NRB
BEARINGS

August 28, 2017

BSE Ltd
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building,P.J Towers,Dalal Street
Mumbai 400 001

Listing Department-Corporate Services
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,Plot No.C/1
G Block, Bandra Kurla Complex
Bandra (E), Mumbai 400 051

Code No. 530367

Dear Sirs,

Sub: Submission of Annual Report

In accordance with the requirement of the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting the soft copy of the approved and adopted Annual Report in the 52nd Annual General Meeting of the Members of NRB Bearings Ltd. held on 11th August, 2017.

Kindly take the same on record.

Thanking you,

Yours truly,
For NRB BEARINGS LTD

S C RANGANI
EXECUTIVE DIRECTOR & COMPANY SECRETARY

Encl: as above

We Make Things Move



NRB BEARINGS
THE ORIGINAL

52nd ANNUAL REPORT
2016-17

TO BE THE RECOGNIZED LEADER IN THE DESIGN AND PRODUCTION OF CUSTOMIZED FRICTION SOLUTIONS, WITH A PRESENCE IN EVERY VEHICLE IN THE WORLD.

CERTIFICATIONS:	ISO 9001 : 2008	OHSAS 18001:2007
	ISO/TS 16949:2009	REACH COMPLIANT
	ISO 14001:2004	ELV COMPLIANT

Route Map to the AGM Venue



CIN : L29130MH1965PLC013251

Directors	:	Trilochan Singh Sahney, Chairman Harshbeena S Zaveri - Vice Chairman & Managing Director Tashwinder Singh Aslesha A Gowariker Devesh S Sahney Ashank D Desai Rustom Desai (w.e.f. 23.1.2017) Satish C Rangani - Executive Director & Company Secretary
Bankers	:	BNP Paribas Citibank N.A. DBS Bank HDFC Bank
Auditors	:	Deloitte Haskins & Sells
Solicitors	:	Wadia Ghandy & Co. AZB Partners & Co.
Registered Office	:	Dhannur, 15 Sir. P M Road, Fort Mumbai 400 001 Phone: +91 22-2266 4160/2266 4998 Fax: +91 22-2266 0412 www.nrbbearings.com
Works	:	Pokhran Road No.2, Majiwade Thane 400 606 E-40, M.I.D.C. Industrial Area, Chikalthana Aurangabad 431 010 C-6, Additional M.I.D.C. Industrial Area Jalna 431 203 E-72, (I) & (II) M.I.D.C., Waluj Aurangabad 431 133 A-5, Uppal Industrial Estate Hyderabad 500 039 Plot No.33, Sector –II, SIDCUL IIE Pantnagar Udhamsingh Nagar, Uttarakhand 263153
Registrar & **Share Transfer Agent**	:	Universal Capital Securities Pvt.td. (Formerly known as M/s.Mondkar Computers Pvt.Ltd.) 21, Shakil Niwas, Mahakali Caves Road Andheri (East), Mumbai 400 093 Tel: 2836 66 20, 28207203-05 Fax: 2836 9704, 28207207

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AGM NOTICE

The Members,
NRB BEARINGS LIMITED

NOTICE IS HEREBY GIVEN that the 52nd Annual General Meeting of the members of the Company will be held at Y B Chavan Center, Cultural Hall, Nariman Point, Mumbai 400021 on Friday, 11th August, 2017 at 3.00 p.m to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors and the auditors thereon.
2. To confirm the payment of interim dividend as final dividend on equity shares for the financial year 2016-17.
3. To appoint a Director in place of Mr.D S Sahney (DIN 00003956) who retires by rotation and is eligible for re-appointment.
4. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :

   "RESOLVED THAT M/s. Walker Chandiok & Co., LLP, Chartered Accountants, (Firm No. 001076N/N500013) be and are hereby appointed as statutory auditors, in place of retiring auditors M/s. Deloitte Haskins & Sells., to hold office until the conclusion of the Annual General meeting to be held for the Financial Year ending 31st March, 2020, subject to annual ratification by the Shareholders on such remuneration plus out-of-pocket expenses as may be mutually agreed upon between the Board of Directors and the Auditors.

   RESOLVED FURTHER THAT the Audit Committee and / or Board of Directors be and is hereby authorized to fix their remuneration according to the scope of their services as Statutory Auditors and other permissible assignments, if any, in line with prevailing rules and regulations made in this regard."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

   Appointment of Mr. Rustom Desai as an Independent Director

   "RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment and qualifications of Directors) Rules 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Mr.Rustom Desai (DIN.02448175) who was appointed as an Additional Director pursuant to the provisions of section 161(1) of the Companies Act,2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years from the date of his appointment i.e. 23rd January, 2017 on such remuneration by way of sitting fees, other permissible fees plus out-of-pocket expenses, as approved by the Board of Directors."

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

   Re-appointment of Mr.Satish Rangani as Whole-Time Director

   "RESOLVED THAT in accordance with the provisions of sections 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment and qualifications of Directors) Rules 2014, approval of the Company be and is hereby accorded to the re-appointment of Mr.Satish Rangani (DIN 00209069), for a further period of 12 months from the date of his appointment i.e. 24th January,2017 as a Whole-Time Director, designated Executive Director & Company Secretary, of the Company, on the same terms and conditions including remuneration approved by the general body at the meeting held on 24th July,2015, with liberty to the Board of Directors, including the nomination and remuneration committee of the board, to alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Mr.Satish Rangani subject to the same not exceeding the limits specified under schedule V to the Companies Act, 2013."

   Mr.S C Rangani, Executive Director & Company Secretary shall carry out duties as may be entrusted to him subject to the supervision and control of the Vice Chairman & Managing Director.

By Order of the Board
S C Rangani
Executive Director & Company Secretary

May 26, 2017

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting.

2. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 SHARES AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, 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.**

3. The Register of Members of the Company and Transfer Books thereof will be closed from 7th August, 2017 to 11th August,2017 (both days inclusive).

4. E-voting facility to all members has been provided through the e-voting platform of CDSL and the Company has appointed Mr.Upendra Shukla, practicing Company Secretary, as Scrutiniser for the e-voting process. Instructions and manner of the process have been detailed in the para 8 below. The Scrutiniser will make a report to the Chairman of the Company, of the votes cast in favour and against and the results on the resolutions alongwith the scrutiniser's report will be available on the website of the Company within two working days of the same being passed.

5. The Board has not declared any final dividend and the interim dividend declared on 13th February,2017 has been considered as final dividend.

   The shareholders whose names appear in the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company on or before 6th August, 2017 shall be entitled to participate in evoting/ballot at the AGM.

   Members and all others concerned are requested to lodge transfer deeds, change of address communication, mandates (if any) with the Company's Share 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 before 6th August ,2017.

6. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend. SEBI has also mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to the DPs with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

7. The Company has transferred on due dates, the unpaid/unclaimed dividends (interim and final) for the financial year ended 31st March, 2008 to the IEPF. Pursuant to the provisions of IEPF (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules 2012 the Company has uploaded such details as on 23rd August, 2016 (date of last AGM) on the website of the Company.

8. **PROCESS FOR MEMBERS OPTING FOR E-VOTING**

   (i) The voting period begins on 8th August, 2017 at (9.00 am IST) and ends on 10th August, 2017 at 5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th August, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (ii) A member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a member casts his vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.

