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and other stock exchange rules and Regulations. Agenda papers were circulated to the directors in advance for each meeting.

All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time.

19. Cost Compliance Report :

Cost audit is not applicable to your company but, Companies (Cost Accounting Records) Rules, 2011 dtd. June 03, 2011 issued by Ministry of Corporate Affairs is applicable to the Company and that the Company maintains the records in prescribed form for the period under review.

20. Disclosure of composition of Audit committee and Vigil mechanism policy :

Under provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, The Audit Committee consists of the following members:

i Mr. Manish Choksi	:	Chairman
ii Mr. Gaurav Motwane	:	Independent Director
iii Mr. Ashish Chugani	:	Independent Director
iv Mr. Devesh Sahney	:	Managing Director

The Company has established a vigil mechanism through the committee, the genuine concerns expressed by the employees and other Directors are taken on records which forms part of annual report as 'Annexure IV'. The Company has also provided adequate safeguards

against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

21. Internal control system :

The Company has an internal control system and conducts Internal Audit. The scope and authority of the Internal Audit function is defined by Audit committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. Audit committee evaluates the efficiency and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies.

Audit committee reviews the suggestions and comments given by Internal Auditors and put in process accordingly.

22. Shares :

a. Buy back of securities

The Company has not bought back any of its securities during the year under review.

b. Sweat equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus shares

No Bonus Shares were issued during the year under review.

d. Employees stock option plan

The Company has not provided any Stock Option Scheme to the employees.

23. Auditors :

The Statutory Auditors of the Company are Deloitte, Haskins & Sells, Chartered Accountants with an ICAI Firm Registration No. ICAI117365W have audited the Financial Statements of the Company for the period April 1, 2015 to March 31, 2016. The Statutory Auditors were appointed by the members of the Company at the 4th Annual General Meeting of the Company held on July 7, 2015 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 23, 2016 have furnished a certificate of their eligibility and consent under section 141 of the Companies Act, 2013 and the rules framed thereunder to hold the office of Statutory Auditors of the Company

Secretarial Auditor :

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Ajit Sharma, Practicing Company Secretary to undertake the Secretarial Audit for the FY 2015-16 of the Company. The report forms part of annual report as 'Annexure V.

24. Particulars of employees :

The statement under Section 134(3) (q) and Section 197 (12) of Companies Act, 2013 Read with Rule 5(1) of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure 'VI'.

25. Annual Return :

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Form MGT-9 'Annexure VII' and is attached to this Annual Report.

26. Corporate Governance :

A separate report of the Board of Directors of the Company on Corporate Governance is included in the Annual Report and Certificate from M/s AJS & Associates, Practicing Company Secretaries confirming compliance with the requirements of Corporate Governance as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 forms part of annual report.

27. Management Discussion and Analysis :

The Management Discussion and Analysis Report, as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are already dealt with in various sections of this Report.

28. Annexures forming part of this Annual Report :

Annexure No.	Particulars
I	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
II	Form AOC-2 –Related party transactions
III	Form AOC-1 – Joint Ventures details
IV	Vigil mechanism /Whistle Blower policy
V	Secretarial Audit Report for the period under review
VI	Particulars of Employees under Section 134(3) (q) and Section 197(12) of the Companies Act, 2013.
VII	Form MGT-9 - Extract of the Annual Return

29. Cautionary Statement :

Statements in this Report, Management Discussion and Analysis, Corporate Governance, Notice to the Shareholders or else wherein 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.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

30. Directors Responsibility Statement

Your Directors wish to inform Members that the Audited Accounts containing Financial Statements for the Financial Year 2015-16 are in conformity with the requirements of the Companies Act, 2013. Your company financial statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present the financial condition and results of operation.

In terms of provisions of Section 134(3) (c) of the Companies Act, 2013, your Directors further confirm as under:

i) preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) the directors had selected such accounting policies and applied them consistently and made judgments 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 profit and loss of the company for that period;

iii) the directors had 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;

iv) the directors had prepared the annual accounts on a going concern basis;

v) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. Appreciation

Your Directors wish to place on records their sincere appreciation to all the Employees of the Company for the 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 their sincere appreciation to the Share holders of the Company for keeping faith and confidence reposed in us.

For and on behalf of Board of Directors,

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

Place: Mumbai
Date: May 27, 2016

ANNEXURE I

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended March 31, 2016:

a) Conservation Of Energy: **Energy Conservation measures taken in each process.**

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

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: **Not applicable**

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

Sr. No.	Purchased	Current Year (2015-16)	Previous Year (2014-15)
1	Units, KWh	39,98,248	33,59,168
2	Total amount (Rs.)	318,77,111	26,120,890
3	Rate/unit, Rs. per KWh	7.97	7.78
4	Own Generation, KWh	28032	11659
(1) Through Diesel Generator			
5	Unit, KWh	28032	11659
6	Diesel Oil consumed (litre)	7376.8	3774
7	Generation, KWh per litre	3.8	3.09
(2) Through Steam turbine/generator			
8	Propane gas consumption (tons)	17.02	12.02
9	Tons of steel heat treated per ton of propane gas consumed	15.06	14.40
10	Propane gas cost/ units, Rs. Per ton of steel heat treated	34132	56572.4
(3) Consumption per unit production			
		Standard Current Year)	Standard Previous Year)
11	Production Value of Bearings (in Rs Lakh)	3489.47	2635.32
12	Electricity (purchased and own generation), KWh consumed per Rs Lakh. Value of Bearings produced	1153.84	1279.10
13	HT Furnace production, (in Ton)	256.4	173.1
14	Propane Gas Consumption (in Ton)	17.02	12.02

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 optimisation
4. Change in product for new application
5. Special antirust coating on cam followers
6. High performance idler roller for Jute industry
7. Established the reliability check of stud type cam-followers.

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

1. Developed 56 numbers of products to enhance business in the area of existing as well new application and existing as well as new customer base.
2. New business generated.
3. Improved product quality and performance

c) Future Plan of action:

1. Doubling number of new product development.
2. New range of Spherical roller bearing to develop to enhance the range as well as performance for wide range of application.
3. Design optimization
4. In-house product testing facility

d) Expenditure on R&D:

1. Capital : FY: 2015-16 : NIL
   PY: 2014-15 – Rs. 1.31 Lac
2. Recurring : FY: 2015-16 : Rs. 103. 54 Lac
   PY: 2014-15 – Rs. 110.28 Lac
3. Total : FY: 2015-16 : Rs. 103. 54 Lac
   PY: 2014-15 – Rs. 111.59 Lac
4. Total R&D as a percentage of Total turnover
   FY 2015-16 – 2.54%, PY – 2.88%

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 above mentioned area learned reliability estimation, data collection and use of collected data.

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

Used the reliability estimation technique to estimate the reliability of stud type cam followers and further used for product improvement.

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: Not applicable

d) Foreign Exchange earnings and outgo:

Total Foreign Exchange earnings	:	FY 2015-16 Rs. 942.15 Lac, PY: Rs. 935.87 Lac
Total Foreign Exchange outgo	:	FY 2015-16 Rs. 448.58 Lac, PY: Rs. 934.95 Lac

For and on behalf of Board of Directors,

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

Place: Mumbai
Date: May 27, 2016

Annexure 'II'
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:** All the transactions were at arm`s length during the period under review.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   (a) Name(s) of the related party and nature of relationship:

SN	Nature of relationship	Names of related parties
(a)	Entity on which the Company can exercise significant influence	NRB-IBC Bearings Private Limited
(b)	Key Management Personnel (KMP)	Mr. Devesh S. Sahney - Managing Director
(c)	Relative of Key Management Personnel	Mr. Trilochan S. Sahney - Chairman; Mrs. H. S. Zaveri - Director
(d)	A Company over which relatives of KMP are able to exercise significant influence.	NRB Bearings Limited NRB Bearings (Thailand) Limited

   (b) Nature of contracts/arrangements/transactions: Ongoing business transactions.

   (c) Duration of the contracts / arrangements/transactions: As per business requirements, pre-approval from audit committee taken on quarterly basis.

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

   (e) Date(s) of approval by the Board, if any: Each Quarter approval as per transactions entered.

   (f) Amount paid as advances, if any: Not applicable.

For and on behalf of Board of Directors,

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

Place: Mumbai
Date: May 27, 2016

ANNEXURE 'III'
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Company does not have any Subsidiaries as on March 31, 2016, hence Part A is Not Applicable.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures		NRB-IBC Bearings Private Limited
1.	Latest audited Balance Sheet Date	31.03.2015
2.	Shares of Associate/Joint Ventures held by the company on the year end, No. of shares held	42,00,000
	Amount of Investment in Associates/Joint Venture @ face value of Rs. 10/- each share	Rs. 4,20,00,000
	Extend of Holding%	35%
3.	Description of how there is significant influence	35% shareholding of NIBL and 35% shares held by Mr. T.S.Sahney, director of NIBL and forming part of promoter group of NIBL shareholding.
4.	Reason why the associate/joint venture is not consolidated	As per Rule 4A, notified in September 2015, relating to Companies (Accounts) Second Amendment Rules, 2015, states that the items contained in the financial statements shall be prepared in accordance with the definitions and other requirements specified in the Accounting Standards or the Indian Accounting Standards, as the case may be. Hence consolidation not required.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet as on March 31, 2015.	Rs. 174.27 Lac
6.	Profit/Loss for the year	(Rs. 376.30) Lac
i.	Considered in Consolidation	-
ii.	Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations: **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **Not applicable**

For and on behalf of Board of Directors,

T. S.Sahney
Chairman
(00003873)

D.S.Sahney
Managing Director
(00003956)

Place: Mumbai
Date: May 27, 2016

ANNEXURE 'IV'

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. Preface

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations, which states:

Section 177 (9) of the Companies Act, 2013 mandates the following classes of companies to constitute a vigil mechanism –

a) Every listed company; and

b) Every other company which accepts deposits from the public;

c) Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crore.

Further, Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 between listed companies and the Stock Exchanges has been recently amended which, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called the 'Whistleblower Policy' for directors and employees to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct.

Accordingly, this Whistleblower Policy ("the Policy") has been formulated with a view to provide a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

2. Definitions

The definitions of some of the key terms used in this Policy are given below.

a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

b. **"Employee"** means every employee of the Company, including the directors in the employment of the Company.

c. **"Investigators"** mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and includes the auditors of the Company and the police.

d. **"Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

e. **"Subject"** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

f. **"Whistleblower"** means an Employee making any Disclosure under this Policy.

3. Scope

a. The Whistleblower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

b. Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee or the Investigators.

c. Disclosure will be appropriately dealt with by the Chairman of the Audit Committee, as the case may be.

4. Eligibility

All Employees of the Company are eligible to make Disclosures under the Policy in relation to matters concerning the Company.

5. Disqualifications

a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.

c. Whistleblowers, who make three or more Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. Procedure

a. All Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.

The Chairman of the Audit Committee of the Company is Mr. Manish Chokshi.

b. If a disclosure is received by any executive of the Company other than Chairman of Audit Committee, the same should be forwarded to the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.

c. Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or Marathi.

d. The Disclosure should be forwarded by the Chairman of the Audit Committee to the Investigators for investigation.

e. Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

f. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers.

7. Investigation

a. All Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should excuse itself and the other members of the Audit Committee should deal with the matter on hand.

b. The Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.

c. The decision to conduct an investigation taken by the Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.

d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

f. Subjects shall have a duty to co-operate with the Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

g. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

k. The investigation shall be completed normally within 45 days of the receipt of the Disclosure.

8. Protection

a. No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported any Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.

b. A Whistleblower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

c. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).

d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

9. Investigators

a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.

b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

c. Investigations will be launched only after a preliminary review which establishes that:

i. the alleged act constitutes an improper or unethical activity or conduct, and

ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10. Decision

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, it shall recommend to the management of the Company to take such disciplinary or corrective action as the it deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

11. Reporting

The Chairman of Audit Committee should give a report on the Disclosures received/referred together with the results of investigations, if any, to the Board of Directors.

12. Retention of documents

All Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

13. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and directors unless the same is notified to the Employees and directors in writing.

ANNEXURE 'V'

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
NRB INDUSTRIAL BEARINGS LIMITED
15, Dhannur, Sir P. M. Road, Fort
Mumbai - 400001 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. NRB INDUSTRIAL BEARINGS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **NRB INDUSTRIAL BEARINGS LIMITED** ("the Company") as given in **Annexure I**, for the financial year ended on 31st March, 2016, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014 and amendments thereof;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Reserve Bank of India Act, 1934;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment(not applicable to the Company during the Audit Period);

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(not applicable to the Company during the Audit period);

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014(not applicable to the Company during the Audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(not applicable to the Company during the Audit period);

f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period), and;

I have also examined compliance with the applicable clause of the following:

a. Secretarial Standards issued by The Institute of Company Secretaries of India and
b. The Listing Agreements, entered into by the Company with Bombay Stock Exchange Limited and new SEBI (LODR) 2015, effective from 01st December, 2015.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. ***Omnibus approval from Audit Committee has been obtained for Related party Transactions done during the year and details about Related Party transactions are also mentioned in the Resolutions.***

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with my letter of even date submitted to the Company and forms an integral part of this report.

