

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF NRB INDUSTRIAL BEARINGS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **NRB INDUSTRIAL BEARINGS LIMITED** ("the Company") for the Three and Six Months ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Three and Six Months Ended June 30, 2014 of the Statement, from the details furnished by the Registrar.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm's Registration No. 117365W)



U. M. Neogi
Partner

(Membership No. 30235)

Mumbai, August 5, 2014

PART I

Statement of Standalone Unaudited Financials Results for the Three & Six Months ended June 30, 2014

Rs. in Lacs

Particulars (Refer Notes below)	3 Months Ended	3 Months Ended	3 Months Ended	6 Months Ended	9 Months Ended	Previous Financial Year
	30.06.14	31.03.14	30.06.13	30.06.14	30.06.13	01.10.12 to 31.12.13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Unaudited	(Audited)
1 Income from operations						
(a) Net sales/income from operations (Net of excise duty)						
(b) Other operating income						
Total income from operations (net)	648.25	743.18	555.48	1391.43	1377.96	2897.21
2 Expenses	12.89	30.37	20.63	43.26	49.08	104.66
(a) Cost of materials consumed	661.14	773.55	576.11	1434.69	1427.04	3001.87
(b) Purchase of stock-in-trade						
(c) Consumption of stores and spares	177.71	190.00	295.12	367.71	792.47	1536.49
(d) Changes in inventories of finished goods and work-in-progress	30.27	26.27	-	56.54	-	-
(e) Employee benefits expense (Refer Note 5)	46.09	31.07	44.55	77.16	179.07	354.92
(f) Depreciation and amortisation expense	95.21	90.91	(131.31)	186.12	(351.29)	(541.40)
(g) Other expenses	243.77	264.15	199.81	507.92	570.93	1023.70
Total expenses	168.63	163.74	105.56	332.37	316.67	693.47
3 Loss from operations before other income, finance costs and exceptional items (1-2)	214.50	230.82	226.52	445.32	894.18	2015.57
4 Other income	976.18	996.96	740.25	1973.14	2402.03	5082.75
5 Loss from ordinary activities before finance costs and exceptional items (3 + 4)	(315.04)	(223.41)	(164.14)	(538.45)	(974.99)	(2080.88)
6 Finance costs	19.20	19.20	48.17	38.40	99.88	153.10
7 Loss from ordinary activities after finance costs but before exceptional items (5 - 6)	(295.84)	(204.21)	(115.97)	(500.05)	(875.11)	(1927.78)
8 Exceptional items (Refer Note 4)	198.96	214.20	183.36	413.16	343.59	688.09
9 Profit / (Loss) from ordinary activities before tax (7 + 8)	(494.80)	(418.41)	(299.33)	(913.21)	(1218.70)	(2615.87)
10 Tax expense - Deferred tax (credit) / charge	-	453.44	-	453.44	(48.46)	192.85
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(494.80)	35.03	(299.33)	(459.77)	(1267.16)	(2423.02)
12 Extraordinary items (net of tax expense Rs. Nil)	-	-	(34.85)	-	197.31	(106.12)
13 Net Profit / (Loss) for the period (11 - 12)	(494.80)	35.03	(264.48)	(459.77)	(1464.47)	(2316.90)
14 Paid-up equity share capital (Face value of the share Rs. 2 each)	(494.80)	35.03	-	-	-	-
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	484.61	484.61	484.61	484.61	484.61	484.61
16.i Earnings per share (before extraordinary items) of Rs. 2 each:(not annualised):						3381.56
Basic and Diluted (In Rs.)						
16.ii Earnings per share (after extraordinary items) (not annualised):	(2.04)	0.14	(1.09)	(1.90)	(6.04)	(9.56)
Basic and Diluted (In Rs.)						

PART II

Select information for the Three and Six Months ended June 30, 2014

Particulars	3 Months Ended	3 Months Ended	3 Months Ended	6 Months Ended	9 Months Ended	Previous Financial Year
	30.06.14	31.03.14	30.06.13	30.06.14	30.06.13	01.10.12 to 31.12.13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares						
- Percentage of shareholding						
2 Promoters and Promoter Group Shareholding	6629362	6649362	6688679	6629362	6688679	6682629
a) Pledged / Encumbered	27.36	27.44	27.60	27.36	27.60	27.58
- Number of shares						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA	NA	NA	NA
b) Non - encumbered	NA	NA	NA	NA	NA	NA
- Number of shares						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17601288	17581288	17541971	17601288	17541971	17548021
- Percentage of shares (as a % of the total share capital of the company)	100	100	100	100	100	100
	72.64	72.56	72.40	72.64	72.40	72.42
B INVESTOR COMPLAINTS						
Pending at the beginning of the quarter						
Received during the quarter						
Disposed of during the quarter						
Remaining unresolved at the end of the quarter						