   In case of members receiving e-mail:

   (iii) Log on to the e-voting website www.evotingindia.com

   (iv) Click on "Shareholders" tab.

   (v) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

   (vi) 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.

(vii) Next enter the Image Verification as displayed and Click on Login.

(viii) 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.

(ix) 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 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. Please enter your sequence number as Sr.No. which is mentioned in the EVSN covering letter.

  DOB Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

  Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.
- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

(x) After entering these details appropriately, click on "SUBMIT" tab.

(xi) Members holding shares in physical form will then reach directly 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.

(xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xiii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiv) 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.

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

(xvi) 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.

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

(xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xix) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xx) 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. iPhone 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.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.

(B) 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.co.in under help section or write an email to helpdesk. evoting@cdslindia.com.

9. Members/Proxies are requested to bring their attendance slip duly filled in and their copy of the Annual Report for the meeting.

By Order of the Board
S C Rangani
Executive Director & Company Secretary

May 26, 2017

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No:5

Appointment of Mr.Rustom Desai as an Independent Director

Mr.Rustom Desai, age 46, is a Mechanical Engineer from the Delhi College of Engineering and has done his Masters in Business Administration from Cornell University, USA.

Mr.Desai, with over 22 years of work experience in Corning Inc, USA, is an accomplished global leader of technology intensive businesses, having delivered revenue and profit growth in multiple technology industries. He has lived worked and built teams in the US, China, Taiwan and India and has successfully restructured businesses in Australia, Korea and China.

His last assignment in India before his transfer to the parent company in the US, was as Managing Director and General Manager Optical Communications, Corning India where he lead Corning's state-of-the-art optical fibre plant. Under his hand picked leadership team the project was completed in record time and grew revenue to USD 100 million in three years from start up and achieved break-even in 18 months.

He is on the Advisory Board at Cornell University Business School and while in India between 2011 and 2017, was Member of the National Executive Board AMCHAM and a member of the CII National Committee on Broadband.

The Board considers that his association as Director will be beneficial and in the interest of the Company.The Directors recommend passing of the resolution set out at item no.5 of the accompanying notice. Except Mr.Rustom Desai, none of the other Directors, key management personnel and their relatives are interested or concerned with the resolution.

Copy of the appointment letter shall be available for inspection on all working days between 11.00 a.m. and 3.00 p.m.

Item No:6

Appointment of Mr.Satish Rangani as Wholetime Director

The term of Mr.Rangani as Wholetime Director, designated as Executive Director & Company Secretary expired on 23rd January,2017 and his term was extended for a further period of 12 months from 24th January,2017 by way of Circular Resolution of the Board, on the same terms and conditions as the earlier contract. These terms, including remuneration had been approved by the General Body at the meeting held on 24th July,2015 with liberty to the Board to alter and vary the terms and conditions, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

The Board considers that his association as Director will be beneficial and in the interest of the Company.The Directors recommend passing of the resolution set out at item no.6 of the accompanying notice. Except Mr.S C Rangani, none of the other Directors, key management personnel and their relatives are interested or concerned with the resolution.

Copy of the appointment letter shall be available for inspection on all working days between 11.00 a.m. and 3.00 p.m.

As required by SEBI (Listing Obligation and Disclosure requirements) Regulation 2015 entered into with the Stock Exchanges, the statement below gives the relevant details of the Directors being appointed/re-appointed under the accompanying notice.

Name of Director	Mr.D S Sahney	Mr.S C Rangani	Mr.Rustom Desai
DIN	00003956	00209069	02448175
Date of Birth	17.11.1968	13.11.1948	01.04.1971
Nationality	Indian	Indian	Indian
Date of appointment on Board	May 2001	October 2012	23.01.2017
Qualification	Bachelor of Arts degree (Business Administration & Economics) from Richmond College,London and Master in Business Administration (General management) from the Asian Institute of Management (Phillipines)	B Com, MMS, ACS	BE (Mechanical),MBA (Cornell, USA)
Shareholding in Company	3634583	6000	-
List of Directorships held in other companies (excluding foreign, private and section 8 companies)	NRB Industrial Bearings Ltd NRB-IBC Bearings Pvt.Ltd.	SNL Bearings Ltd	-
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across public companies	NRB Industrial Bearings Ltd-Audit Committee	SNL Bearings Ltd-Stakeholders Relationship Committee CSR Committee	-

By Order of the Board

S C Rangani

May 26, 2017

Executive Director & Company Secretary

BOARD'S REPORT

To
The Members
NRB BEARINGS LIMITED
Mumbai

Your Directors have pleasure in presenting their Fifty Second Annual Report together with Audited Accounts for the year ended 31st March, 2017.

1. Financial Resultss

	Consolidated		Standalone	
Year ended	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Rs.lakhs	Rs.lakhs	Rs.lakhs	Rs.lakhs
Revenue from operations (Net)	72759.38	67493.69	70869.94	65919.68
Profit before tax	7790.94	6389.29	7020.21	6381.53
Provision for taxation				
Current (net)	2200.03	2124.65	1886.33	1849.16
In respect of earlier years	(42.13)	(25.26)	(44.77)	(25.26)
Deferred tax	95.19	(28.06)	75.13	(40.67)
Profit after taxation	5397.72	4199.87	5103.52	4598.30
Add: Balance brought forward	13990.14	12303.39	17042.04	14826.90
	19387.86	16503.26	22145.56	19425.20
Appropriation:				
Dividend	1385.69	1429.15	1356.92	1356.92
Tax on distributed profits	218.67	290.94	249.66	276.24
Tax on preference dividend	0.12	18.03		
General Reserve	--	--	--	--
Debenture Redemption Reserve	1250.00	750.00	1250.00	750.00
Capital Redemption Reserve	25.00	25.00	--	--
Profit & Loss Account	16508.38	13990.14	19288.98	17042.04
	19387.86	16503.26	22145.56	19425.20

2. **Appropriation**

Dividend

On 13th February'2017, Directors have declared interim dividend of Rs.1.40/-per equity share of Rs.2/- (Rs.1.40 per share for previous year) payable to members/beneficial owners as per the Register of Members as applicable aggregating Rs. 1356.92 lakhs. The Directors have not recommended any final dividend and decided that the interim dividend be treated as final.

3. **Operations/Outlook**

FY2016-17 has been a mixed year – starting off on an encouraging note with new government initiatives, supporting infrastructure projects and industrial growth, being announced, a near normal monsoon giving a boost to the rural economy and consumer demand picking up in the first half year. Q3 saw the demand upheaval caused by demonetization in the domestic markets heightening the uncertainties in the global environment arising from Brexit, weak growth in China and subdued global trade. Fortunately, Q4 saw the liquidity pressures abating and the government driving implementation of BS IV emission norms and GST and its increased spend on upgradation of infrastructure, resulting in demand reviving with expectations that GDP growth will be 7% for the year.