For AJS & ASSOCIATES

Date : - May 17, 2016
Place: - Mumbai

(A.J. SHARMA)
Proprietor
M. No.: 32696
COP No.: 12028

ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2015.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
   - Register of Directors & KMP
   - Register of Directors' Shareholding
   - Register of loans, guarantees and security and acquisition made by the Company
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
11. Filings made with Reserve Bank of India by the Company.
12. With respect to other applicable laws like Labour Laws, I have verified the payment receipt of statutory payments including PF, Gratuity, though they were paid but there were some delay in payment.

For AJS & ASSOCIATES

(A.J. SHARMA)
Proprietor
M. No.: 32696
COP No.: 12028

Date : - May 17, 2016
Place: - Mumbai

ANNEXURE VI

Particulars of Employees Pursuant To Section 134(3) (q) And Section 197 (12) of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014.

Requirements of Rule 5(1)			Details
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	:	Mr. Trilochan Singh Sahney - N.A. Mr. Devesh Singh Sahney - 40 : 1 Mr. Harshbeena Zaveri - N.A.
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	:	Directors: Mr. Trilochan Singh Sahney - N.A Mr. Devesh Singh Sahney - 10.78% Mr. Harshbeena Zaveri - NA Key Managerial Personnel : Nil
(iii)	the percentage increase in the median remuneration of employees in the financial year;	:	13.74%
(iv)	the number of permanent employees on the rolls of company;		280 employees as on 31.03.2016
(v)	the explanation on the relationship between average increase in remuneration and company performance;	:	Increments are given to employees as part of retention strategy and to offset the inflation.
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	:	Company has incurred losses and no increase in KMP remuneration, hence not applicable.
(vii)	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	:	As on 31.03.2015 / As on 31.03.2016 Share price: BSE Rs. 40.75 Rs. 44.50 NSE Rs. 40.95 Rs. 44.75 P/E Ratio BSE (5.03) (5.27) NSE (5.05) (5.30) Company has so comparison have not been made of current share price with public offer price as in past three years since De-Merger there were no such events. The Company's shares are listed on Bombay Stock Exchange and National Stock exchange. Pursuant to the approval of the members through postal ballot / e-voting on 12th March, 2016 for allotment of Redeemable, Cumulative, Non-convertible Preference shares were issue to Mr. Trilochan Singh Sahney of Rs. 10 Cr during the financial period.
(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	:	NA
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	:	Same as in (vi) above

(x)	The key parameters for any variable component of remuneration availed by the directors;	:	Employees are paid fixed salary and there is no variable component in anybody's salary
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	:	The Managing Director is the highest paid director. No employee received remuneration higher than Managing Director.
(xii)	affirmation that the remuneration is as per the remuneration policy of the company.	:	Remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company

Details of Directors/ KMP/Appointed/Resigned During The Year As Per Section 134 (3) (q) Read With Rule 8 (5) (iii) Of Companies (Account) Rules, 2014:

Name	Designation	% of equity shares	Relation-ship with other Directors	Nature of Duties (Employ-ment)	Gross Remu-nera-tion (Rs.)	Quali-fica-tions	Date of Com-mence-ment of Employ-ment	Total Expe-rience	Last Employ-ment
Pravin Jogani	Company Secretary	NIL	N.A	Secretarial and Legal	878,009	CS	Oct 1, 2014	8 years 7 m	Sep 30, 2014
Ratika Gandhi	Company Secretary	NIL	N.A	Secretarial and Legal	8,00,001	CS	March 1, 2016 till dt.	8 years	Feb 23, 2016

ANNEXURE VII

Extract of the Annual Return in Form MGT-9

As on the Financial Year ended 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L29253MH2011PLC213963
ii.	Registration Date	24/02/2011
iii.	Name of the Company	NRB Industrial Bearings Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered Office and Contact Details	Dhannur Building, 15 Sir P.M. Road, Fort, Mumbai – 400 001
vi.	Whether Listed	Yes
vii.	Name, Address and Contact details of Registrar and Share Transfer Agents, if any	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400 093. Tel.: 022-2820 7203-05 / 2825 7641, E-mail: info@unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

SN	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the Company
1	Ball and Roller bearings for Industrial applications	2814	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name And Address Of The Company	Company Identification number	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	NRB-IBC Bearings Private Limited 15, Dhannur, Sir P. M. Road, Fort, Mumbai – 400 001	U29268MH2011PTC214811	Associate	35	2(6)

V. Shareholding Pattern (Equity Share Capital Breakup as percentage of total equity)

i. Category wise Shareholding Pattern :

Category Of Shareholders	No. of shares held at the beginning of the year – 1st April, 2015				No. of shares held at the end of the year – 31st March, 2016				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
Individuals/ Hindu Undivided Family	78,06,944	-	78,06,944	32.22	75,90,135	-	75,90,135	31.32	(2.78)
Trust	94,38,910	-	94,38,910	38.95	94,38,910	-	94,38,910	38.95	-
Sub-total (A) (1)	**1,72,45,854**	**-**	**1,72,45,854**	**71.17**	**1,70,29,045**	**-**	**1,70,29,045**	**70.27**	**(1.26)**
(2) Foreign									
Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	**1,72,45,854**	**-**	**1,72,45,854**	**71.17**	**1,70,29,045**	**-**	**1,70,29,045**	**70.27**	**(1.26)**
B. Public Shareholding									
1. Institutions									
Mutual Funds/ UTI	-	1,750	1,750	0.00	-	1,750	1,750	0.00	-
Financial Institutions / Banks	1,450	-	1,450	0.01	200	-	200	0.00	(86.21)
Foreign Institutional Investors	7,343	-	7,343	0.03	7,343	-	7,343	0.03	-
Sub-Total (B)(1)	**8,793**	**1,750**	**10,543**	**0.04**	**7,543**	**1750**	**9,293**	**0.04**	**(11.86)**
2. Non-Institutions									
Bodies Corporate	19,32,581	1000	19,33,581	7.98	17,74,234	1,000	17,75,234	7.33	(8.20)
Individuals									
Individuals – i. Individual shareholders holding nominal share capital up to Rs 1 lakh	22,72,481	138,947	24,11,428	9.95	25,86,961	133,232	27,20,193	11.23	12.81
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	24,41,135	-	24,41,135	10.07	25,41,014	-	25,41,014	10.49	4.10
Clearing members	134,961	-	134,961	0.56	11,177	-	11,177	0.05	(91.72)
Any Others	52,289	859	53,148	0.22	143,835	859	144,694	0.60	172.25
Sub-Total (B) (2)	**68,33,447**	**140,806**	**69,74,253**	**28.78**	**70,57,221**	**135,091**	**71,92,312**	**29.68**	**3.13**

Total Public Shareholding (B) = (B) (1) + (B) (2)	**68,42,240**	**142,556**	**69,84,796**	**28.83**	**70,64,764**	**136,841**	**72,01,605**	**29.72**	**3.10**
A. Shares held by Custodian for GDR's & ADR's	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**2,40,88,094**	**142,556**	**2,42,30,650**	**100**	**2,40,93,809**	**136,841**	**2,42,30,650**	**100**	**-**

ii. Shareholding of Promoters -

SN	Shareholders Name	Shareholding at the beginning of the Year – 1st April, 2015			Shareholding at the end of the Year – 31st March, 2016			% change in share-holding
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encum-bered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encum-bered to Total Shares	
1	Aarti D Sahney	101,750	0.42	Nil	101,750	0.42	Nil	Nil
2	Ambita Sahney	373,175	1.54		373,175	1.54		Nil
3	Anjana Sahney Thakkar	373,200	1.54		373,200	1.54		Nil
4	Bhupinder Singh Sahney	322,854	1.33		284,864	1.18		(11.77)
5	Brijween Kaur Sahney	629,850	2.60		629,850	2.60		Nil
6	Devesh S Sahney	967,967	3.99		967,967	3.99		Nil
7	Deepika Sahney	373,425	1.54		373,425	1.54		Nil
8	Hanwantbir Kaur Sahney	97,000	0.40		97,000	0.40		Nil
9	Harshbeena Sahney Zaveri	11,15,416	4.60		10,80,578	4.46		3.12
10	Jasjiv Singh Devinder S Sahney	29,332	0.12		Nil	Nil		(100)
11	Jasmin Sahney Pillai	376,725	1.55		376,725	1.55		Nil
12	Rajiv Devinder Sahney	117,149	0.48		Nil	Nil		(100)
13	Trilochan Singh Sahney	29,29,101	12.09		29,29,101	12.09		Nil
14	Trilochan S Sahney (Trust)	94,38,910	38.95		9438910	38.95		Nil
15	Mallika Sahney	Nil	Nil		2500	0.01		100

iii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Particulars	Shareholding at the start of the Year – 1st April, 2015		Shareholding at the end of Year – 31st March, 2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	ICICI Prudential Life Insurance Company	13,25,904	5.47	13,26,786	5.48
2.	Narendra Anupchand Mehta	240,000	1.00	240,000	1.00
3.	Shobha Lodha	240,000	1.00	240,000	1.00
4.	Prakash Kishanlal Lodha	240,000	1.00	240,000	1.00
5.	Meenaxi Mehta	240,000	1.00	240,000	1.00
6.	Narendra Anupchand Mehta	240,000	1.00	240,000	1.00
7.	Innovator FAB Tex Pvt. Ltd.	240,000	1.00	239,058	1.00
8.	Jagruti Dutia	200,000	0.83	246,500	1.02
9.	MPR Bearing and Investment Pvt Ltd.	130,000	0.54	32,025	0.13
10.	Nikunj Mehta	240,000	0.10	240,000	0.10

Shareholding of Directors and Key Managerial Personnel

SN	Name of the Director / KMP	Shareholding at the beginning of the Year – 1st April, 2015		Shareholding at the end of the Year – 31st March, 2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Devesh Sahney	967,967	3.99	967,967	3.99
2	Harshbeena Sahney Zaveri	11,15,416	4.64	10,80,578	4.46
3	Trilochan Singh Sahney	29,29,101	12.09	29,29,101	12.09
4	Ratnakar Mehendale	10	0.00	10	0.00

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment are as follows:

Secured Loans : Rs. 4591.29 Lac

Unsecured Loan : Rs. 8084.08 Lac

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to MD, Whole-Time Director and / or Manager as on March, 2016:

(Rs. in Lakh)

SN	Particulars of Remuneration	Name of MD
		Devesh Singh Sahney
1.	Gross Salary	
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act	55.27
b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	12.44
2	Stock Option	-
3	Sweat Equity	-
4	Commission - As % of Profit - Others, specify	-
5	Others, please specify - Provident Fund & Other Funds - Performance Bonus	4.32
6	Total	72.03
Ceiling as per the Act – 5% of the Net Profit of the Company. ***Company has taken approval from shareholders in 4th AGM of company for limits exceeding under Part II of Schedule V under Companies act 2013.Paid remuneration is within the prescribed approved limits.***		

Your Company vide letter dated. 4th April, 2014 has accorded the approval of the Central Government for remuneration to MD in absence of adequacy of profits.

B. Remuneration To Key Managerial Personnel Other Than MD/MANAGER/WTD

SN	Particulars of Remuneration	Name of KMP		
		Ratnakar Mehendale	Pravin Jogani *Uptil Nov – 15	Ratika Gandhi *March – 16
1.	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act	36,00,000	441,597	52,929
b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of Profit - Others, specify	-	-	-
5	Others, please specify - Provident Fund & Other Funds - Performance Bonus	-	-	-
6		36,00,000	441,597	52,929

VIII. Penalties / Punishment / Compounding Of Offences

There are no Penalties, Punishment or Compounding of Offences done by the Company in the previous Financial Year.

Annual Compliance with the Code of Conduct for the Financial Year 2015-2016

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, We hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2016 from all the Board Members and Senior Management Personnel.

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, 2016 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 violation of the Company's Code of Conduct.

c. 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.

For and on behalf of Board of Directors,

Ratnakar Mehendale
CFO

D.S.Sahney
Managing Director
(00003956)

Place : Mumbai
Date : May 27, 2016

Management's Discussion and Analysis Report

I. Outlook / Business Overview

Indian Bearings Market Overview:

During 2010-2015, the Global bearing industry grew steadily, wherein the output was expected to be 100.5 billion which sets with a year-on-year growth of 10.9% in 2016, and may exceed 150 billion sets in 2020. The Chinese bearing market, which remains the largest of the emerging markets, is very fragmented, with the main international bearing companies accounting for about one third of the market, while the other two thirds of the market consists of a host of local manufacturers. The Indian bearing market accounts for less than 5% of the world bearing market.

The revenue projections for the bearings market in India anticipates that the market is estimated to grow at a Compound Annual Growth rate (CAGR) of 19.8% over FY'2015-FY'2019 owing to the stable economic growth in the forthcoming years and the support from government.

The ***'Make in India'*** initiative launched by the newly formed government is expected to be the catalyst for inclining manufacturing activities in the country which will increase the bearings consumption in the forthcoming years. Many policy measures taken by the government for creating enabling environment for industrial growth have started showing its impact on increased FDI inflows, better performance of infrastructure sector. The landmark initiatives like Make in India, Ease of Doing Business, Start up India, Digital India, and Smart Cities, etc. will provide further Impetus to industries and the industrial sector is expected to be the key driver of economic growth in the country.

The Indian bearings industry is majorly comprises of organized & unorganized sector. The unorganized sector includes small, local bearings manufacturers that primarily cater to the aftermarket or replacement segment of the industry. However imported bearings forms significant part of total consumption.

