

## **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 Months ended March 31, 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 continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, 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.

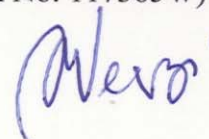
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# Deloitte Haskins & Sells

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 Months Ended March 31, 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, May 02, 2014

| PART I                                                                                         |                                                                                         | Rs. in Lacs       |                             |                            |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------|-----------------------------|----------------------------|
| Statement of Standalone Unaudited Financials Results for the Three Months ended March 31, 2014 |                                                                                         |                   |                             |                            |
| Particulars<br>(Refer Note below)                                                              |                                                                                         | 3 Months<br>Ended | 3 Months<br>Ended           | Previous<br>Financial Year |
|                                                                                                |                                                                                         | 31.03.14          | 31.12.13                    | 01.10.12 to<br>31.12.13    |
|                                                                                                |                                                                                         | (Unaudited)       | (Audited)<br>(Refer Note 6) | (Audited)                  |
| 1                                                                                              | Income from operations                                                                  |                   |                             |                            |
|                                                                                                | (a) Net sales/income from operations (Net of excise duty)                               | 743.18            | 773.58                      | 2897.21                    |
|                                                                                                | (b) Other operating income                                                              | 30.37             | 42.28                       | 104.66                     |
|                                                                                                | Total income from operations (net)                                                      | 773.55            | 815.86                      | 3001.87                    |
| 2                                                                                              | Expenses                                                                                |                   |                             |                            |
|                                                                                                | (a) Cost of materials consumed                                                          | 190.00            | 282.12                      | 1536.49                    |
|                                                                                                | (b) Purchase of stock-in-trade                                                          | 26.27             | -                           | -                          |
|                                                                                                | (c) Consumption of stores and spares                                                    | 31.07             | 35.44                       | 354.92                     |
|                                                                                                | (d) Changes in inventories of finished goods and work-in-progress                       | 90.91             | 224.42                      | (541.40)                   |
|                                                                                                | (e) Employee benefits expense (Refer Note 5)                                            | 264.15            | 223.27                      | 1023.70                    |
|                                                                                                | (f) Depreciation and amortisation expense                                               | 163.74            | 217.80                      | 693.47                     |
|                                                                                                | (g) Other expenses                                                                      | 230.82            | 509.19                      | 2015.57                    |
|                                                                                                | Total expenses                                                                          | 996.96            | 1492.24                     | 5082.75                    |
| 3                                                                                              | Loss from operations before other income, finance costs and exceptional items (1-2)     | (223.41)          | (676.38)                    | (2080.88)                  |
| 4                                                                                              | Other income                                                                            | 19.20             | 19.32                       | 153.10                     |
| 5                                                                                              | Loss from ordinary activities before finance costs and exceptional items (3 + 4)        | (204.21)          | (657.06)                    | (1927.78)                  |
| 6                                                                                              | Finance costs                                                                           | 214.20            | 94.72                       | 688.09                     |
| 7                                                                                              | Loss from ordinary activities after finance costs but before exceptional items (5 - 6)  | (418.41)          | (751.78)                    | (2615.87)                  |
| 8                                                                                              | Exceptional items (Refer Note 4)                                                        | 453.44            | -                           | 192.85                     |
| 9                                                                                              | Profit / (Loss) from ordinary activities before tax (7 + 8)                             | 35.03             | (751.78)                    | (2423.02)                  |
| 10                                                                                             | Tax expense - Deferred tax credit                                                       | -                 | -                           | (106.12)                   |
| 11                                                                                             | Net Profit / (Loss) from ordinary activities after tax (9 - 10)                         | 35.03             | (751.78)                    | (2316.90)                  |
| 12                                                                                             | Extraordinary items (net of tax expense Rs. Nil)                                        | -                 | -                           | -                          |
| 13                                                                                             | Net Profit / (Loss) for the period (11 - 12)                                            | 35.03             | (751.78)                    | (2316.90)                  |
| 14                                                                                             | Paid-up equity share capital (Face value of the share Rs. 2 each)                       | 484.61            | 484.61                      | 484.61                     |
| 15                                                                                             | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year |                   |                             | 3381.56                    |
| 16.i                                                                                           | Earnings per share (before extraordinary items) of Rs. 2 each:(not annualised):         |                   |                             |                            |
|                                                                                                | Basic and Diluted (In Rs.)                                                              | 0.14              | (3.10)                      | (9.56)                     |
| 16.ii                                                                                          | Earnings per share (after extraordinary items) (not annualised):                        |                   |                             |                            |
|                                                                                                | Basic and Diluted (In Rs.)                                                              | 0.14              | (3.10)                      | (9.56)                     |