Though the private sector investment cycle has not yet gained strength and the banking system is weighed down by high NPAs and low business confidence, the Indian economy outlook is optimistic considering prospects of a near normal monsoon, increased government spends, recovery in export demand for the Indian automotive industry. Consumer sentiment has improved and there has been demand growth in the high value 4-wheeler segments of passenger cars, driven by new model launches and in the farm equipment/off highway segment owing to the good monsoon. BS IV norms, replacement of aging fleets and pick up in infrastructure demand and improving farm outputs contributed to growth in 2/3 wheelers and CVs. Your Company aggressively pushed sales in the domestic market and successfully increased overall sales, in spite of flattish export sales to achieve its highest ever sales turnover of Rs.70870 lacs (previous year Rs.65919 lacs) – domestic sales up by 9% to Rs.57578 Lacs (previous year Rs.52926 lacs) and exports of Rs.13292 lacs (previous year Rs.12993 lacs). Profit after tax has improved to Rs.5104 lacs (previous year Rs.4598 lacs) with lower material consumption, and lower charge on employee benefit costs and finance costs.

Over the past ten years, India has emerged as one of the most preferred locations in the world for manufacturing high quality auto components and vehicles of all kinds. The Industry has to be equally relentless in its pursuit of economies of scale and in scope of design and engineering of automobiles and components, while also pursuing low cost manufacturing destinations. AMP 2026 states the Government promises to help the Indian Automotive industry to focus on its strengths and improve its competitiveness in select segments and achieve the target of 12% contribution to National GDP and make India first in the world in production /sale of small cars, 2 & 3 wheelers, tractors and buses and 3rd in passenger vehicles and heavy trucks.

Your Company is investing in and building its R&D capabilities to develop product lines with improved performance and margins, working on eliminating waste from operations by continuously reviewing and streamlining its production processes.

4. Finance

The company has been rated by Crisil A1+ for short term and AA- (stable) for long term borrowings.

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters are continuously monitored.

a. Public Deposits

The Company has not taken fixed deposits during the year. There are no unclaimed deposits.

b. Non convertible debentures

During the year the non convertible debentures aggregating Rs.50 crores, were issued on private placement basis in October 2016. The funds raised have been utilized for converting short term loans into long term.

c. Particulars loans, guarantees or investments

During the year under review, the company has not advanced any fresh loans or given guarantees or made investments other than NRB Thailand Ltd's loan, inclusive of interest, aggregating USD.384406.80 as on 31st October,2016 was rescheduled to be repaid in monthly instalments from November 2016 to February 2019 alongwith interest @ 6.5% p.a. as approved by the Board.

Details of loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

5. Directors

The Board of Directors has, on the recommendation of the Nomination & Remuneration Committee appointed Mr.Rustom Desai as Additional Director of the Company in the category of independent Directors w.e.f. 23rd January, 2017 and Mr.S C Rangani as Additional Director (Executive Director & Company Secretary) w.e.f. 24th January, 2017. In the case of Mr.Rustom Desai, the notice for the forthcoming Annual General Meeting (AGM) includes his appointment as independent Director under the Companies Act, 2013 for a period of five years w.e.f. 23rd January, 2017 and for Mr.S C Rangani for a period of one year w.e.f. 24th January, 2017.

All independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and the provisions of the Listing Agreement.

Mr.D S Sahney retires by rotation pursuant to Article 111 of the Articles of Association and is eligible for reappointment.

On the expiry of his term on 30th September, 2016, Mr.T S Sahney gave up his Executive position and operational role in favour of Ms.H S Zaveri, currently re-designated as Vice Chairman & Managing Director. Considering his Founder status and recognizing his wide experience and knowledge , Mr T S Sahney continues as Chairman of the Board in Non Executive capacity.

Familiarisation Programme for Independent Directors

In order to familiarize the Independent Directors with the business, the Company makes a presentation covering nature and scope of business, nature of industry in which Company operates, profitability and future scope. Regularly at meetings updates are given to the Board.

Board evaluation

The Board has carried out an annual performance evaluation of its own performance and the Directors individually. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The independent Directors have also met separately on 21st March 2017

Remuneration policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration. The remuneration policy is posted on the company's website www.nrbbearings.com. Details of remuneration paid to Executive Directors and KMP and the Independent Directors form part of the Corporate Governance Report attached to this Report.

Meetings

During the year 5 Board meetings and 6 Audit committee meetings were convened and held (details in Corporate Governance Report). The intervening gap between the meetings was less than four months. The date for the next meeting is fixed in advance at the previous meeting both for board and committee meetings.

6. Subsidiaries

As of 31st March, 2017, the Company has three subsidiaries viz. SNL Bearings Ltd, NRB Bearings (Thailand) Ltd and NRB Bearings Europe GmbH. The consolidated results include the working of these subsidiaries.

SNL Bearings Ltd (SNL), in which your Company holds 73.45% equity, has reported PAT of Rs.658.95 lacs (previous year Rs.567.76 lacs). Despite the challenging environment in the Indian economy post demonetization and implementation of new BIS-IV emission norms, SNL achieved sales growth of 11.5% from increased sales volumes from existing and new OEM customers. Profit before tax (PBT) has increased by 16.5% from Rs.991.71 lakhs (Previous year) to Rs.850.83 lakhs on account of higher volumes helped by global decline in commodity prices. SNL expects to further capitalize on growth opportunities during the current year and enhance profitability with emphasis on improving quality and productivity.

NRB Bearings (Thailand) Ltd (NRBT), a wholly owned subsidiary, has increased its sales by 18% to THB 160.59 million (Rs 29.87 crores) (previous year THB 136.52 million – Rs.25.39 crores). The share of manufacturing revenues out of total revenues has increased to 72% at THB 115.25 million (Rs.21.44 crores) (previous year 70% at THB 95.58 million) and trading revenues are 28% at THB 45.35 million (Rs.8.44 crores) (previous year 30% at THB 40.93 million). Consequently, the Company's EBITDA has grown from THB 13.39 million to THB 27.82 million (Rs.5.17 crores). The company has made a maiden profit for the year at THB 4.55 million (Rs.0.85 crores), mainly due to higher manufacturing volumes and lower exchange losses. New business is being finalized with global Japanese customers and manufacture of new products as well as enhanced production of needle rollers, planned during FY 2017-18 will help in further improving the financial results during the coming years.

NRB Bearings Europe GmbH, a wholly owned subsidiary was set up to support increasing exports to Europe. The Company provides marketing and customer support services. The income during the year is EURO 228739 (Rs.1.58 crores) and the resultant profit after tax is EURO 5914 (Rs. 4.08 lacs).

Pursuant to section 129 (3) read with rule 5 of Companies (Accounts) Rules, 2014 details of financial statements of subsidiary companies has been given in **Annexure 1 (AOC1)** forming part of this statement.

7. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule no.8 of Companies (Accounts) Rules 2014 has been given in the **Annexure 2** forming part of this report.

8. Industrial Relations/Vigil Mechanism and Whistle Blower Policy

During the year the Company maintained cordial relations with the workmen's unions at all plants. Wage agreements relating to Waluj, Thane and Jalna plants have expired in the previous year. Settlement was signed with the union at Hyderabad plant in conciliation with joint Commissioner of Labour on 27.04.2016. The wage increase has been linked with productivity improvements (18.5%), with a penalty for non achievement of quality and productivity as agreed. The new agreement is effective for three years w.e.f. 01.04.2016 and the total financial impact for FY 2016-17 is estimated at Rs.1.2 crores.

At Chikalthana, workmen's settlement (155 nos) has been signed in August 2016 with wage increase linked to productivity improvement of 19% and penalties for non achievement. The settlement effective for 3 years w.e.f. 1st July, 2016 and the total financial impact for FY 2016-17 is estimated at Rs.109 lacs.