The demand for bearings is largely dynamic because the industry is closely linked to global GDP trends owing to its extensive applications in production and engineering industries across the world. The bearings industry in India has been heavily dependent upon imports as the major players are global entities which import majority of products from their global manufacturing units located abroad. India is largely regarded amongst the fastest growing market for bearings in the world which has ultimately led to a number of multinational companies emerge the Indian markets such as SKF, FAG bearings and Timken.

The growth of the bearing industry is directly correlated with the automotive and industrial sectors. The fluctuations arisen was on account of continued pressure of inflation, fiscal imbalances and high interest rates.

The Indian economy is continuing to consolidate the gains achieved in restoring macroeconomic stability.

II. Financial Condition

Sources of Funds

1. Changes in Share Capital:

During the year under review the Company has increased its authorized capital from Rs. 5,00,00,000 to Rs. 55,00,00,000 passed by the shareholders at its 4th Annual General Meeting on 7th July, 2015.

The Company vide passing a resolution through Postal Ballot on 12th March, 2016 has issued 2,00,00,000 Redeemable Non-Convertible Preference Shares on Private Placement basis to Mr. Trilochan Singh Sahney, Non-Executive Chairman of the Company.

At present, we have two class of shares – Equity Shares of par value Rs. 2/- each and Preference Shares of par value at Rs. 10/- each.

Our Authorised Share Capital is Rs. 55 Crore, divided into 2.42 Crore Equity Shares of Rs. 2/- each and 2 Crore Preference Shares of Rs. 10/- each. The issued, subscribed and paid up capital stood at Rs. 24.84 Crore as at May 27, 2016.

2. Reserves and Surplus

The balance of Capital Reserve as at 31st March, 2016 amounted to Rs. 5700 Lac. General Reserve of the Company for the financial year ended March 31, 2016 stood at negative Rs. 500.22 Lac.

Shareholders Fund is at Rs. 984.39 Lac decreased from 1904.15 Lac y-o-y basis.

3. Fixed Assets

During the year, we capitalized Rs. 42.45 Lac to our gross block comprising Rs. 15.02 Lac for Plant & Equipment and Rs. 25.60 Lac for Computer Software, Rs. 1.58 Lac for Computer and Rs. 0.25 Lac for office equipment's.

4. Deferred tax assets / liabilities

Deferred tax asset and liabilities 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. 1,218.58 Lac as at March 31, 2016 compared to Rs. 767.07 Lac as March 31, 2015. Debtors are at 29.86% of revenues for the year ended March 31, 2016, compared to 19.81% as March 31, 2015.

6. Cash and cash equivalents

The bank balances in India include both rupee accounts and foreign currency accounts.

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, 2016	31st March, 2015
Capital advance	13.06	31.14
Security deposits	45.22	45.22
Total	**58.28**	**76.36**

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, 2016.

8. Liabilities

Long term Liabilities

(Rs. In Lac)

Particulars	31st March, 2016	31st March, 2015
Secured Term Loan	426.65	2481.38
Other Loan	23.70	29.57
Total	**450.35**	**2510.95**

Term Loan from Bank

(a) Rs. 1918.92 lacs (Previous period Rs. 4224.88 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 3 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. 710.82 lacs (Previous period Rs. 938.86 lacs) secured by security stated in (a) above. The term loan is repayable in remaining 10 equal quarterly installments by September 2018 and carries floating interest rate of LIBOR + 350 bps. The present rate of interest is 3.79%.

Term loan from others

Rs. 30.88 lacs (Previous period Rs. 36.86 lacs) secured by hypothecation of vehicles. Out of these the term loan of Rs. 6.06 lacs (Previous period Rs. 8.06 lacs) carrying interest rate of 10.71 % is repayable in remaining 30 equal monthly installments by September, 2018 and the term loan of Rs. 24.82 lacs (previous period Rs. 28.80 lacs) carrying interest rate of 12.75 % is repayable in 49 equal monthly installments by April, 2020.

Short term Liabilities

(Rs. In Lac)

Particulars	31st March, 2016	31st March, 2015
Maturities of Long Term Debt	2210.27	2689.65
Interest accrued but not due on borrowings	23.75	42.30
Other Payable	205.02	358.94
Total	**2439.04**	**3090.89**

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 March, 2015 was Rs. 9.09 Lac compared to Rs. 12.47 Lac for the financial year ended 31st March, 2016.

10. Revenue from Operations

The classification of the Statement of Profit and Loss is as follows:

(Rs. In Lac)

Particulars	31st March, 2016	31st March, 2015
Revenue from Operations	4,080.98	3,871.29
Expenses	(3,613.10)	(3,751.83)
Other Expenses	(1619.03)	(1,660.98)
Depreciation and amortization	(768.60)	(873.94)
Operating Loss before Exceptional items and Tax	(1919.76)	(2,415.46)
Exceptional Items	-	453.44
Loss Before Tax	(1919.76)	(1,962.02)
Tax Expenses	-	-
Loss after Tax	(1919.76)	(1,962.02)
Earnings Per Share	(7.92)	(8.10)

III. Environment, Health & Safety

The Company is committed to ensure safety of all its employees, contractors and everyone associated with it. It firmly believes in the policy of "Zero Harm". Our Health & Safety Excellence Journey initiative launched across the Company the previous year has remarkably helped in changing the mindset of our people and strengthening the safety culture in the Company. This leads to standardization of processes, increased participation, involvement and engagement of people on the ground.

IV. Human Resources

Company has detailed "Induction & Orientation" programme for the new employees enabling them to understand company`s functioning's and their role & responsibilities in detail. Organizing of various team meets amongst all the employees in order to grease the communication skills, wherein knowledge sharing and overcoming the adversities are improved. During the period Safety audit was conducted in the factory by the authorized agency i.e. Industrial Safety Services in order to meet the statutory requirements wherein no major hazards/ lacunae were found.

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 Indian bearing industry manufactures large varieties of bearings. Considering this figure, the industry has a lot of scope for growth and development. The current Indian bearing industry is worth Rs. 9,500 crores. In this, automotive segment accounts for 45% of the revenues, which amounts to Rs. 4,275 crores and the remaining 55% is influenced by other industries through imports. At present, the Indian industry manufactures small and medium bearings mainly in five categories: ball bearings, cylindrical roller bearings, taper roller bearings, spherical roller bearings and needle roller bearings. The bearings are manufactured taking into consideration on the designs and specifications needed by various industries wherein our company stands high potential in order to target market capitalization at decent level.

Currently Companies are facing a threat from the spurious parts manufacturers who manufacture duplicate parts and sell them in the names of both domestic and foreign companies. This is the biggest threat to the Indian manufacturers as this dissolves their share in the aftermarket and affects the growth of the company.

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 economic and business environment is fast evolving, and with the rapid transformation of technology and the impact of cultural changes, society and consumers are also transforming on multiple dimensions. Your Company is operating in an industry that faces price volatility in raw materials and is dependent on agricultural commodities that need to meet stringent quality standards and on natural resources where alternatives are not viable.

VIII. Internal control systems and their adequacy:

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

CORPORATE GOVERNANCE REPORT

The Company's philosophy on code of Corporate Governance:

The Governance Philosophy of your Company is embedded with ethical values and professionalism since its existence. Corporate governance is creation and enhancing long-term sustainable value for the stakeholders, through ethically driven business process.

The Company's Code of Business Conduct, its Ethical View Reporting Policy and its well-structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholders.

The Company ensures that it evolve and follow the corporate governance guidelines and best practices and not defaulting in any trigger point. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance of the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

I. Composition and Category of Directors, attendance of the Directors at the Board Meetings and the last Annual General Meeting, Outside Directorships and other Membership or Chairmanship of Board Committees

Above information as 31st March, 2016 or for the year 2015-16, is tabulated as under:

Particulars	DIN	Category	No. of Directorship held in Indian Public Companies (including NRB Industrial)	No. of Membership(s) / Chairmanship(s) in Board Committees`
Mr. Trilochan Singh Sahney	00003873	Chairman / Non-Executive	2	Nil
Mrs. Harshbeena Sahney Zaveri	00003948	Non-Executive	4	4 (1 as a Chairman)
Mr. Devesh Singh Sahney	00003956	Executive	2	2 (1 as a Chairman)
*Mr. Kaushal Aggarwal	00153487	Independent	2	2
Mr. Manish Choksi	00026496	Independent	5	5 (3 as a Chairman)
Mr. Ashish Chugani	00009654	Independent	1	4 (1 as a Chairman)
^Mr. Gaurav Motwane	00746165	Independent	2	1 (as a Chairman)

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

*Mr. Kaushal Aggarwal, ceased to be Director of the Company w.e.f 7th August, 2015.

^Mr. Gaurav Motwane was appointed as Independent Director w.e.f 6th November, 2015.

Directorship in companies is registered under the Companies Act, 2013 (earlier Companies Act, 1956), excluding companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956).

As at 31st March, 2016, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company's Board of Directors headed by its Chairman, Mr. Trilochan Singh Sahney comprised five other directors, out of which three are Independent Non-Executive Directors, one Managing Director and one Non-Executive Non-Independent Director. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies.

Board Meeting & Procedures:

Number of Board Meeting & Attendance

During the financial year ended 31st March, 2016, four (4) 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 28th May, 2015, 7th August, 2015, 6th November, 2015 and 29th January, 2016.

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 7th July, 2015
	28th May, 2015	7th August, 2015	6th November, 2015	29th January, 2016	
Trilochan Singh Sahney	√	√	√	√	√
Harshbeena Sahney Zaveri	LOA	LOA	LOA	√	LOA
Devesh Singh Sahney	√	√	√	√	√
*Kaushal Aggarwal	√	√	NA	NA	LOA
Manish Choksi	LOA	√	√	LOA	√
Ashish Chugani	√	√	√	√	√
^Gaurav Motwane	NA	NA	NA	√	NA

*Mr. Kaushal Aggarwal, ceased to be the Director of the Company w.e.f 7th August, 2015.

^Mr. Gaurav Motwane were appointed as Director appointed in Casual Vacancy w.e.f 6th November, 2015.

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances on a half-yearly basis.

During the year, the shareholders at the 4th Annual General Meeting held on 7th July, 2015 approved appointment of Mr. Ashish Chugani, Mr. Kaushal Aggarwal and Mr. Manish Choksi as Independent Director to hold office for five consecutive. The Company issued letter of appointment to the Independent Director as per Schedule IV to the Companies Act, 2013.

The Company has familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc.

None of the Independent Directors held any equity shares or convertible instruments of the Company during the financial year ended 31st March, 2016.

II. Compliance with the Code of Conduct

The Company has adopted the "NRB Industrial Bearings Business Conduct" (Code). The updated Code incorporate the duties of Independent Directors. The Code is available on the website of the Company (web link http://www.nrbindustrialbearings.com/shareholder.php).

The Managing Director and CFO has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2015-16.

III. Profile of Directors:

1. 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).
- Bombay Chambers of Commerce & Industry. (Member).

2. 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 & Toubro (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 has won a Special Award for Leadership and gave the Valedictorian Speech during the graduation ceremony at
Philippines.

3. Harshbeena Sahney Zaveri :

Harshbeena Sahney Zaveri graduated with freshman distinction and as a Wellesley Scholar with honors in Urban Studies and Anthropology from Wellesley College, an institution renowned for developing women leaders. She has 26 years of experience in the industry at NRB Bearings Ltd where she is Managing Director. She spearheaded NRB's foray into R&D, leading NRB to become a global supplier to Daimler, Volvo, ZF, Honda, Audi, and Mazda. She is currently Chairman of the Board of SNL Bearings Limited and an independent director of Karamchand Thapar & Bros (Coal Sales) Ltd, and past Board member of IL&FS Asset Management Company Limited.

Fortune Magazine ranked Harshbeena amongst the 17 most powerful Indian businesswomen from 2011 through 2015. She was awarded the best CEO by the Quality Circle Forum of India and The Innovator of the Year (Manufacturing) by International Women's Leadership Forum. She has also been ranked amongst most powerful women in Indian business by 'India Today' and 'Business Today'. She was a keynote speaker at IMD Business School's Innovation Forum: "The Hunt for New Ideas", a joint program between IMD and MIT Sloan held in 2012.

Harshbeena was part of the delegation led by the President of India, Mr. Pranab Mukherjee to Sweden on June 2, 2015 and was part of the select group participating in bi-lateral discussions. In 2016 on behalf of CII, she chaired the event that launched the latest international best-seller "Frugal Innovation" written by Navi Radjou, Winner of the 2013 Thinker50 Innovation Award.

In addition to her organizational responsibilities she is actively engaged with the Ball and Roller Bearing Manufacturers Association (BRBMA) as Past President. Harshbeena is an elected member of the Automotive Component Manufacturer's Association of India and of the CII Western Region Council, and The Maharashtra State Council. She is a patron member of Indo American Chamber of Commerce and a member of Wellesley College, USA, Business Leadership Council.

Harshbeena is one of the founder of Ashoka University, the first liberal Art University in India.