Notes:

- 1 The above financial results of the Company for three & six months ended June 30, 2014 were reviewed by the Audit Committee, approved by the Board of Directors at its meeting held on August 05, 2014 and have been subjected to a "Limited Review" by the Statutory Auditors.
- 2 The Operations of the company fall within a single primary segment viz. Industrial bearings.
- 3 The Scheme of Arrangement for the demerger of Industrial Bearings Undertaking of NRB Bearings Limited (NRB) and vesting in the Company from the appointed date i.e. October 1, 2012 (the Scheme) was approved by the Hon'ble High Court of Bombay vide its Order dated August 24, 2012 and the Scheme became effective on October 1, 2012 after filing of the certified true copy of the said Order with the Registrar of Companies (ROC).

The equity shares of the Company (allotted in consideration of transfer and vesting of the Industrial Bearings Undertaking) were listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) on April 9, 2013.

- 4 Exceptional items comprise of the following:

Particulars	3 Months Ended	6 Months Ended	9 Months Ended	Previous Financial Year
	31.03.14	30.06.14	30.06.13	01.10.12 to 31.12.13
(i) Expenses relating to transfer and vesting of Industrial Bearings Undertaking.	-	-	(48.46)	(48.46)
(ii) Profit on sale of current Investment in joint venture Company Schneeberger India Private Limited.	-	-	-	241.31
(iii) Profit on assignment of leasehold rights in the plot of land at Aurangabad with building structure thereon.	268.44	268.44	-	-
(iv) Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.	185.00	185.00	-	-
Total	453.44	453.44	(48.46)	192.85

Particulars	3 Months Ended	3 Months Ended	3 Months Ended	6 Months Ended	9 Months Ended	Previous Financial Year
	30.06.14	31.03.14	30.06.13	30.06.14	30.06.13	01.10.12 to 31.12.13
Employee benefit expense includes remuneration paid to Managing Director which is subject to the approval of the Central Government for which an application has been made on February 10, 2014. Pending such approval the Managing Director holds the remuneration paid in trust for the Company.	17.27	16.14	16.60	33.41	48.47	79.51

6 Standalone Statement of Assets and Liabilities

Rs. In lacs

Particulars	As at 30.06.2014	As at 31.12.2013
A. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	484.61	484.61
(b) Reserves and Surplus	2,921.77	3,381.56
Sub-total - Shareholders' funds	3,406.38	3,866.17
(2) Non-Current Liabilities		
(a) Long term borrowings	4,321.54	5,711.89
(b) Deferred tax liabilities (Net)	-	-
(c) Long term provisions	33.53	35.72
Sub-total - Non-current liabilities	4,355.07	5,747.61
(3) Current Liabilities		
(a) Short term borrowings	4,288.36	2,914.93
(b) Trade payables	1,862.13	1,909.75
(c) Other current liabilities	3,669.53	4,233.72
(d) Short-term provisions	11.73	6.61
Sub-total - Current liabilities	9,831.75	9,065.01
TOTAL - EQUITY AND LIABILITIES	17,593.20	18,678.79
B. ASSETS		
(1) Non-current assets		
(a) Fixed assets	10,713.14	10,982.80
(b) Non-current investments	420.00	420.00
(c) Long term loans and advances	410.40	205.93
(d) Other non current assets	468.26	763.48
Sub-total - Non-current assets	12,011.80	12,372.21
(2) Current assets		
(a) Inventories	1,686.75	1,927.87
(b) Trade receivables	759.16	770.63
(c) Cash and Cash Equivalents	11.96	46.70
(d) Short-term loans and advances	782.10	1,148.46
(e) Other current assets	2,341.43	2,412.92
Sub-total - Current assets	5,581.40	6,306.58
TOTAL - ASSETS	17,593.20	18,678.79

- 7 Figures for the previous periods / financial year have been regrouped / restated where necessary to conform to the current period's classification.



By Order of the Board of Directors

[Signature]
D. S. Sahney
Managing Director

Place : Mumbai
Date : August 05, 2014

[Handwritten initials]