Our people approach is reflected in the team work and the implementation of the number of initiatives involving employees and their families to share and promote organizational values. Regular training programmes are conducted for imparting understanding of bearing and engineering principles, modern manufacturing practices and in attitudinal and behavioural aspects.

The Company has a Vigil Mechanism and Whistle Blower Policy which provides for adequate safeguards to employees using such mechanism. It also allows direct access to the Audit Committee in appropriate cases. Details of the same are posted on the website of the Company.

Your Company hereby affirms that no complaints were received during the year.

9. Safety, Health and Environment

The Company is committed to establish and maintain safe working environment that promotes good health and high performance of the employees, and simultaneously takes measures to protect the environment. We also ensure that safety behavior is well demonstrated by our employees while working on the shop floor by using personal protective equipments as required.

Company has been accredited with internationally acclaimed certification viz. ISO14001:2004 to identify and control environmental impact and constantly improve the environmental performance; OHSAS: 18001:2007 occupational health and safety management systems; and ISO/TS: 16949:2009 for Quality Management Systems.

The commitment towards the environment preservation extends beyond regulatory compliances as per MPCB norms and ambient, air and noise levels, waste monitoring through ETP/STP treatment is being done. Initiatives are taken across the Company to conserve natural resources, reduction & recycling of wastes; and adherence to emission norms.

There have been numerous initiatives by NRB towards safety and environment awareness among employees:

1. Awareness on environment preservation and protection through regular monitoring of environment parameters and employees engagement activities like tree plantation and drawing competitions.
2. "Safety first and always first" is the highest priority of the Company. The Safety policy inter alia ensures safety of public, employees, plant, equipment and business associates, ensuring compliance with all statutory rules and regulations as an on-going process.

   Special initiatives have been taken up such as mock drills, up-gradation of Fire protection systems, safety training to employees, reporting of near-miss incidents and first aid awareness. We strive to achieve "Zero-Accident Tolerance".
3. Setting up of Solar Lights and LED lights to replace existing CFLs in factory premises and air ventilators on factory roof to save electricity, improve air quality and protect usage of natural resources.
4. Significant reductions have been achieved across all locations in minimizing the requirement of electricity, use of less petrochemicals, grease, turpentine, etc. Turpentine has been replaced with stansol to prevent vapour spreading for improved health of employees.
5. Water conservation through re-use of waste water and rain water harvesting at plants – capacity to harvest upto 50 lac ltrs rain water every year to increase ground water levels.
6. Vermiculture for making Vermicompost as nutrient-rich organic fertilizer and soil conditioner.
7. Strict policy for non-consumption of tobacco and intoxicating materials to protect the mental and physical health of employees. Regular awareness programs like "Vyasan Mukti" & "Yoga Classes" conducted to educate employees to get rid of evils of intoxication and stressful work life; and embrace good health and work-life balance.

10. Corporate social responsibility

In line with the activities specified in schedule VII relating to the provisions of sections 135 of the Companies Act, 2013, your company has been focusing on :

Promotion of education

Promoting gender equality and empowering woman

Employment enhancing vocational skills

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources

In terms of the above the Company has been contributing for primary education, secondary education (study of sciences, maths and engineering) and to engineering colleges. The company also has an appropriate proportion for smaller NGOs (Auroville Unity Fund) and natural disasters and calamities (during the year the company contributed towards transportation of drinking water by Railway tankers to Latur, Marathwada) and supports social causes and impactful projects.

The Company has continued its support to the Ashoka University which is devoted to transforming Indian higher education based on the principles of multidisciplinary education delivered by exceptional faculty members and providing ivy-league quality education at an affordable price. The liberal education helps develop intellect, nurture critical thinking and provides specialisation with a broader foundation of knowledge.

The Company extended further support to Aseema, an NGO, to encourage expression and creativity in the children studying in municipal schools in Mumbai and make the curriculum more meaningful and fun. Aseema's centre at Igatpuri set up for development of tribal children learning needs, also provides vocational training to help them join mainstream society.

The company supported social causes like Indian Cancer Society, Akshay Patra Foundation for mid-day meal for school children and at Jalna the de-silting project undertaken by local self help groups to improve water bodies in the area.

NRB has always believed in and worked towards "inclusive growth'- improving the quality of life of the people in the communities where we operate and has on a regular basis conducted Blood Donation camps across locations to help the society case of any emergency and Hyderabad & Chikalthana plants have organized "Summer Water Camps" to provide water to the needy and poor people in the scorching heat. As part of its "Go Green" policy, NRB has initiated tree planting drives in and around its factories.

The average of the last 3 years profits works out to Rs.6424 lacs and @ 2% the amount to be spent by the Company on CSR activities works out to Rs.128.48 lacs during FY 2016-17. The Company has actually spent Rs.128.90 lacs during FY 2016-17 on the identified activities. The requisite format for such expenditure has been enclosed as **Annexure 3** to the Directors' Report.

11. Corporate governance

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report. Details of Board meetings held during the year under review and the composition of the various committees are included therein.

The Code of Conduct for Directors and Senior Management personnel of the Company, as approved by the Board, has been affirmed on an annual basis by all the Directors and the Senior Management personnel of the Company.

The relevant certification on the various matters specified under Regulation 17(8) of SEBI (LODR) Regulations, 2015 has been done by the Vice Chairman & Managing Director as CEO and the CFO of the Company.

Members desirous of receiving the full Report and Accounts of the subsidiaries will be provided the same on receipt of a written request from them or on submission of their e-mail IDs for forwarding documents through electronic mode. This will help save considerable cost in connection with printing and mailing of the Report and Accounts. This measure would be in line with the MCAs Green initiative for paperless communications. The same shall also be kept for inspection by any Members at the registered office of the Company and of the respective subsidiary Company concerned and shall also be posted on the web site of the Company viz.www.nrbbearings.com.

12. Directors' responsibility statement

In accordance with Section 134 of the Companies Act, 2013, the Directors state that:

i. in the preparation of annual accounts, all applicable accounting standards have been followed and no material departures have been made from the same;

ii. accounting policies selected were consistently applied. Reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2017 and of the profit of the Company for the accounting year ended on that day;

iii. proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

iv. the Annual Accounts have been prepared on a going concern basis.

v. the internal financial controls to be followed by the Company have been laid down and are adequate and were operating effectively.

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and all such systems were adequate and operating effectively.

13. Related Party transactions (RPT)

All RPT that were entered into during the financial year were on an arms length basis and were in the ordinary course of business. There are no materially significant RPT by the Company with promoters, Directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All RPT are placed before the audit committee as also the board for approval. Prior approval of the audit committee is obtained on a quarterly basis for transactions which are foreseen and repetitive in nature. The compliance of the transfer pricing norms in relation to such transactions is certified by the tax advisors.

The policy on RPTs as approved by the board is uploaded on the Company's website. Form for disclosure of particulars of contracts has been enclosed as **Annexure 4.**

14. Auditors

Statutory Auditors

Appointment of M/s Deloitte Haskins & Sells, Chartered Accountants as Auditors was approved till the conclusion of the Annual General Meeting to held for FY ending 31 March 2017.