4. 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 Customer asset, 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. 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. Gaurav Motwane

Mr. Motwane holds a Bachelor's Degree from The Wharton School, University of Pennsylvania, USA. Mahindra Sona Limited (MSL) is an ISO/TS 16949 certified Tier ONE supplier of automotive components to the leading OEM's both domestic and International. He is a member of various Business Organizations namely the Confederation of Indian Industries, Automotive Components Manufacturers Association and YPO Bombay Chapter.

IV. COMMITTEES OF THE BOARD

1. 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.

FREQUENCY:

The Audit Committee shall meet at least four times in a year and not more than four months shall elapse between two meetings.

INVITEE:

The Audit Committee shall invite such executives particularly head of the Accounts / Finance Department, the External Auditors and Internal Auditors to be present at the meetings of the Committee whenever required.

FUNCTION / ROLE:

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of Vigil mechanism / Whistle Blower mechanism, in case the same is existing;

19. Approval of appointment of CFO (i.e. Whole-time Financial Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate; and

20. To look into any other matter as may be provided by the Board.

POWERS:

(i) To investigate any activity within its terms of reference.

(ii) To seek information from any employee.

(iii) To obtain outside legal or other professional advice.

(iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Our Audit Committee ('the committee) comprises of three (3) Independent Directors and one (1) Managing Director:

i	Mr. Manish Choksi	:	Chairman
ii	Mr. Gaurav Motwane	:	Independent Director
iii	Mr. Ashish Chugani	:	Independent Director
iv	Mr. Devesh Sahney	:	Managing Director

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

Particulars	Attendance at the Audit Committee			
	May 28th, 2015	August 7th, 2015	November 6th, 2015	January 29th, 2016
~Manish Choksi	LOA	√	√	LOA
*Kaushal Aggarwal	√	√	NA	NA
Devesh Singh Sahney	√	√	√	√
Ashish Chugani	√	√	√	√
^Gaurav Motwane	NA	NA	NA	√

*Mr. Kaushal Aggarwal ceased to be Member and Chairman of the Audit Committee w.e.f 7th August, 2015

~Mr. Manish Choksi was made Chairman of the Audit Committee w.e.f 7th August, 2015

^Mr. Gaurav Motwane were inducted as a member w.e.f 6th November, 2015

2. Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate shares, exchange of new design share certificates, recording dematerialisation/ rematerialization of shares and related matters.

Mr. Gaurav Motwane, Independent Director, is the Chairman of Stakeholders Relationship Committee. Mr. Ashish Chugani, Independent Director and Mr. Manish Choksi are the members of the Committee. Company Secretary of the Company acts as the Compliance Officer to the Committee

During the year under review the Company has not received any complaint and there's NIL status of pending complaints with the Company.

The Company has acted upon all valid requests for share transfer received during the Financial Year 2015-16 and no such transfer is pending.

Attendances for the Stakeholders Relationship Committee Meeting of the Company are as follows:

Particulars	Attendance at the Stakeholders Relationship Committee			
	May 28th, 2015	August 7th, 2015	November 6th, 2015	January 29th, 2016
~Manish Choksi	LOA	√	√	LOA
*Kaushal Aggarwal	√	√	NA	NA
Ashish Chugani	√	√	√	√
^Gaurav Motwane	NA	NA	NA	√

*Mr. Kaushal Aggarwal ceased to be Member of the Stakeholders Committee w.e.f 7th August, 2015

^Mr. Gaurav Motwane were made Chairman of the Stakeholders Committee w.e.f 6th November, 2015.

3. Risk Management Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a risk management framework to identify, monitor, mitigate and minimize risks as also identify business opportunities.

The Risk Management Committee was constituted by the Board of Directors in 2014, pursuant to the requirement of the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges which has now been replaced by the SEBI Listing Obligations and Disclosure Requirements.

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.

4. 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.

Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:

- Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;
- Approve the payment of remuneration of Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197); to decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company.

➢ Composition

Your Company's Nomination & Remuneration Committee comprises of two (2) independent directors and one non-executive director:

Mr. Trilochan Singh Sahney (Chairman)
Mr. Ashish Chugani,
Mr. Manish Choksi

➢ Meeting of the Committee

The meeting of the Committee was held on 6th November, 2015 and 29th January, 2016.

On 29th January, 2016, Mr. Manish Choksi was granted leave of absence.

➢ Policy for selection of Non-Executive Directors / Independent Directors and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a policy which, deals with the manner of selection of Board of Directors and Managing Directors and their remuneration. The selection of the Non-Executive Directors / Independent Directors is derived from the N&R policy.

- The Non-Executive / Independent Director should not be disqualified under section 164 of Companies Act, 2013.
- He should posse's immense integrity with relevant experience in the field of law, finance and manufacturing sector.
- N&R Committee ensures that the Director about to be appointed be independent
- Nature with respect to the affairs of the Company.
- The potential Director shouldn't himself / or through its relative should be associated with the Company through himself, relatives, body corporate, partnership firms or any association of individuals.

V. Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

VI. REMUNERATION OF DIRECTORS FOR 2015-16

Company has an Managing Director – Mr. Devesh Singh Sahney has been paid Rs. 72.03 Lac as an Managerial Remuneration for the Financial Year ended 31st March, 2016.

None of the other Directors were paid any remuneration or sitting fees for attending Board Meetings or Committee Meetings.

VII. GENERAL BODY MEETINGS:

Particulars of past three Annual General Meetings of the Company

Financial Year	Venue	Date	Time
30.09.2012	15, Dhannur, Sir P.M.Road, Fort, Mumbai – 400 001	15.10.2012	11.00 A.M.
31.12.2013	M. C. Ghia Hall, K. Dubash Marg, Mumbai 400 001	11.04.2014	
31.03.2015		07.07.2015	

Four (4) Special Resolutions were passed by the Shareholders at the 4th Annual General Meeting held on 7th July, 2015 of the Company for the following:

1. Increase in borrowing powers u/s 180(1)(a) not exceeding Rs. 150 Crore;
2. Partial Modification in terms and conditions for the remuneration payable to Managing Director of the Company;
3. Increase in Authorized Capital of the Company by Rs. 50 Crore;
4. Issuance of Preference Shares on Private Placement basis to Mr. Trilochan Singh Sahney.

POSTAL BALLOT / E-VOTING

During the year under review, the Company passed resolution through postal ballot for issuance of Redeemable Cumulative Non-Convertible Preference Shares on Private Placement basis to Mr. Trilochan Singh Sahney.

Salient features of the Postal Ballot are as follows:

- Mr. Upendra Shukla, Practicing Company Secretary were appointed as Scrutinizer for conducting the postal ballot / e-voting.
- Notice along with accompanying documents were dispatched electronically / by post to the Shareholders whose names appeared on the Register of Members of the Company on 29th January, 2016. Such dispatch was completed on 9th February, 2016;
- The last date for receipt of postal ballot forms was 10th March, 2016; the period for e-voting started on 10th February, 2016 and ended on 10th March, 2016;
- The Scrutinizer declared the results of postal ballot / e-voting on 12th March, 2016 at the Registered Office of the Company, as follows:

SUMMARY REPORT FOR RESOLUTION APPROVING THE SPECIAL RESOLUTION							
Sr. No.	Particulars	Total Forms	% of Total	Shares Held	% of Holding	Shares Voted	% of Voted
1	Assent (Physical)	1	2.17	27	Negligible	27	Negligible
	Assent (E-voting)	45	97.83	1,71,51,110	99.999	1,71,51,110	99.999
1	**SUB TOTAL**	**46**	**100.00**	**1,71,51,137**	**99.999**	**1,71,51,137**	**99.999**
2	Dissent (Physical)	0	0	0	0	0	0
	Dissent (E-voting)	0	0	0	0	0	0
2	**SUB TOTAL**	**0**	**0**	**0**	**0**	**0**	**0**
3	Invalid	0	0	0	0	0	0
	TOTAL	**46**	**100.00**	**1,71,51,137**	**100.00**	**1,71,51,137**	**100.00**

Means of Communication:

The quarterly results of the Company was widely published in leading newspapers such as Financial Express and Mumbai Tarun Bharat and also displayed at the Company's website www.nrbindustrialbearings.in. All official press releases and other general information about the Company are also available on the Company's website.

General Shareholder Information:

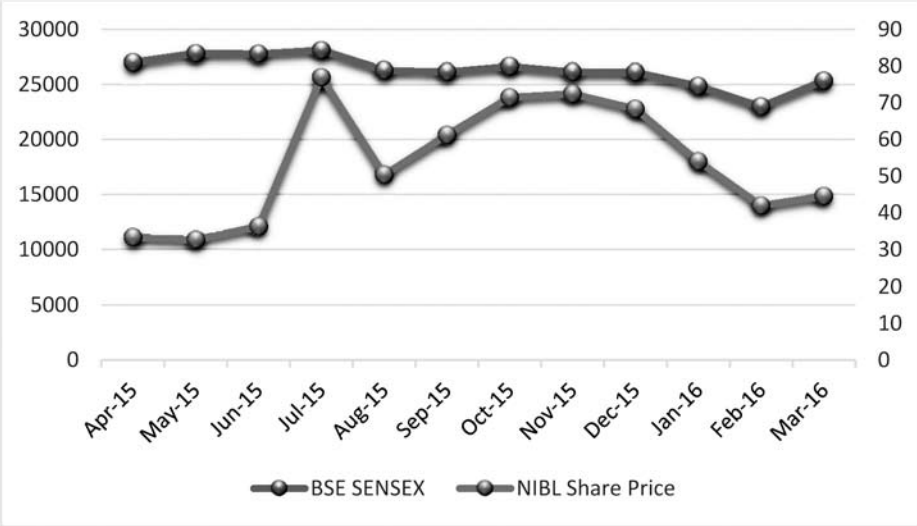
AGM	19th July, 2016		
Financial Year	1st April, 2015 – 31st March, 2016		
Date of Book Closure	13th July, 2016 – 19th July, 2016		
Listed on Stock Exchange	BSE & NSE	ISIN No.	INE04O01014
Scrip Code	535458	Scrip Id: NIBL	
RTA	Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093		

The mandatory information is including various additional information of interest to investors is voluntarily furnished in the section on investor information in this report.

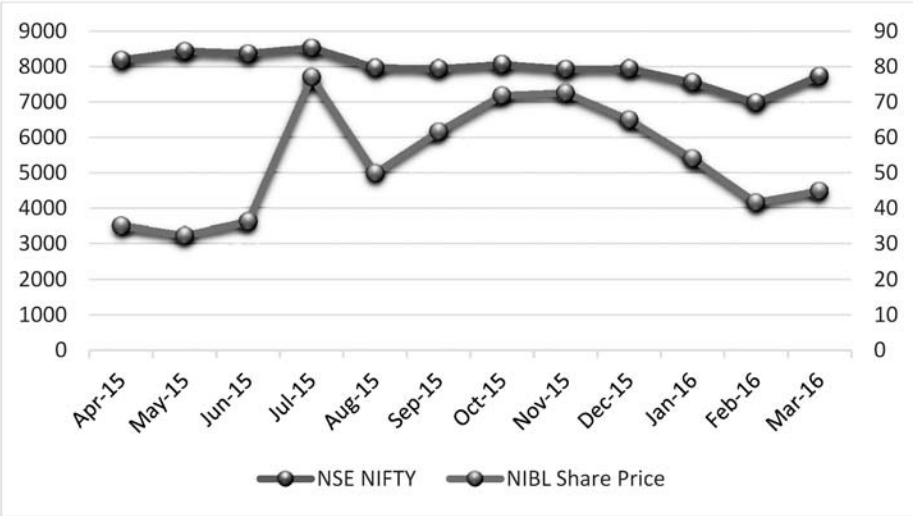
Market Price Data: High, Low during each month in last Financial Year

NSE				BSE			
Month	High Price	Low Price	Close Price	Month	High Price	Low Price	Close Price
Apr-15	41.7	31	35	Apr-15	41.6	32.1	33.25
May-15	37.4	31.15	32.25	May-15	36.35	30.1	32.6
Jun-15	48.2	28.05	36.2	Jun-15	42.95	28.25	36.2
Jul-15	82	36.3	77.1	Jul-15	81	35.5	77
Aug-15	78	49	49.85	Aug-15	78.6	49.1	50.35
Sep-15	64	45.1	61.65	Sep-15	64.9	46	61.2
Oct-15	75.3	62	71.85	Oct-15	75	62	71.5
Nov-15	79.45	61.2	72.65	Nov-15	77.9	62.6	72.45
Dec-15	77.8	64.25	65	Dec-15	74.7	65.5	68.35
Jan-16	72	51.6	54	Jan-16	70.5	52	54
Feb-16	59.5	38	41.5	Feb-16	58.7	39	41.9
Mar-16	50	41.7	44.75	Mar-16	49.45	40.3	44.5

Performance in Comparison of BSE Index



Performance in Comparision of NSE NIFTY



Shares Transfer System:

99.43% 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.