PART II |

Select information for the Three Months ended March 31, 2014

| Particulars |                                                                                          | 3 Months<br>Ended | 3 Months<br>Ended           | Previous<br>Financial Year |
|-------------|------------------------------------------------------------------------------------------|-------------------|-----------------------------|----------------------------|
|             |                                                                                          | 31.03.14          | 31.12.13                    | 01.10.12 to<br>31.12.13    |
|             |                                                                                          | (Unaudited)       | (Audited)<br>(Refer Note 6) | (Audited)                  |
| A           | PARTICULARS OF SHAREHOLDING                                                              |                   |                             |                            |
| 1           | Public shareholding                                                                      |                   |                             |                            |
|             | - Number of shares                                                                       | 6649362           | 6682629                     | 6682629                    |
|             | - Percentage of shareholding                                                             | 27.44             | 27.58                       | 27.58                      |
| 2           | Promoters and Promoter Group Shareholding                                                |                   |                             |                            |
|             | a) Pledged / Encumbered                                                                  |                   |                             |                            |
|             | - Number of shares                                                                       | -                 | -                           | -                          |
|             | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NA                | NA                          | NA                         |
|             | - Percentage of shares (as a % of the total share capital of the company)                | NA                | NA                          | NA                         |
|             | b) Non - encumbered                                                                      |                   |                             |                            |
|             | - Number of shares                                                                       | 17581288          | 17548021                    | 17548021                   |
|             | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100               | 100                         | 100                        |
|             | - Percentage of shares (as a % of the total share capital of the company)                | 72.56             | 72.42                       | 72.42                      |

| Particulars                                    | 3 Months<br>Ended<br>31.03.14 |
|------------------------------------------------|-------------------------------|
| <b>B INVESTOR COMPLAINTS</b>                   |                               |
| 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 results have been reviewed by the Audit Committee at its meeting held on May 02, 2014 and were approved at the meeting of the Board of Directors held on the same day.
- 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. As the equity shares were listed on April 9, 2013 the comparable figures for corresponding three months ended March 31, 2013 have not been presented.

- 4 Exceptional items comprise of the following:

| Particulars                                                                                                       | 3 Months Ended | Previous Financial Year |
|-------------------------------------------------------------------------------------------------------------------|----------------|-------------------------|
|                                                                                                                   | 31.03.14       | 01.10.12 to 31.12.13    |
| (i) Expenses relating to transfer and vesting of Industrial Bearings Undertaking.                                 | -              | (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         | -                       |
| (iv) Profit on grant of exclusive rights to use part of the 3rd floor of building Dhannur at Mumbai.              | 185.00         | -                       |
| <b>Total</b>                                                                                                      | <b>453.44</b>  | <b>192.85</b>           |

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| Particulars                                                                                                                                                                                                                                                                                        | 3 Months Ended | 3 Months Ended | Previous Financial Year |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|-------------------------|
|                                                                                                                                                                                                                                                                                                    | 31.03.14       | 31.12.13       | 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. | 16.14          | 15.12          | 79.51                   |

- 6 Figures for the preceding three months ended December 31, 2013 are the balancing figures between audited figures in respect of the full financial year ended December 31, 2013 and published year to date figures upto the fourth quarter of that financial year.
- 7 Figures for the previous period / financial year have been regrouped / restated where necessary to conform to the current period's classification.

Place : Mumbai  
Date : May 02, 2014



By Order of the Board of Directors

*[Signature]*  
D. S. Sahney  
Managing Director

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