The Audit committee and the Board of Directors recommends the appointment of M/s. Walker Chandiok & Co., LLP, Chartered Accountants, (Firm No. 001076N/N500013) and they are proposed to be appointed as statutory auditors, in place of retiring auditors M/s. Deloitte Haskins & Sells., to hold office until the conclusion of the annual general meeting to be held for the Financial Year ending 31st March, 2020, subject to annual ratification by the Shareholders.

A certificate from the auditors has been received to the effect that their appointment, if made, would be within the limits prescribed under section 139 of the Companies Act, 2013.

The Board places on record its appreciation of the services rendered by the retiring auditors during their long tenure & association with the Company.

Cost Auditors

Pursuant to the Rules issued by MCA under Companies (Cost records and Audit) Amendment Rules 2014, your company is subject to cost audit during the year FY 2016-17 and M/s.R Nanabhoy & Co, Cost Accountants was appointed to undertake the same. The cost audit report for the year ended 31st March, 2017 was filed with MCA on 9th September, 2016.

Secretarial Audit

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.U C Shukla, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The report is annexed as **Annexure 5.**

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the auditors' reports

There have been no disqualifications, reservations, adverse remarks or disclaimers in the auditors' reports other than the comment in the Independent Auditor's certificate on corporate governance and in the Secretarial Audit Report:

i. During the period August 26,2016 to January 22, 2017, the strength of Independent Directors was below the requisite strength of 50% of the Board, but was remedied within a period of 6 months.

ii. Delay in filing private placement offer letter for NCDs with SEBI, though filed with Stock Exchanges in time.

15. Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure 6.**

16. Particulars of employees

The information required pursuant to section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act the Report and Accounts are being sent to the Members excluding this information.

17. Acknowledgement

The Directors wish to convey their appreciation for the tremendous support of our workforce- both unionized and management and the confidence and loyalty shown by our customers. The Directors also wish to thank the shareholders, suppliers, bankers and all other business associates for the continuous support given by them to the Company and their confidence in its management.

On behalf of the Board

	(Ms) H S Zaveri	**S C Rangani**
Mumbai: May 26, 2017	Vice Chairman & Managing Director	Executive Director & Co.Secretary

ANNEXURE 1

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

Name of the subsidiary	NRB Bearings (Thailand) Ltd	NRB Bearings Europe GmbH	SNL Bearings Ltd. (Rs. in lakhs)
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	THB USD - 34.50 THB	EURO EURO - 69.06	INR
3. Share capital (Rs.)	THB 110 million	EURO 25000	361.15
4. Reserves & surplus	(THB 159 million)	EURO 23450	1629.91
5. Total assets	THB 225 million	EURO 127158	2537.75
6. Total Liabilities	THB 276 million	EURO 78708	546.69
7. Investments (excluding investments in subsidiaries)	--	--	106.73
8. Turnover	THB160.59 million	EURO 228739	3352.78
9. Profit before taxation	THB 4.55 million	EURO 10879	991.71
10. Provision for taxation	--	EURO 4965	332.76
11. Profit after taxation	THB 4.55 million	EURO 5914	658.95
12. Proposed Dividend	--	--	131.12
13. % of shareholding	100	100	73.45

The following information shall be furnished:-

1. Names of subsidiaries which are yet to commence operations – N.A.
2. Names of subsidiaries which have been liquidated or sold during the year- N.A.

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 Industrial Bearings Ltd.
1. NRB Industrial Bearings Ltd.	31.3.2017
2. Shares of Associate/Joint Ventures held by the company on the year end	NIL
Amount of Investment in Associates/Joint Venture	NIL
Extend of Holding %	NIL
3. Description of how there is significant influence	NIL
4. Reason why the associate/joint venture is not consolidated	More than 25% of shareholding and voting power is held by common shareholders
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Separate listed entity with no investment in equity capital by the company
6. Profit / Loss for the year	
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	Rs. (1462.31 lakhs)

The following information shall be furnished:-

1. **Names of associates or joint ventures which are yet to commence operations – N.A.**
2. **Names of associates or joint ventures which have been liquidated or sold during the year. – N.A.**

For NRB Bearings Limited

Ms. H S Zaveri
Vice Chairman & Managing Director

Mr.S C Rangani
Executive Director & Co. Secretary

Date: May 26, 2017

ANNEXURE 2

Particulars under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. Measures taken for Conservation of Energy

The Company has always been conscious of the need for conservation of energy. Efforts for conservation of energy in all areas are made on a continuous basis with energy audits highlighting areas for the same - maximizing use of daylight, using energy efficient lamps, optimum utilization of furnaces, providing variable speed drive for motors on machines, arresting leakages in compressed air piping and electrical systems, upgrading old machines and moving to automated assembly lines. The major areas where specific energy conservation measures have been implemented during the year are :-

- At all plants the power factor is continually monitored and maintained in the range of 0.98 to 1.00 resulting in substantial savings in energy bills by way of rebates from the State Electricity Boards.
- At Jalna, replaced high capacity motors and pumps with energy efficient motors/pumps and/or variable frequency drives in grinding shop and coolant system, upgraded thyristor drive for salt bath panel, and replaced fluorescent tube lights with LED/CFL lights. Total savings Rs.13.58 lakhs p.a.
- At Waluj, installed energy efficient pumps for cooling tower, introduced timers for certain machines, water cool condensers converted to air cool condensers for certain machines, installed tube light 24 W fittings instead of 250 W fitting, digital thyristor used for blackening and high temp furnace for power savings. Total saving of Rs. 19.45 lakhs p.a.
- At Hyderabad, installed Thyristor Controls for blackening furnace to control the temperature setting, provided turbo ventilation with transparent sheets on shop floor for better illumination and minimizing usage of electrical lighting during the day time, replaced DBs with MCB boards to avoid heating up of cables and for controlling the maximum demand, cooling tower pump motor and fan motor interlocked on 100T hydraulic press and water chiller interlock system modified for Bihler. Total savings of Rs.2.49 lakhs.p.a.
- At Thane, power saving done by converting to thyristor controls in Wesman furnace and using single chilling unit for two Wikman machines.Total savings of Rs.2.4 lakhs p.a.
- At Aurangabad, installed automated on/off system for fans, for coolant oil pumps and for AHU in blanking and grinding operations and for heat exchangers, for lapping process and dry dust collection system. Total savings of Rs.10.56 lakhs p.a.

B. **Technology Absorption, Research & Development (R & D)**

During the year, your Company has focused more on technology development of light weight, fuel efficient, reduced noise bearings with enhanced product life and identification and testing of 'Wear Resistant' Tool Materials.