Distribution of Shareholding as on 31st March, 2016:

No. of Shares	No. of Shareholders	No. of Shares	Percentage of Total Shares
1 to 500	6966	748251	3.08
501 to 1000	268	210633	0.86
1001 to 2000	146	221995	0.91
2001 to 3000	74	187599	0.77
3001 to 4000	35	126523	0.52
4001 to 5000	31	147212	0.60
5001 to 10000	65	456325	1.88
10,001 and above	80	22132112	91.33
Total	7665	24230650	100

Shareholding Pattern as on 31st March, 2016:

Category	No. of Shares Held	Percentage
Promoter & Promoters Group		
Individuals	75,90,135	31.32
Trust	94,38,910	38.95
Institutions		
Banks / Bodies Corporate / FPI	13,36,079	5.51
Non-Institutions		
Individuals	58,65,526	24.22
Total	**2,42,30,650**	**100**

Address for Correspondence:
Ms. Ratika Gandhi (Company Secretary & Compliance Officer)
NRB Industrial Bearings Limited
15, Dhannur, Sir P. M. Road, Mumbai 400 001
Email ID - investorscare@nibl.in

VIII. DISCLOSURES

All Transactions with related parties were in the ordinary course of business and on an arm's length pricing basis. The policy on related party transaction has been placed on the Company's website and can be accessed through http://www.nrbindustrialbearings.com/shareholder.php.

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

Fraud and corruption-free work culture has been the core of the Company. In view of the potential risk of fraud, corruption and unethical behavior consequent to rapid growth and geographical spread of operations, which could adversely impact the Company's business operations, performance and reputation, the Company has put an even greater emphasis to address these risks. To meet this objective, a comprehensive vigil mechanism or the whistleblower policy has been laid down. The Vigil Mechanism Policy is available on the Company website: www.nrbindustrialbearings.com

Commodity price risk or foreign exchange risk and hedging activities

During the year 2015-16, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes to the Annual Accounts.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

This Corporate Governance Report of the Company for the year 2015-16 or as on 31st March, 2016 are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

INDEPENDENT AUDITOR'S 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 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31 March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 41 to the Financial Statements. As stated in the Note, the remuneration paid to the Managing Director of Rs. 34.81 lacs for the period from 01 October, 2012 to 31 March, 2014 is subject to the approval of the Central Government.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and 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 aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Uday M. Neogi
(Partner)
(Membership No. 30235)

Place: Mumbai
Date : 27 May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of NRB Industrial Bearings limited on the financial statements for the year ended 31 March, 2016)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NRB Industrial Bearings Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2016:

The Company does not have adequate internal control system for recording in ERP System of stagewise movement of quantities for shop floor work in progress resulting in incorrect book quantities of shop floor work in progress at any point of time and consequently material differences between the book and physical stock of shop floor work in progress. This could potentially result in material misstatements in the Company's Inventory.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us, except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2016, and the material weakness does not affect our opinion on the said financial statements of the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.117365W)

Uday M. Neogi
Partner
(Membership No. 30235)

Place: Mumbai
Date: 27 May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of NRB Industrial Bearings limited on the financial statements for the year ended 31 March, 2016)

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

(b) The Company has a program of verification of fixed assets to cover all the items once over a period of three years, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. In accordance with the programme all items of fixed assets were physically verified during the previous period.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered tittle deed provided to us, we report that the tittle deed of the flat is held in the name of the company as at the balance sheet date.

In respect of immovable property of land taken on lease and building constructed thereon, disclosed as fixed assets in the financial statements, the lease agreement has been pledged as security for loans, based on the confirmation directly received by us from Lenders, the lease agreement is in the name of the Company where the company is lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Material discrepancies noticed on physical verification during the year have been properly dealt with in the books of account.

(iii) The Company has not granted any loans, secured or unsecured, to companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans or provided guarantees. In respect of investments made, the Company has complied with the provisions of section 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

(a) The dues of tax deducted at source and Service tax have not been regularly deposited during the year with the appropriate authorities, the delay in deposit have been serious. The Company has generally been regular in depositing other undisputed statutory dues, including Provident Fund, Excise Duty, Sales Tax, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) Except for tax deducted at source, there were no undisputed amounts payable in respect of Provident Fund, Sales Tax, Service tax, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of subsequent payment
Income Tax Act, 1956	Interest on Tax deducted at source	13,588	May-15	07-June-15	12-April-16
					16-April-16
					18-April-16
					20-April-16
					27-April-16
					29-April-16
		5,694	May-15	07-June-15	-
		38,264	June-15	07-July-15	-
		38,660	Aug -15	07-Sept-15	-

Income Tax Act, 1956	Tax collected at source	2,812	Apr-15	07-May-15	-
		810	May-15	07-June-15	-
		3,726	June-15	07-July-15	-
		4,139	Aug -15	07-Sept-15	-
Income Tax Act, 1956	Interest on Tax collected at source	337	Apr-15	07-May-15	-
		89	May-15	07-June-15	-
		373	June-15	07-July-15	-
		331	Aug -15	07-Sept-15	-

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2016 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause (ix) of the Order is not applicable.

(x) 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 by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration for the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Uday M. Neogi
(Partner)
(Membership No. 30235)

Place: Mumbai
Date: 27 May, 2016

BALANCE SHEET AS AT 31st MARCH, 2016

	Note No.	Rs.lacs	As at 31.03.2016 Rs.lacs	Rs.lacs	As at 31.03.2015 Rs.lacs
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	1,484.61		484.61	
(b) Reserves and Surplus	4	(500.22)		1,419.54	
			984.39		1,904.15
(2) Non-Current Liabilities					
(a) Long term borrowings	5	450.35		2,510.95	
(b) Deferred tax liabilities (Net)	6	-		-	
(c) Long term provisions	7	37.62		39.71	
			487.97		2,550.66
(3) Current Liabilities					
(a) Short term borrowings	8	10,014.75		7,203.44	
(b) Trade payables					
i) Total outstanding dues of Micro Enterprises and Small Enterprises		-			
ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	9	1,638.33		1,236.52	
(c) Other current liabilities	10	2,439.04		3,090.89	
(d) Short-term provisions	11	12.47		9.09	
			14,104.59		11,539.94
Total			15,576.95		15,994.75
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	12	10,270.12		11,008.54	
(ii) Intangible assets	12	52.01		39.74	
(iii) Capital work-in-progress		-		9.62	
		10,322.13		11,057.90	
(b) Non-current investments	13	420.00		420.00	
(c) Long term loans and advances	14	58.28		76.36	
(d) Other non current assets	15	-		289.29	
			10,800.41		11,843.55
(2) Current assets					
(a) Inventories	16	2,298.10		1,882.56	
(b) Trade receivables	17	1,218.58		767.07	
(c) Cash and cash equivalents	18	28.33		17.50	
(d) Short-term loans and advances	19	740.30		1,039.71	
(e) Other current assets	20	491.23		444.36	
			4,776.54		4,151.20
Total			15,576.95		15,994.75

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

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

T. S. Sahney
Chairman
DIN : 00003873

D. S. Sahney
Managing Director
DIN : 00003956

Uday M. Neogi
Partner

R. G. Mehendale
Chief Financial Officer

Ratika Gandhi
Company Secretary

Mumbai: May 27, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Particulars	Note No.	For the Year From 01.04.2015 to 31.03.2016		For the Period From 01.01.2014 to 31.03.2015	
			Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
I.	Revenue from operations (gross)	21	4,453.81		4,124.56	
	Less: Excise duty		465.72		394.78	
	Revenue from operations (net)			3,988.09		3,729.78
II.	Other Income	22		92.89		141.51
III.	**TOTAL REVENUE (I +II)**			4,080.98		3,871.29
IV.	**EXPENDITURE**					
	Cost of materials consumed	23A		1,788.75		1,214.57
	Purchase of stock in trade			88.09		148.85
	Changes in inventories of finished goods and Work-in-progress	23B		(295.23)		0.29
	Employee benefits expense	24		1,237.97		1,325.83
	Finance costs	25		793.53		1,062.29
	Depreciation and amortization expense	12		768.60		873.94
	Other expenses	26		1,619.03		1,660.98
	Total Expenses			6,000.74		6,286.75
V.	**LOSS BEFORE EXCEPTIONAL ITEMS AND TAX (III - IV)**			(1,919.76)		(2,415.46)
VI.	Exceptional items (Net)	27		-		453.44
VII.	**LOSS BEFORE TAX (V- VI)**			(1,919.76)		(1,962.02)
VIII.	Tax expense:					
	- Current tax		-		-	
	- Deferred tax		-	-	-	
IX.	**LOSS AFTER TAX (VII - VIII)**			(1,919.76)		(1,962.02)
	Earnings per share (of Rs. 2 each)	39				
	Basic, as well as diluted (In Rs.)			(7.92)		(8.10)

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

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

T. S. Sahney
Chairman
DIN : 00003873

D. S. Sahney
Managing Director
DIN : 00003956

Uday M. Neogi
Partner

R. G. Mehendale
Chief Financial Officer

Ratika Gandhi
Company Secretary

Mumbai: May 27, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the Year From 01.04.2015 to 31.03.2016		For the Period From 01.01.2014 to 31.03.2015	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
CASH FLOW FROM OPERATING ACTIVITIES:				
LOSS BEFORE TAX		(1919.76)		(1962.02)
Adjustments for:				
Depreciation/amortisation	768.60		873.94	
Foreign exchange loss/(gain) - unrealised	166.95		(5.63)	
Finance cost	793.53		1062.29	
Liability no longer required written back	(9.72)		(2.25)	
Provision for doubtful debts (net) / advances	43.50		64.73	
Interest Income	(3.66)		(39.96)	
Profit on assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon (Refer Note 42)	-		(268.44)	
Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.(Refer Note 42)	-		(185.00)	
Assets written off (net)	-	1759.20	9.12	1508.80
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS		(160.56)		(453.22)
Changes in working capital:				
Adjustment for (increase)/ decrease in operating assets				
- Trade receivables	(464.93)		(81.09)	
- Short-term loans and advances	302.22		113.49	
- Long-term loans and advances	(21.50)		(0.63)	
- Other current assets	(143.11)		50.02	
- Inventories	(415.54)		45.31	
Adjustment in increase/(decrease) in operating liabilities				
- Trade payables	421.99		(931.11)	
- Other current liabilities and provisions	88.70	(232.17)	(264.30)	(1068.31)
CASH USED IN OPERATIONS		(392.73)		(1521.53)
Direct taxes paid (net)		(2.81)		(4.75)
NET CASH FLOW USED IN OPERATING ACTIVITIES (A)		(395.54)		(1526.28)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the Year From 01.04.2015 to 31.03.2016		For the Period From 01.01.2014 to 31.03.2015	
CASH FLOW FROM INVESTING ACTIVITIES:	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**
Purchase of fixed assets (including adjustments on account of capital advances)		**(248.55)**		**(1265.39)**
Sale of fixed assets		**-**		**22.89**
Amount received on sale of fixed assets related to the Project		**-**		**1922.73**
Bank balance not considered for cash and cash equivalents (Refer Note 18)		**(0.64)**		**(5.00)**
Interest Income		**3.48**		**39.74**
NET CASH (USED IN) INVESTING ACTIVITIES (B)		**(245.71)**		**714.97**
CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of Preference Shares (Refer Note 44)		**1000.00**		**-**
Proceeds from long term borrowings		**-**		**28.80**
Repayment of long term borrowings		**(2334.23)**		**(2496.54)**
Proceeds from short term borrowings (net)		**2805.30**		**4329.82**
Finance cost paid		**(819.63)**		**(1084.97)**
NET CASH FROM FINANCING ACTIVITIES (C)		**651.44**		**777.11**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**10.19**		**(34.20)**
Cash and cash equivalents as at the beginning of the year		**12.50**		**46.70**
Cash and cash equivalents as at the end of the year		**22.69**		**12.50**

Notes :

(i)	Cash and cash equivalents at the end of the year comprises:		
	Cash in Hand	**1.05**	**0.31**
	Balances with banks		
	In current accounts	**21.64**	**12.19**
		22.69	**12.50**

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

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors

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

T. S. Sahney
Chairman
DIN : 00003873

D. S. Sahney
Managing Director
DIN : 00003956

Uday M. Neogi
Partner

R. G. Mehendale
Chief Financial Officer

Ratika Gandhi
Company Secretary

Mumbai: May 27, 2016

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 of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 2013 Act. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

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.

(b) Depreciation/amortization

i. Tangible Assets

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b. Depreciation on other tangible fixed assets has been provided on the straight-line method as per the useful life stated below which has been determined based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.:

Category	Useful life in years
Building	
a) Factory Building	29
b) Office Building	58
Plant & Machinery	26
Furniture & Fixture	15
Office Equipments	5
Electrical Installation	26
Vehicle	10
Computer	6

ii. Intangible Assets

Computer Software is amortised on straight line method over the estimated useful life of 6 years.The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(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

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

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 , carry forward of losses and items relating to capital losses are recognised only if there is virtual certainty supported by convincing evidence 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

xviii. Current / Non-Current Assets and 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 31.03.2016 Rs. lacs	As at 31.03.2015 Rs. lacs
Authorised :		
Equity Shares :		
25,000,000 (as at 31 March, 2015 - 25,000,000) equity shares of Rs. 2 each	**500.00**	**500.00**
Preference Shares :		
50,000,000 (as at 31 March, 2015 - Nil) Redeemable Cumulative Non -Convertible Preference shares of Rs. 10 each	**5000.00**	-
	5500.00	**500.00**
Issued, subscribed and fully paid up:		
Equity Shares :		
24,230,650 (as at 31 March 2015 - 24,230,650) equity shares of Rs. 2 each fully paid up	**484.61**	**484.61**
Preference Shares :		
10,000,000 (as at 31 March, 2015 - Nil) 6% Redeemable Cumulative Non -Convertible Preference shares of Rs. 10 each fully paid up	**1,000.00**	**-**
Per balance sheet	**1,484.61**	**484.61**

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

	For the Year From 01.04.2015 to 31.03.2016		For the Period From 01.01.2014 to 31.03.2015	
	Number of shares	Rs. Lacs	Number of shares	Rs. Lacs
Equity Shares :				
Shares outstanding at the beginning of the period	**24,230,650**	**484.61**	**24,230,650**	**484.61**
Add: Shares issued during the year / period			**-**	**-**
Shares outstanding at the end of the year / period	**2,42,30,650**	**484.61**	**2,42,30,650**	**484.61**
Preference Shares :				
Shares outstanding at the beginning of the period	-	-	-	-
Add: Shares issued during the year / period (Refer Note 44)	**10,000,000**	**1,000.00**	**-**	**-**
Shares outstanding at the end of the year / period	**10,000,000**	**1,000.00**	**-**	**-**

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

Particulars	As at 31.03.2016 Number of shares	As at 31.03.2016 % of holding	As at 31.03.2015 Number of shares	As at 31.03.2015 % 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	**1,326,786**	**5.48**	**1,325,904**	**5.47**
Preference shares:				
Trilochan Singh Sahney	**10,000,000**	**100.00**	**-**	**-**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(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 31.03.2016 No of Shares	As at 31.03.2015 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) (a) Rights attached to equity shares:

1) 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

2) 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.

3) 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.

(iv) (b) Rights attached to Preference shares:

1) Preference Shares 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 is 6% post tax expenses. Preference shares shall be redeemed at the end of 5 years from the date of allotment.

(v) On account of loss for the year, no divided is proposed on preference shares. Arrears of the preference dividend as at the year end is Rs. 0.24 lacs.

NOTE 4 - Reserves and Surplus	Rs. Lacs	As at 31.03.2016 Rs. Lacs	Rs. Lacs	As at 31.03.2015 Rs. Lacs
Capital reserve				
Opening balance	**5,700.16**		**5,700.16**	
Add: Addition during the year / period	**-**		**-**	
Closing balance		**5,700.16**		**5,700.16**
Surplus in the Statement of Profit and Loss:				
Opening balance	**(4,280.62)**		**(2,318.60)**	
Add: Loss for the year / period	**(1,919.76)**		**(1,962.02)**	
Closing balance		**(6,200.38)**		**(4,280.62)**
Per balance sheet		**(500.22)**		**1,419.54**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 5 - Long term borrowings	Rs. Lacs	As at 31.03.2016 Rs. Lacs	Rs. Lacs	As at 31.03.2015 Rs. Lacs
Term Loans				
From Bank				
Secured	2,629.74		5,163.74	
Less: Current maturites of long-term debt (Refer Note 10)	(2,203.09)	426.65	(2,682.36)	2,481.38
From Others				
Secured	30.98		36.86	
Less: Current maturites of long-term debt (Refer Note 10)	(7.18)	23.70	(7.29)	29.57
Per balance sheet		450.35		2,510.95

Footnotes:

Term loans from Bank

(a) Rs. 1918.92 lacs (Previous period Rs. 4224.88 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 3 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. 710.82 lacs (Previous period Rs. 938.86 lacs) secured by security stated in (a) above . The term loan is repayable in remaining 10 equal quarterly installments by September 2018 and carries floating interest rate of LIBOR + 350 bps. The present rate of interest is 3.79% .

Term loan from Others

(a) Rs. 30.88 lacs (Previous period Rs. 36.86 lacs) secured by hypothecation of vehicles. Out of these , the term loan of Rs. 6.06 lacs (Previous period Rs. 8.06 lacs) carrying interest rate of 10.71 % is repayable in remaining 30 equal monthly installments by September, 2018 and the term loan of Rs. 24.82 lacs (previous period Rs. 28.80 lacs) carrying interest rate of 12.75 % is repayable in remaining 49 equal monthly installments by April, 2020.

NOTE 6 - Deferred Tax Asset / (Liability)

	Deferred tax asset / (liability) as at 01.04.2015 Rs. lacs	Credit / (charge) for the year Rs. lacs	Deferred tax asset / (liability) as at 31.03.2016 Rs. lacs
Nature of timing difference			
Deferred tax liability			
Depreciation	(747.71)	(88.72)	(836.43)
Sub - total	(747.71)	(88.72)	(836.43)
Deferred tax assets			
Provision for doubtful debts / Advances	33.01	13.44	46.45
Provision for compensated absence	15.08	0.40	15.48
Other	5.99	12.73	18.72
Business loss **	693.63	62.15	755.78
Sub - total	747.71	88.72	836.43
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 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
Provisions for employee benefits:		
Compensated absences	37.62	39.71
Per balance sheet	37.62	39.71

NOTE 8 - Short term borrowings

Secured		
i) Loan repayable on demand		
From Bank	1,510.85	1,376.84
ii) Other short term borrowings		
From Bank	419.82	622.75
Unsecured		
i) Loans from Related Party:		
a) Director - Interest free	7,834.08	3,981.85
b) Inter Corporate Deposits	250.00	1,222.00
Per balance sheet	10,014.75	7,203.44

Footnote:

(i) Loans repayable on demand from bank

(a) Rs. 1010.93 lacs (Previous period Rs. 1376.84 lacs) secured by first exclusive charge on all present and future stock and book debts of the Company. The present interest rate is 13.5 % p.a.

(b) Rs. 499.92 lacs (Previous period Rs. Nil) secured by first pari pasu charge on all present and future stock and book debts of the Company (Security created after the year end). The present interest rate is 12.45 % p.a.

The Company is in process of creating second charge on Fixed Assets for above loans repayable on demand from banks.

(ii) Other short term borrowings

Rs. 420.11 lacs (Previous period Rs. 622.75 lacs) secured by security stated in footnote (i) (a) above. The present interest rate is in the range of 3% - 4% p.a.

(ii) Loan from related parties

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

(b) There is delay in the repayment of Inter Corporate Deposit of Rs. 250 Lacs by 275 days.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 9 - Trade Payables	As at 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
Trade payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (see Footnote)	-	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	**1,638.33**	**1,236.52**
Per balance sheet	**1,638.33**	**1,236.52**

Footnote:

The identification of vendors as a "Supplier" under the Micro, Small and Medium Enterprises Development Act, 2006 has been done on the basis of the information to the extent provided by the vendors to the Company. This has been relied upon by the auditors.

NOTE 10 - Other Current Liabilities

Current maturities of long-term debt (Refer Note 5)	**2,210.27**	**2,689.65**
Interest accrued but not due on borrowings	**23.75**	**42.30**
Interest accrued and due on borrowings	**1.94**	**9.48**
Other Payables		
- Payables on purchase of fixed assets	**26.44**	**260.24**
- Statutory remittances (Contribution to PF, Profession Tax , Super annuation, Withholding tax, Service Tax, VAT etc.)	**115.04**	**36.18**
- Security Deposits from dealers	**2.50**	**1.00**
- Advance received from customers	**43.54**	**19.27**
- Others - Premium on Call Spread	**15.56**	**32.77**
Per balance sheet	**2,439.04**	**3,090.89**

NOTE 11 - Short Term Provisions

Provision for employee benefits:		
- Compensated absences	**10.25**	**9.09**
- Gratuity	**2.22**	**-**
	12.47	**9.09**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 12 - Fixed assets

Rs. lacs

	GROSS BLOCK - AT COST				DEPRECIATION / AMORTISATION				NET BLOCK
Description	**Balance As at 01.04.15**	**Additions**	**Deductions**	**Balance As at 31.03.16**	**Balance As at 01.04.15**	**For the year / period**	**On Deductions/ Amortisation**	**Balance As at 31.03.16**	**As at 31.03.16**
A. Tangible Assets									
Leasehold land									
Own Use	687.94	-	-	687.94	19.10	7.22	-	26.32	661.62
	(680.97)	(6.97)	(-)	(687.94)	(10.15)	(8.95)	(-)	(19.10)	(668.84)
Given under operating lease	91.43	-	-	91.43	2.40	0.96	-	3.36	88.07
	(91.43)	(-)	(-)	(91.43)	(1.20)	(1.20)	(-)	(2.40)	(89.03)
	779.37	-	-	779.37	21.50	8.18	-	29.68	749.69
	(772.40)	(6.97)	(-)	(779.37)	(11.35)	(10.15)	(-)	(21.50)	(757.87)
Buildings and flats									
Own Use	3,409.43	-	-	3,409.43	274.19	124.24	-	398.43	3,011.00
	(3,155.69)	(266.90)	(13.16)	(3,409.43)	(125.57)	(149.41)	(0.79)	(274.19)	(3,135.24)
Given under operating lease	307.11	-	-	307.11	21.16	10.26	-	31.42	275.69
	(307.11)	(-)	(-)	(307.11)	(8.37)	(12.79)	(-)	(21.16)	(285.95)
	3,716.54	-	-	3,716.54	295.35	134.50	-	429.85	3,286.69
	(3,462.80)	(266.90)	(13.16)	(3,716.54)	(133.94)	(162.20)	(0.79)	(295.35)	(3,421.19)
Leasehold Improvement	137.39	-	-	137.39	5.52	2.24	-	7.76	129.63
	(137.39)	(-)	(-)	(137.39)	(2.73)	(2.79)	(-)	(5.52)	(131.87)
Plant and equipment									
Own Use	6,828.74	15.02	-	6,843.76	1,024.96	508.83	-	1,533.79	5,309.97
	(6,215.71)	(644.57)	(31.54)	(6,828.74)	(439.34)	(587.57)	(1.95)	(1,024.96)	(5,803.78)
Given under operating lease	83.62	-	-	83.62	15.43	6.20	-	21.63	61.99
	(83.62)	(-)	(-)	(83.62)	(7.70)	(7.73)	(-)	(15.43)	(68.19)
	6,912.36	15.02	-	6,927.38	1,040.39	515.03	-	1,555.42	5,371.96
	(6,299.33)	(644.57)	(31.54)	(6,912.36)	(447.04)	(595.30)	(1.95)	(1,040.39)	(5,871.97)
Furniture and fixtures									
Own Use	227.42	-	-	227.42	33.64	14.62	-	48.26	179.16
	(206.56)	(24.41)	(3.55)	(227.42)	(15.69)	(18.39)	(0.44)	(33.64)	(193.78)
Given under operating lease	2.50	-	-	2.50	0.40	0.16	-	0.56	1.94
	(2.50)	(-)	(-)	(2.50)	(0.20)	(0.20)	(-)	(0.40)	(2.10)
	229.92	-	-	229.92	34.04	14.78	-	48.82	181.10
	(209.06)	(24.41)	(3.55)	(229.92)	(15.89)	(18.59)	(0.44)	(34.04)	(195.88)
Computers									
Own Use	58.38	1.58	-	59.96	21.19	9.52	-	30.71	29.25
	(55.58)	(2.80)	(-)	(58.38)	(9.64)	(11.55)	(-)	(21.19)	(37.19)
Given under operating lease	0.44	-	-	0.44	0.18	0.06		0.24	0.20
	(0.44)	(-)	(-)	(0.44)	(0.09)	(0.09)	(-)	(0.18)	(0.26)
	58.82	1.58	-	60.40	21.37	9.58	-	30.95	29.45
	(56.02)	(2.80)	(-)	(58.82)	(9.73)	(11.63)	(-)	(21.37)	(37.45)
Office equipments									
Own Use	63.86	0.25	-	64.11	6.99	21.45	-	28.44	35.67
	(62.97)	(0.89)	(-)	(63.86)	(3.25)	(3.74)	(-)	(6.99)	(56.87)
Given under operating lease	0.35	-	-	0.35	0.04	0.14	-	0.18	0.17
	(0.35)	(-)	(-)	(0.35)	(0.02)	(0.02)	(-)	(0.04)	(0.31)
	64.21	0.25	-	64.46	7.03	21.59	-	28.62	35.82
	(63.32)	(0.89)	(-)	(64.21)	(3.27)	(3.76)	(-)	(7.03)	(57.18)
Electrical installations									
Own Use	558.31	-	-	558.31	103.59	41.49	-	145.08	413.23
	(559.13)	(-)	(0.82)	(558.31)	(51.95)	(51.76)	(0.12)	(103.59)	(454.72)
Given under operating lease	36.09	-	-	36.09	6.69	2.68	-	9.37	26.72
	(36.09)	(-)	(-)	(36.09)	(3.35)	(3.34)	(-)	(6.69)	(29.40)
	594.40	-	-	594.40	110.28	44.17	-	154.45	439.95
	(595.22)	(-)	(0.82)	(594.40)	(55.30)	(55.10)	(0.12)	(110.28)	(484.12)
Vehicles	54.71	-	-	54.71	3.70	5.20	-	8.90	45.81
	(22.06)	(32.65)	(-)	(54.71)	(1.06)	(2.64)	(-)	(3.70)	(51.01)
Sub Total (A)	**12,547.72**	**16.85**	**-**	**12,564.57**	**1,539.18**	**755.27**	**-**	**2,294.45**	**10,270.12**
	(11,617.60)	**(979.19)**	**(49.07)**	**(12,547.72)**	**(680.31)**	**(862.17)**	**(3.30)**	**(1,539.18)**	**(11,008.54)**
B. Intangible Assets									
Computer Software	63.03	25.60	-	88.63	23.29	13.33	-	36.62	52.01
	(57.03)	(6.00)	(-)	(63.03)	(11.52)	(11.77)	(-)	(23.29)	(39.74)
Sub Total (B)	**63.03**	**25.60**	**-**	**88.63**	**23.29**	**13.33**		**36.62**	**52.01**
	(57.03)	**(6.00)**	**(-)**	**(63.03)**	**(11.52)**	**(11.77)**	**(-)**	**(23.29)**	**(39.74)**
Total (A) + (B) Per balance sheet	**12,610.75**	**42.45**	**-**	**12,653.20**	**1,562.47**	**768.60**	**-**	**2,331.07**	**10,322.13**
	(11,674.63)	**(985.19)**	**(49.07)**	**(12,610.75)**	**(691.83)**	**(873.94)**	**(3.30)**	**(1,562.47)**	**(11,048.28)**

Footnote :

Previous period figures are indicated in brackets

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 13 - Non Current Investments	As at 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
Trade		
Investments in equity instruments		
- Of associate		
Unquoted		
NRB-IBC Bearings Private. Limited (NIBC)		
42,00,000 (as at 31.03.2015 - 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 : The accumulated losses of NIBC are Rs. 702.09 lacs against the shareholders funds (excluding accumulated losses) of Rs 1200 Lacs as per audited Financial statement for the year ended 31 March, 2015. The management of NIBC has formulated strategic plans for improving the position of the NIBC. Further, funds required for the future operations of NIBC will be made available by way of financial support by the directors as and when required. Therefore, in view of the Management of the Company , the diminution in value of the Investment in NIBC is temporary.