There is a continuing programme to enhance its range of products & allied parts to meet the future needs of the evolving market by providing a strong proposition for its customers & aiming to be global player in mobility business and by providing multiple solutions for customer requirements. As part of this business programme, its engineering and technology development centers have carried out improvements as detailed below:

Specific areas in which R&D is carried out by the Company	**Prime focus throughout the year was on :** • Light-weighting, fuel efficiency, improved performance, noise reduction for engines and transmissions, and enhanced product life • Design of 'Closed Loop manufacturing Processes' for reduction and reuse of Consumables. • Advanced CAE for design of Fixtures and Toolings • Selection of 'Wear Resistant' Tool Material • Automated Production and Assembly Lines • Application of Kinect and other sensors for detection and analysis • On line tool life measurement capabilities with on line SPC • Shock resistant bearings with resilient material • Discrete technology adoption for product optimization with VA/VE concept & software development for the same. • Bearing life enhancement factors by bench mark testing • Development of new material, lubrication and surface coating. • Development of Planetary gear box testing set up
Benefits derived as a result of the above R&D	• Remote real-time collaboration for Problem solving as well as Knowledge sharing • Automated Lines have brought in speed, consistency, smooth material movement within smaller space • Cost reduction • Life enhancement and reliability improvement • Product standardization for platform creation • Development of high performance product for automatic transmission. • Customized product, process specifications based on application requirement. • Reputed customers entrusting futuristic high technology projects to the Company.
Future plan of action	• Lightweight CRB with special HT for balancer shaft applications • Delta flex bearings for steering applications • Maintenance free king pin bearing • Needle thrust cage with spherical washer for transmission • Shafts for planetary gear box transmission • UJ cross cup bearing with special sealing for the universal joint application. • Unitized thrust bearings • Universal joint bearings for steering column application • Cataloguing has been planned for all process knowledge and 'know how' to make it accessible and use it effectively • Lubrication and rust prevention development • Developing composite materials for low friction. • Enhancing testing capabilities for heavy gear boxes, heavy engines and cage capability. • Development of special software for design and CAE. • REACH compliance • Optimizing product design for longer life and less torque.
Expenditure on R&D	During the year an amount of Rs.986 lakhs has been incurred on revenue and capital account for R & D expenses.

C. Foreign exchange earnings and outgo

Foreign exchange earnings	Rs. 12450.42 lakhs
Foreign exchange outgo	Rs. 10949.29 lakhs

On behalf of the Board

(Ms) H S Zaveri
Vice Chairman & Managing Director

S C Rangani
Executive Director & Co.Secretary

Mumbai : May 26, 2017

ANNEXURE 3

Annual Report on Corporate Social Responsibility (CSR) activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

Sr. No.	Particulars	Remark
1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Promotion of education, Promoting gender equality and empowering woman, Employment enhancing vocational skills, Promoting social business projects. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources.
2	The Composition of the CSR Committee.	1) Ms. H S Zaveri – Chairman, (E/MD) 2) Mr. Ashank Desai – Member (NE/ID) 3) Mr. S C Rangani – Member (E/WTD)
3	Average net profit of the company for last three financial years	Rs. 6424 lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 128.48 lakhs
5	Details of CSR spent during the financial year. (a) Total amount to be spent for the financial year; (b) Amount unspent, if any; (c) Manner in which the amount spent during the financial year is detailed below.	 Rs.128.90 lakhs -

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local Area or other (2)Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub –heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency*
1	Promotion of education	Promotion of education	NCR, Haryana	75.00	75.00	75.00	Ashoka University
2	Promotion of education	Promotion of education	Mumbai, Maharashtra	6.00	6.00	6.00	IIT Bombay
3	Promoting education & employment enhancing vocational skills of under privileged children	Promoting education & employment enhancing vocational skills	Mumbai, Igatpuri (Maharashtra)	25.00	25.00	25.00	Aseema Charitable Trust
4	Social business project	Midday meal for children	Mumbai, Maharashtra	5.00	5.00	5.00	The Akshay Patra Foundation
5	Promotion of education	Promotion of education	Puducherry	7.00	7.00	7.00	Auroville Unity Fund
6	Environmental sustainability	Natural disaster	Jalna, Maharashtra	5.00	5.00	5.00	Ghanewadi Jal Sarakshan Manch, Jalna
7	Social business project	Fighting cancer across India for underprivileged cancer patients	Mumbai, Maharashtra	3.00	3.00	3.00	Indian Cancer Society
8	Conservation of natural resources	Natural disaster-transportation of drinking water by rail tankers to Latur, Marathawada	Marathawada, Maharashtra	2.90	2.90	2.90	Bombay Chamber
	Total			128.90	128.90	128.90	

* Give details of implementing agency.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.-

   -Nil

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

		Not Applicable
Mr. S. C. Rangani (Executive Director & Company Secretary)	Ms. H S Zaveri (Chairman CSR Committee)	[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (wherever applicable)

ANNEXURE 4

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

(a)	Name(s) of the related party and nature of relationship:	N.A.
(b)	Nature of contracts/arrangements/transactions:	N.A.
(c)	Duration of the contracts / arrangements/transactions:	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	N.A.
(e)	Justification for entering into such contracts or arrangements or transactions:	N.A.
(f)	date(s) of approval by the Board:	N.A.
(g)	Amount paid as advances, if any:	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	N.A.

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:

i)	NRB Bearings (Thailand) Limited	-	Subsidiary Company
ii)	NRB Bearings Europe Gmbh	-	Subsidiary Company
iii)	SNL Bearings Limited	-	Subsidiary Company
iv)	NRB Industrial Bearings Limited	-	Associate Company
v)	New Indo Trading	-	Firm where Chairman is partner

(b) Nature of contracts/arrangements/transactions:

i)	NRB Bearings (Thailand) Limited	-	Sale of Finished Goods
		-	Purchase of Raw Materials
ii)	NRB Bearings Europe GmbH	-	Sale of Finished Goods
		-	Sales Commission
iii)	SNL Bearings Limited	-	Purchase of Finished Goods
		-	Sale of Raw Materials
		-	Redemption of Preference Shares
		-	Dividend
iv)	NRB Industrial Bearings Limited	-	Sale of Finished Goods
		-	Sales Commission
v)	New Indo Trading	-	Service charges

(c) Duration of the contracts / arrangements/transactions:

Ongoing Related Party Transactions.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

1) Salient terms of Contract / arrangements / transaction: As mentioned below:

Sr. No.	Name of the Related Parties	Nature of Contract/ arrangements/ transactions	Salient Terms of Contract/ arrangements/ transactions
1.	NRB Bearings (Thailand) Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products.
2.	NRB Bearings Europe GmbH Limited	Commission on sale of goods and other services rendered	As per terms and conditions of inter company agreement
3.	SNL Bearings Limited	Dividend on Preference Shares / Redemption of Preference Shares	As per terms and conditions of issue of Preference Shares
4.	SNL Bearings Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products
5.	NRB Industrial Bearings Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of, Components and Finished Products
6.	New Indo Trading	Services rendered	As per the terms and conditions of the board sanction

2) Value of the transactions with the related parties: As mentioned below:

(Rupees in lakhs)

i)	NRB Bearings (Thailand) Limited	Sale of Raw materials/Fixed assets	633.45
		Purchase of raw materials	2089.22
		ICD instalment	388.49
		ICD interest	141.18
ii)	NRB Bearings Europe Gmbh	Sales Promotion expenses	159.93
iii)	SNL Bearings Limited	Purchase of Raw materials/Fixed assets	2001.08
		Sale of Raw Materials	17.23
		Redemption of Preference Shares	25.00
iv)	NRB Industrial Bearings Limited	Sale of Raw materials	151.37
		Purchase of Raw materials	6.97
		ICD Repayment	250.00
		ICD interest	5.77
v)	New Indo Trading	Service charges	5.00

(e) Date(s) of approval by the Board, if any:
i) 24th May, 2016
ii) 12th August, 2016
iii) 14th November, 2016
iv) 8th February, 2017

(f) Amount paid as advances, if any: Nil

For and on behalf of the Board of Directors
NRB Bearings Limited

H S Zaveri
Vice Chairman & Managing Director

S C Rangani
Executive Director & Co. Secretary

Mumbai
Date: May 26, 2017

ANNEXURE 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
NRB Bearings Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NRB 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, minute 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 audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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 the NRB Bearings Limited for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing;

(v) 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;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008; and

I report that during the year under review there was no action/event in pursuance of –

   a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998;

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

   d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and/or SEBI (Share Based Employee Benefits) Regulations, 2014.

   e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.

(vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

   a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; and

   b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above subject to the following observation:

1) *The Company has complied with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the exception of a marginal delay in the appointment of one of the Independent Directors to the extent of 50% of the total strength of the Board. It is clarified by the Company that casual vacancy caused by the resignation of an Independent Director on 25th August, 2016 could be filed only on 23rd January, 2017.*

2) *There was a delay in filing private placement offer letter in form PAS-4 for Redeemable Non-convertible Debentures alongwith PAS-5 as prescribed under the Companies Act, 2013, with the Securities and Exchange Board of India.*

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 as on 31st March,2017 subject to the observation given above. 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 proposal on agenda were sent in advance duly complying with the time limits specified 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.
- As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, except issue of debentures having aggregate value of Rs.2000 lacs and listing thereof on the stock exchanges, there was no other specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above, having major bearing on the Company's affairs.

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date : 26/05/2017

ANNEXURE 6

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on 31/03/2017

[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 : L29130MH1965PLC013251

ii) Registration Date : 30/06/1965

iii) Name of the Company : NRB BEARINGS LIMITED

iv) Category / Sub-Category of the Company : Company Limited by Shares

v) Address of the Registered office and contact details:

Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra

Email id. : sc.rangani@nrb.co.in

Web address : www.nrbbearings.com

Telephone No. : 022 22664160

Fax No. : 022 22660412

vi) Whether listed Company Yes / No: Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

Mr. Sunil Khade,

M/s. Universal Capital Securities Pvt. Ltd.,

21 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves,

Andheri (East), Mumbai 400 093, Maharashtra

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Needle roller bushes & cages	2913	40.94
2.	Ball & roller bearings	2913	37.48
3.	Automobile components	2913	17.46

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	SNL Bearings Ltd. Dhannur, 15 Sir P.M.Road, Fort, Mumbai 400 001	L99999MH1979PLC134191	Subsidiary	73.45	2(46)
2.	NRB Bearings (Thailand) Ltd. 300/69, MOO1, T:Tasit, A:Pluak Daeng, Province, Rayong, Thailand 21140	Foreign Company (Incorporated outside India) Registration No.0215550000626	Subsidiary	100	2 (46)
3.	NRB Bearings Europe GmbH,Office # 521, Regus Business Center Konigstrasse 10C Stuttgart Baden Wurttemberg 70173, Germany.	Foreign Company	Subsidiary	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physi-cal	Total	% of Total Shares	Demat	Physi-cal	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16263728	--	16263728	16.78	16389585	1000	16390585	16.91	0.13
b) Central Govt.	--	--	--	--	--	--	--	--	
c) State Govt.	--	--	--	--	--	--	--	--	
d) Bodies Corp.	--	--	--	--	--	--	--	--	
e) Banks/ FI	--	--	--	--	--	--	--	--	
f) Any other(Trust)	36486909	-	36486909	37.65	35740266	--	35740266	36.88	-0.77
Sub-total (A) (1)	**52750637**	**--**	**52750637**	**54.43**	**52129851**	**1000**	**52130851**	**53.79**	**-0.64**
(2) Foreign									
a) NRIs – Individuals	657254	--	657254	0.67	850273	--	850273	0.88	0.21
b) Other – Individuals	--	--	--	--	--	--	--	--	
c) Bodies Corp.	--	--	--	--	--	--	--	--	
d) Banks/ FI	--	--	--	--	--	--	--	--	
e) Any Other ...	--	--	--	--	--	--	--	--	
Sub-total (A) (2)	**657254**	**--**	**657254**	**0.67**	**850273**	**--**	**850273**	**0.88**	**0.21**
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**53407891**	**--**	**53407891**	**55.10**	**52980124**	**1000**	**52981124**	**54.66**	**-0.44**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	14389414	7000	14396414	14.85	14209842	7000	14216842	14.67	-0.18
b) Banks/ FI	14190	--	14190	0.01	7651	--	7651	0.01	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt.	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	13135987	--	13135987	13.55	12465414	--	12465414	12.86	-0.69
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (Specify)	583	--	583	--	--	--	--	--	--
Sub-total (B) (1)	**27540174**	**7000**	**27547174**	**28.42**	**26682907**	**7000**	**26689907**	**27.54**	**-0.88**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change dur-ing the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	4711993	4000	4715993	4.87	5011510	4000	5015510	5.17	0.30
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Share holders holding nominal share capital upto Rs. 1 Lakh	4162449	506260	4668709	4.82	4338756	492260	4831016	4.98	0.16
ii) Individual Share holders holding nominal share capital in excess of Rs. 1 Lakh	697345	--	697345	0.72	735384	--	735384	0.76	0.04
c) Any Other									
i) NRI's/ OCBs	231448	--	231448	0.24	283996	--	283996	0.29	0.05
ii) Clearing Members	275418	--	275418	0.28	317792	--	317792	0.33	0.05
iii) Foreign Nationals	--	--	--	--	--	--	--	--	--
iv) Trusts	--	--	--	--	--	--	--	--	
v) Foreign Portfolio Investment Corporation	5378622	--	5378622	5.55	6067871	--	6067871	6.26	0.71
Sub-total (B) (2)	**15457275**	**510260**	**15967535**	**16.47**	**16755309**	**496260**	**17251569**	**17.80**	**1.33**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**42997449**	**517260**	**43514709**	**44.90**	**43438216**	**503260**	**43941476**	**45.34**	**0.44**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**96405340**	**517260**	**96922600**	**100**	**96418340**	**504260**	**96922600**	**100**	**--**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in share-holding during the year
1	Aarti D. Sahney	407000	0.42	-	407000	0.42	-	-
2	Bhupinder Singh Sahney	17970	0.02	-	17970	0.02	-	-
3	Devesh S Sahney	1663981	1.72	-	1663981	1.72	67.32	-
4	Hanwantbir Kaur Sahney	4972000	5.13	-	2867000	2.96	73.08	-
5	Harshbeena Sahney Zaveri	5165019	5.33	-	8454769	8.72	-	3.39
6	Jasjiv Singh Devinder S Sahney	373495	0.39	-	373495	0.39	-	-
7	Rajiv Devinder Sahney	817021	0.84	-	817021	0.84	-	-
8	Sahir Zaveri	33252	0.03	-	33252	0.03	-	-
9	Trilochan Singh Sahney	2847242	2.94	-	1000	0.00	-	(2.94)
10	Trilochan Sant Singh Sahney	36486909	37.65	-	35740266	36.88	-	(0.77)
11	Aziz Y Zaveri	624002	0.64	-	624002	0.64	-	-
	Total	**53407891**	**55.10**	-	**50999756**	**52.62**	-	**(2.48)**