NOTE 14 - Long Term Loans and Advances		As at 31.03.2016 Rs. Lacs		As at 31.03.2015 Rs. Lacs
(Unsecured, considered good)				
Capital advance		13.06		31.14
Security deposits		45.22		45.22
Receivables from suppliers	21.50		-	
Less: Provision for doubtful advance	21.50	-	-	-
Per balance sheet		58.28		76.36

NOTE 15 -Other non current assets		
Others		
- Exchange loss on long term loan covered under call spread option	-	289.29
Per balance sheet	-	289.29

NOTE 16 - Inventories				
(at lower of cost and net realisable value)				
- Raw materials and components	424.92		300.93	
- Goods in Transit	-	424.92	-	300.93
- Work-in-progress		616.03		653.10
- Finished goods		1,217.53		885.23
- Stores and spares		39.62		43.30
- Per balance sheet		2,298.10		1,882.56

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
Footnotes:		
i) **Raw Materials and Components Comprise of:**		
Steel	157.47	110.46
Rings	141.71	52.31
Roller	13.56	30.98
Components	88.10	89.66
Packing Material	24.08	17.52
TOTAL	**424.92**	**300.93**
ii) **Work-in-Progress Comprise of:**		
Bearings	28.68	22.72
Roller	58.15	126.89
Rings	233.08	351.88
Manufactured components	296.12	151.61
TOTAL	**616.03**	**653.10**
iii) **Finished Goods Comprise of:**		
Ball & roller bearings	1,202.41	870.66
Roller	15.12	14.57
TOTAL	**1,217.53**	**885.23**

NOTE 17 -Trade Receivables	Rs. Lacs	As at 31.03.2016 Rs. Lacs	Rs. Lacs	As at 31.03.2015 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	**228.05**		**185.66**	
Unsecured, considered doubtful				
*(includes transferred under the Scheme (Refer Note 1) Rs. 29.51 lacs (previous period Rs. 29.75 lacs)	***128.82**		***106.82**	
	356.87		**292.48**	
Provision for doubtful debts	**128.82**		**106.82**	
		228.05		**185.66**
Other trade receivables:				
Secured, considered good	-		-	
Unsecured, considered good	**990.53**		**581.41**	
		990.53		**581.41**
Per balance sheet		**1,218.58**		**767.07**

NOTE 18 - Cash and Cash Equivalents		
Cash on hand	**1.05**	**0.31**
Balances with banks:		
- In current accounts	**21.64**	**12.19**
- In fixed deposit accounts *	**5.64**	**5.00**
Per balance sheet	**28.33**	**17.50**
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is	**22.69**	**12.50**

* 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 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
Advance to related party	-	10.00
Loans and advance to employees	4.99	3.24
Prepaid expenses	8.92	22.99
Exice receivable	80.56	44.98
VAT receivable	108.16	108.16
Balances with government authorities		
CENVAT/ Service tax	508.24	788.73
VAT	-	7.48
Others		
Advance to suppliers	16.37	14.23
Gratuity fund	-	8.15
Income taxes paid	12.96	10.15
Receivables from suppliers	0.10	21.60
Per balance sheet	740.30	1,039.71

NOTE 20 - Other Current Assets		
Receivable from related party	197.39	53.17
Exchange loss on long term loan covered under call spread option	289.29	385.71
Export benefits	4.15	5.26
Interest accrued on Fixed Deposit	0.40	0.22
Per balance sheet	491.23	444.36

NOTE 21 - Revenue from operations	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	Rs. Lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	Rs. Lacs
Sale of products		4358.62		4,014.81
Other operating revenues:				
Agency Commission	36.79		56.42	
Sale of scrap	20.93		19.19	
Export incentives	20.13		14.08	
Job work charges	2.30		3.65	
Royalty Income	3.04		1.41	
Service Charges	12.00		15.00	
		95.19		109.75
		4,453.81		4,124.56
Less: Excise Duty		465.72		394.78
Per statement of profit and loss		3,988.09		3,729.78
Revenue from operations comprise of:				
Ball & roller bearings		3,492.69		3,213.90
Roller		233.13		135.91
Trading		167.08		270.22
		3,892.90		3,620.03
Other operating revenues		95.19		109.75
Total		3,988.09		3,729.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year From 01.04.2015 to 31.03.2016		For the Period From 01.01.2014 to 31.03.2015	
NOTE 22 - Other income	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**
Rent		**76.80**		**96.00**
Interest Income:				
Interest from banks on deposits		**0.44**		**0.24**
Interest income from related party		**-**		**39.72**
Interest other		**3.22**		-
Liability no longer required written back		**9.72**		**2.25**
Other		**2.71**		**3.30**
Per statement of profit and loss		**92.89**		**141.51**
NOTE 23A - Cost of materials consumed				
Opening Stock		**300.93**		**329.85**
Add: Purchases		**1,912.74**		**1185.65**
		2213.67		**1515.50**
Less: Closing stock		**424.92**		**300.93**
Per statement of profit and loss		**1788.75**		**1214.57**
Footnotes:				
i) Materials and components consumed comprises of:				
Steel		495.94		272.80
Rings		408.57		420.82
Roller		38.53		39.65
Components		759.93		426.45
Packing Material		85.78		54.85
TOTAL		**1788.75**		**1214.57**
NOTE 23B - Changes in inventories of finished goods and work-in-progress				
Opening stock				
Work - in - progress	**653.10**		**428.58**	
Finished goods	**885.23**	**1538.33**	**1110.04**	**1538.62**
Closing stock				
Work - in - progress	**(616.03)**		**(653.10)**	
Finished goods	**(1,217.53)**	**(1,833.56)**	**(885.23)**	**(1,538.33)**
Per statement of profit and loss - Net (increase) / decrease		**(295.23)**		**0.29**
NOTE 24 - Employee benefit expenses				
Salaries and wages		**1093.77**		**1148.86**
Contribution to provident fund and other funds		**88.62**		**101.06**
Staff welfare		**55.58**		**75.91**
Per statement of profit and loss		**1237.97**		**1325.83**
NOTE 25 - Finance costs				
Interest expenses:				
On borrowings		**566.65**		**964.70**
Other		**9.00**		**40.94**
Net loss on foreign currency transactions (considered as finance cost)		**185.28**		**39.88**
Other borrowing costs		**32.60**		**16.77**
Per statement of profit and loss		**793.53**		**1062.29**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 26 - Other expenses	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	Rs. Lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	Rs. Lacs
Consumption of stores and spare parts		240.95		264.22
Power and fuel		343.88		343.91
Rent		2.82		24.67
Repairs and maintenance -				
Buildings	3.04		4.12	
Plant and machinery	19.51		55.95	
Others	28.67		40.97	
		51.22		101.04
Insurance		7.82		6.71
Rates and taxes		75.23		17.91
Travelling and conveyance expense		97.68		80.84
Printing and stationary		20.36		14.99
Freight and forwarding		76.06		59.23
Business promotion		31.85		24.38
Legal and professional expenses		56.61		73.91
Auditors' remuneration (see Footnote below)		27.10		27.02
Foreign exchange fluctuation (gain) / loss		33.31		(7.04)
Premium on Call Spread Option		166.58		367.65
Provision for doubtful debts (net) advances		43.50		64.73
Director sitting fees		-		1.52
Security charges		32.09		39.22
IT related expenses		65.18		89.51
Bank charges		6.42		11.90
Assets written off		-		9.12
Excise duty on closing stock		41.02		(83.82)
Turnover discount		68.67		16.26
Miscellaneous expenses		130.68		113.10
Per statement of profit and loss		1,619.03		1,660.98
Footnote:				
Details of Auditors' remuneration:				
(excluding service tax)				
As auditors (for audit and review of unaudited quarterly results)		21.50		23.50
Taxation matters		5.50		3.50
Out of pocket expenses		0.10		0.02
Total		27.10		27.02

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 27 - Exceptional items	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	Rs. Lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	Rs. lacs
Profit on assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon.		-		268.44
Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.		-		185.00
		-		453.44

	As at 31.03.2016 Rs. Lacs	As at 31.03.2015 Rs. Lacs
NOTE 28 - Contingent liabilities not provided for:		
a) Bank guarantees		
- To Indian Custom Department	-	3.95
- To Maharashtra Pollution Control Board	5.00	5.00
- To President of India through Commissioner of Customs	0.45	-
NOTE 29 - Commitments		
1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	16.59	28.49
2. Other commitment		
- Premium payable for remaining period of Call Spread Option Contract.	50.93	224.12

NOTE 30 - Value of imported and indigenous materials consumed

	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	(%)	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs	(%)
Imported	50.35	3	65.00	5
Indigenous	1,738.40	97	1,149.57	95
TOTAL	1,788.75	100	1,214.57	100

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

Imported	24.02	10	37.93	14
Indigenous	216.93	90	226.29	86
TOTAL	240.95	100	264.22	100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 32 - CIF value of imports	For the Year From 01.04.2015 to 31.03.2016 Rs. Lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. lacs
i) Capital Goods	-	562.84
ii) Raw materials and components	10.14	31.61
iii) Stores & spares	24.70	7.48
NOTE 33 - Expenditure in foreign currency		
i) Foreign travel	13.96	6.99
ii) Interest expense	268.04	560.31
iii) Premium on long term loan covered under Call Spread Option	166.58	367.65
NOTE 34 - Earnings in foreign exchange:		
i) Export of goods calculated on F.O.B basis	905.36	879.44
ii) Agency commission	36.79	56.42

NOTE 35 - Financial and Derivative Instruments

i) Call spread option entered into by the company outstanding as at 31.03.2016:

Currency	Amount in foreign currency	Buy/Sell	Cross Currency
USD	2,892,857	Buy	INR
	(6,750,000)	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 March, 2015: 1)

iii) Foreign currency exposures that have not been hedged by a derivative instrument or other wise outstanding as on 31st march 2016:

	Currency	Amount	Equivalent Rs. Lacs as at 31st March 2016
a) Amount receivable in foreign currency :			
Receivables	EURO	440,991.77	331.14
		(378,953.58)	(255.83)
	USD	25,024	16.60
		(19,956)	(12.49)
	GBP	21,945	20.86
		(10,818)	(10.00)
Advance to Supplier	EURO	266.40	0.20
		(775.70)	(0.52)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Currency	Amount	Equivalent Rs. Lacs as at 31st March 2016
b) Amounts payable in foreign currency :			
Payables	EURO	177,613.99	133.38
		(157,612.65)	(106.41)
	USD	-	-
		(806.08)	(0.50)
Advance from Customer	EURO	3,750.00	2.82
		(4,066.79)	(2.75)
	USD	-	-
		(1,040.92)	(0.65)
	GBP	-	-
		(664.00)	0.61
c) Term Loan from Bank	USD	1,071,600.00	(710.82)
		(1,500,000.00)	(938.86)
d) Short Term borrowings from Bank	EURO	559,049.55	419.82
		922,447.15	(622.75)

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

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 year/ period, under employee benefits expense, are as under :

		For the year From 01.04.2015 to 31.03.2016 Rs. lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. lacs
i)	Employer's Contribution to Provident Fund	**29.09**	**32.77**
ii)	Employer's Contribution to Family Pension Fund	**21.39**	**23.00**
iii)	Employer's Contribution to Superannuation Fund	**22.69**	**28.28**

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	For the Period From 01.01.2014 to 31.03.2015 Rs. Lacs
i) Components of employer expenses		
a) Current Service cost	15.88	10.96
b) Interest cost	7.20	8.59
c) Expected return on plan assets	(7.85)	(10.71)
d) Actuarial Losses/ (Gains)	0.14	7.87
Total expenses recognised in the Statement of Profit and Loss	15.37	16.71
ii) Actual contribution and benefit payments for the year/ period		
a) Actual benefit payments	0.00	(16.11)
b) Actual Contributions	-	
iii) Net asset/(liability) recognised in the Balance Sheet		
a) Fair Value of plan assets at the end of the year/ period	109.22	97.92
b) Present Value of defined benefit obligation	111.44	89.77
Net assets/(liability) recognised on the Balance Sheet	(2.22)	8.15
iv) Change in Defined Benefit Obligations (DBO) during the year/ period		
a) Present Value of DBO at the beginning of the current year/ period	89.77	73.67
b) Current Service cost	15.88	10.96
c) Interest cost	7.20	8.59
d) Actuarial Losses/ (Gains)	(1.41)	12.66
e) Benefits paid	0.00	(16.11)
Present Value of DBO as at the end of the period	111.44	89.77
v) Change in Fair Value of Assets during the year/ period		
a) Plan assets at beginning of the year/ period	97.92	98.53
b) Expected return on plan assets	7.85	10.71
c) Actuarial (Losses)/ Gains	(1.55)	4.79
d) Actual Company contributions	5.00	0.00
e) Benefits paid	0.00	(16.11)
Plan assets as at the end of the year/period	109.22	97.92
vi) Actuarial Assumptions		
a) Discount Rate	7.56%	8.02%
b) Expected rate of return on Plan assets	7.56%	8.02%
c) Salary escalation	8.00%	8.00%
d) Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives (2006-08) Ultimate
e) Attrition rate	8.00%	4.00%
vii) Composition of plan assets		
-Insurer Managed Funds	100%	100%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	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
viii) Experience Adjustments			
a) Defined Benefit Obligation	111.44	89.77	73.67
b) Fair Value of Plan assets	109.22	97.92	98.53
c) Funded status [surplus / (deficit)]	(2.22)	8.15	24.86
d) Experience adjustment arising on :	-	-	-
1) Plan Liabilities [Losses / (Gains)]	(2.35)	2.26	(12.96)
2) Plan Assets [(Losses) / Gains]	(1.55)	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 :

Sr. no	Nature of relationship	Names of related parties
(a)	Entity on which the Company can exercise significant influence	NRB IBC Bearings Private Limited
(b)	Key Management Personnel (KMP)	Mr. Devesh S. Sahney, Managing Director
(c)	Relative of Key Management Personnel	Mr. Trilochan S. Sahney, Chairman
(d)	A Company over which relatives of KMP are able to exercise significant influence.	NRB Bearings Limited NRB Bearings (Thailand) Limited

B) Related Party Transactions :

Name of the related parties	Nature of Transactions	Volume of Transactions For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	Receivable as at 31.03.2016 Rs. Lacs	Payable as at 31.03.2016 Rs. Lacs
NRB Bearings (Thailand) Limited	Sale of finished Goods	9.58 (17.93)	5.62 (6.72)	- (-)
NRB Bearings Limited	Purchase of Raw material	95.54 (146.58)	- (-)	- (7.61)
	Sale of finished Goods	0.81 (-)	4.09 (-)	- (-)
	Income from job work	2.30 (3.65)	- (-)	- (-)
	ICD taken	- (1,222.00)	- (-)	- (-)
	ICD repaid	972.00 (-)	- (-)	250 (1,222.00)
	Interest paid on ICD	70.83 (139.16)	- (-)	1.94 (9.48)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Name of the related parties	Nature of Transactions	Volume of Transactions For the year From 01.04.2015 to 31.03.2016 Rs. Lacs	Receivable as at 31.03.2016 Rs. Lacs	Payable as at 31.03.2016 Rs. Lacs
	Guarantee to third party for loan taken by the company and outstanding as at the year end Rs. 2629.74 lacs (previous period Rs. 5163.74 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)	- (5.67)	- (-)
NRB IBC Bearings Private Limited	Payments made/ expenses incurred on behalf of related party	57.31 (158.53)	- (-)	- (-)
	Rent Income	76.80 (96.00)	- (-)	- (-)
	Sale of Semi Finished Material	345.04 (160.15)	187.78 (150.93)	- (-)
	Service Charges	12.00 (15.00)	- (-)	- (-)
	Recoverable for sale of fixed assets, expenses and other income	- (-)	197.39 (53.27)	- (-)
	Advance paid for jobwork	- (10.00)	- (10.00)	- (-)
	Interest income	- (39.72)	- (-)	- (-)
	Royalty income	3.04 (1.41)	- (-)	- (-)
	Purchase of material	0.68 (0.10)	- (-)	- (-)
	Sale of fixed assets	- (22.90)	- (-)	- (-)
Mr. D. S. Sahney	Remuneration	72.03 (81.17)	- (-)	- (-)
	Loan taken	2,725.23 (-)	- (-)	2,480.23 (-)
	Loan repayment	245.00 (-)	- (-)	- (-)
Mr. T. S. Sahney	Loan taken	2,545.00 (3,160.35)	- (-)	5,353.85 (3,981.85)
	Loan repayment	1,173.00 (179.00)	- (-)	- (-)
	Issue of Preference shares	1,000.00 (-)	- (-)	- (-)

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 year ended 31 March, 2016 Rs. 2.82 lacs (previous period Rs. 24.67 lacs).

(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 agreement effective from 8 March, 2013 for certain portion of its factory and office premises including furniture and fixtures, electrical installation, etc. During the year/ period, Rs. 76.80 lacs (previous period Rs. 96.00 lacs) recognised as rental income in the Statement of Profit and Loss. The agreement 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 agreement.

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

	For the Year From 01.04.2015 to 31.03.2016	For the Period From 01.01.2014 to 31.03.2015
(i) Loss after tax attributable to equity shares (Rs. in lacs)	**(1,919.76)**	**(1,962.02)**
Less:- Dividend on redeemable cumulative non convertible preference share	**0.24**	**-**
	(1,920.00)	**(1,962.02)**
(ii) Number of Equity Shares	**24,230,650**	**24,230,650**
(iii) Par value per share (Rs.)	**2**	**2**
(iv) Earnings per share - Basic and diluted (Rs.)	**(7.92)**	**(8.10)**

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 of perquisites paid for the period upto March 31, 2014.

Accordingly remuneration paid to the MD of Rs. 34.81 lacs for the period from October 01,2012 to March 31, 2014 is subject to approval by the Central Government.

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 favourable 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 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. Pursuant to provisions of section 197 read with Schedule V of the Companies Act, 2013, the Company has obtained

approval by way of a special resolution from the members in the Annual General Meeting held on July 7, 2015 and amended 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.

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. Nil (previous period 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. Nil (previous period Rs. 185 lacs) is included in Note 27 - Exceptional items.

NOTE 43 Expenditure on Research and Development (R & D)	For the year From 01.04.2015 to 31.03.2016 Rs. lacs	For the Period From 1.01.2014 to 31.03.2015 Rs. lacs
a) Charged to Statement of Profit and Loss	103.54	110.28
b) Capitalized to Fixed Assets	-	1.31

Footnote:

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 28 October, 2014.

NOTE 44 - Issue of Preference Shares

The members of the Company have given their consent by passing special resolution through Postal Ballot on 12 March, 2016 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. 20,00,00,000/- (Rupees Twenty Crore Only) through private placement by issuance of 2,00,00,000 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 redeemed at the end of 5 years from the date of allotment.

The Company has allotted Cumulative, Redeemable, Non-convertible Preference Shares at face value of Rs. 10/- in four tranches. 1st tranch of 50,00,000 Preference shares was allotted on 30 March, 2016 and 2nd Tranch of 50,00,000 Preference shares on 31 March, 2016 . Subsequent to year end the 3rd tranch of 50,00,000 Preference shares was allotted on 5 April, 2016 and 4th and last tranch of 50,00,000 Preference shares on 6 April, 2016.

NOTE 45 -

The Financial statement for the current finacial year is for twelve months ended 31 March, 2016 and the Financial statement for the previous financial year was prepared for fifteen months from 1 January, 2014 to 31 March, 2015. Accordingly the figures for the current financial year are strictly not comparable with the previous period. The figures for the previous period have been regrouped / restated where necessary to conform to the current year'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 **Chairman**	**D. S. Sahney** **Managing Director**
R. G. Mehendale **Chief Financial Officer**	**Ratika Gandhi** **Company Secretary**

Mumbai: May 27, 2016

Form MGT-11

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

NRB INDUSTRIAL BEARINGS LTD.

Regd. Office : Dhannur, 2nd Floor,15, Sir P. M. Road, Fort, Mumbai-400001
Ph. No. 022-22704206 **Fax No.** 022 22704207 **Email:** investorcare@nibl.in
CIN No. L29253MH2011PLC213963

Name of the Member(s): _____
Registered Address: _____
Email id: _____
Folio No./ Client Id.: _____
DP Id.: _____

I /we being the members of NRB Industrial Bearings Limited, holding _____ shares of the above named Company, hereby appoint

1) Name:_____ _____
Address : _____Email Id.:_____ Signature: failing him
2) Name:_____ _____
Address : _____Email Id.:_____ Signature: failing him
3) Name:_____ _____
Address : _____Email Id.:_____ Signature: failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company, to be held on Tuesday, July 19, 2016 at 11.00 a.m. at M C Ghia Hall, K. Dubash Marg, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Optional	Resolution	
	ORDINARY BUSINESS	**For**	**Against**
1	Adoption of Financial Statement for the year ended March 31, 2016.		
2	Appoint a Director in place of Mr. Devesh Singh Sahney (DIN: 00003956), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.		
3	Ratification of Appointment of Statutory Auditors up to next Annual General Meeting.		

Signed this _____day of _____ 2016

Signature of Shareholder

Signature of Proxy Holder

Affix revenue stamp

Note:

1) This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2) A person can act as proxy on behalf of Members upto and not exceeding 50 members and holding in aggregate not more than 10% of the Total Share Capital of the Company. Further, a member holding more than 10% of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

TEAR HERE

NRB INDUSTRIAL BEARINGS LTD.

Regd. Office : Dhannur, 2nd Floor,15, Sir P. M. Road, Fort, Mumbai-400001
Ph. No. 022-22704206 **Fax No.** 022 22704207 **Email:** investorcare@nibl.in
CIN No. L29253MH2011PLC213963

ATTENDANCE SLIP

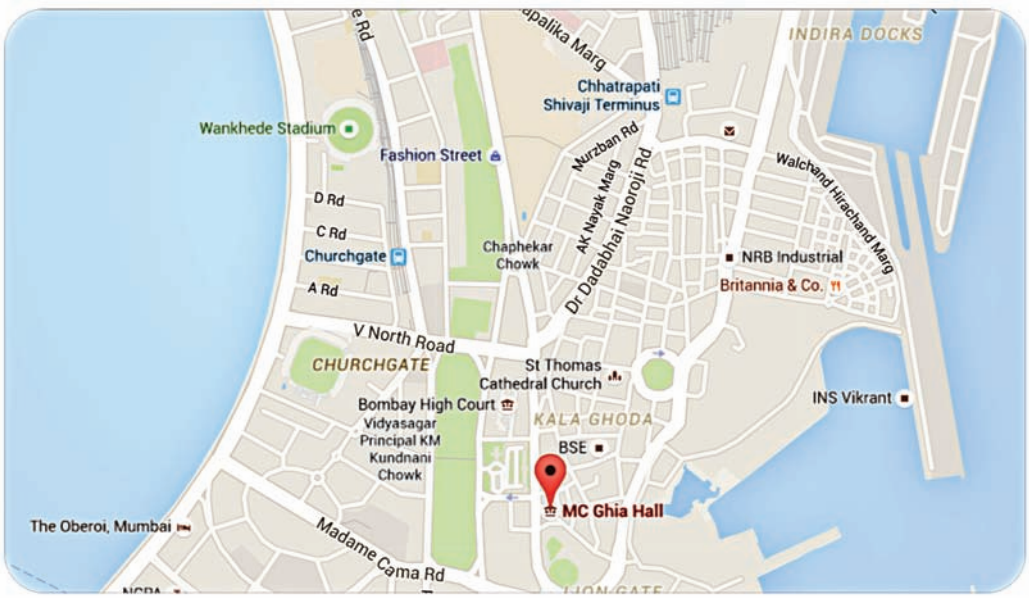
FOLIO NO. _____ DP Id. _____ CL Id. _____
Name of Member: _____
Name of Proxy Holder: _____
Number of Shares held: _____

I hereby record my presence at the Fifth Annual General Meeting of NRB Industrial Bearings Limited held on Tuesday, July 19, 2016 at 11.00 a.m. at M C Ghia Hall, K. Dubash Marg, Mumbai – 400 001.

Signature of Proxy Holder

Notes: 1) Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting Hall.
2) Members are requested to bring their copy of Annual Report for reference at the Meeting.

ANNUAL GENERAL MEETING
19 July 2016



VENUE:

M C Ghai Hall
Bhogilal Hargovindas, 2nd Floor, 18/20, K Dubash Marg,
Behind Prince of Wales Museum, Mumbai G.P.O. (Fort),
VB Gandhi Road, Kala Ghoda, Fort, Mumbai - 400 001.
Maharashtra

NRB
INDUSTRIAL

REGD. OFFICE: DHANNUR, 2ND FLOOR, 15, SIR P.M. ROAD, FORT, MUBAI - 400 001 INDIA
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