(iii) Change in Promoters' Shareholding (Please Specify, if there is no change)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Aarti D. Sahney				
	At the beginning of the Year	407000	0.42		
	Date wise Increase/ Decrease	Nil	Nil	407000	0.42
	At the End of the Year			407000	0.42
2.	Bhupinder Singh Sahney				
	At the beginning of the Year	17970	0.02		
	Date wise Increase/ Decrease	Nil	Nil	17970	0.02
	At the End of the Year			17970	0.02

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	Devesh S. Sahney				
	At the beginning of the Year	1663981	1.72		
	15/04/2016 Sell	-70000	-0.07	1593981	1.64
	29/04/2016 Sell	-60772	-0.06	1533209	1.58
	06/05/2016 Sell	-3626	0.00	1529583	1.58
	03/06/2016 Purchase	2105000	2.17	3634583	1.58
	At the End of the year			3634583	3.75
4.	Hanwantbir Kaur Sahney				
	At the beginning of the Year	4972000	5.13		
	03/06/2016 Sell	-2105000	-2.17	2867000	2.96
	At the End of the Year			2867000	2.96
5.	Harshbeena Sahney Zaveri				
	At the beginning of the Year	5165019	5.33		
	06/05/2016 Purchase	4080	0.00	5169099	5.33
	17/06/2016 Purchase	3600	0.00	5172699	5.34
	30/06/2016 Purchase	600	0.00	5173299	5.34
	29/07/2016 Purchase	2848061	2.94	8021360	8.28
	05/08/2016 Purchase	416954	0.43	8438314	8.71
	26/08/2016 Purchase	4170	0.00	8442484	8.71
	23/12/2016 Purchase	6108	0.01	8448592	8.72
	31/12/2016 Purchase	3960	0.00	8452552	8.72
	06/01/2017 Purchase	950	0.00	8453502	8.72
	31/03/2017 Purchase	1267	0.00	8454769	8.72
	At the End of the Year			8454769	8.72
6.	Jasjiv Singh Devinder Singh Sahney				
	At the beginning of the Year	373495	0.39		
	Date wise Increase/ Decrease	Nil	Nil		
	At the End of the Year			373495	0.39
7.	Rajiv Devinder Sahney				
	At the beginning of the Year	817021	0.84		
	Date wise Increase/ Decrease	Nil	Nil		
	At the End of the Year			817021	0.84
8.	Sahir Zaveri				
	At the beginning of the Year	33252	0.03		
	Date wise Increase/ Decrease	Nil	Nil		
	At the End of the Year			33252	0.03
9.	Trilochan Singh Sahney				
	At the beginning of the Year	2847242	2.94		
	29/07/2016 Sell	-2847242	-2.94	0	0
	29/03/2017 Purchase	1000	0	1000	0
	At the End of the Year			1000	2.94

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	Trilochan Santsingh Sahney				
	At the beginning of the Year	36486909	37.65		
	03/06/2016 Sell	-9190	-0.01	36477719	37.64
	10/06/2016 Sell	-6678	-0.01	36471041	37.63
	22/07/2016 Sell	-10473	-0.01	36460568	37.62
	29/07/2016 Sell	-495302	-0.51	35965266	37.11
	07/10/2016 Sell	-225000	-0.23	35740266	36.88
	At the End of the year			35740266	36.88
11.	Aziz Y Zaveri				
	At the beginning of the Year	624002	0.64		
	03/06/2016 Purchase	1585	0.00	625587	0.65
	10/06/2016 Purchase	4211	0.00	629798	0.65
	17/06/2016 Purchase	4970	0.01	634768	0.65
	At the End of the year			634768	0.65

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Nalanda India Equity Fund Ltd.				
	At the beginning of the Year	9682667	9.99		
	Date wise Increase/ Decrease	Nil	Nil	9682667	9.99
	At the End of the Year			9682667	9.99
2	SBI Magnum (various funds)				
	At the beginning of the Year	7344964	7.58		
	27/05/2016 Sell	-759663	-0.78	6585301	6.80
	07/10/2016 Purchase	160000	0.17	6745301	6.97
	28/10/2016 Sell	-29540	-0.03	6715761	6.94
	28/10/2016 Purchase	29540	0.03	6745301	6.97
	At the End of the Year			6745301	6.97
3	ICICI Prudential Life Insurance Company				
	At the beginning of the Year	4361472	4.50		
	08/04/2016 Purchase	680	0.00	4362152	
	17/06/2016 Purchase	231785	0.24	4593937	
	At the End of the Year			4593937	4.74
4	Sundaram Mutual Fund A/c Sundaram Smile				
	At the beginning of the Year	2760224	2.84		
	27/05/2016 Purchase	782147	0.80	3542371	3.64
	At the End of the Years			3542371	3.64

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	Mondrian Emerging Markets Small Cap Equity				
	At the beginning of the Year	2166123	2.23		
	08/04/2016 Purchase	171848	0.18	2337971	2.41
	15/04/2016 Purchase	134900	0.14	2472871	2.55
	22/04/2016 Purchase	77333	0.08	2550204	2.63
	29/04/2016 Purchase	57061	0.06	2607265	2.69
	17/03/2017 Sell	-44600	-0.05	2562665	2.64
	24/03/2017 Sell	-115400	-0.12	2447265	2.52
	At the End of the Year			2447265	2.52
6	DSP Blackrock Micro Cap Fund				
	At the beginning of the Year	3349226	3.45		
	08/07/2016 Sell	-408	0.00	3348818	3.45
	15/07/2016 Sell	-9410	-0.01	3339408	3.44
	22/07/2016 Sell	-3452	0.00	3335956	3.44
	29/07/2016 Sell	-2452	0.00	3333504	3.44
	05/08/2016 Sell	-7129	-0.01	3326375	3.43
	12/08/2016 Sell	-10508	-0.01	3315867	3.42
	19/08/2016 Sell	-24499	-0.03	3291368	3.39
	26/08/2016 Sell	-22196	-0.02	3269172	3.37
	02/09/2016 Sell	-48006	-0.05	3221166	3.32
	09/09/2016 Sell	-386167	-0.40	2834999	2.92
	16/09/2016 Sell	-16050	-0.02	2818949	2.90
	31/12/2016 Sell	-15607	-0.02	2803342	2.88
	06/01/2017 Sell	-1059861	-1.09	1743481	1.79
	13/01/2017 Sell	-45122	-0.05	1698359	1.74
	20/01/2017 Sell	-19730	-0.02	1678629	1.73
	At the End of the Year			1678629	1.73
7	Ontario Pension Board-Mondrian				
	At the beginning of the Year	1041228	1.07		
	08/04/2016 Purchase	77552	0.08		
	29/04/2016 Purchase	27001	0.03		
	At the End of the Year			1145781	1.18
8	Acacia Partners, LLP				
	At the beginning of the Year	1080000	1.11		
	Date wise Increase/ Decrease	Nil	Nil	1080000	1.11
	At the End of the Year			1080000	1.11
9	Acacia Institutional Partners, LLP				
	At the beginning of the Year	900000	0.93		
	Date wise Increase/ Decrease	Nil	Nil	900000	0.93
	At the End of the Year			900000	0.93
10	JP Morgan India Smaller Companies Fund				
	At the beginning of the Year	691680	0.71		
	Date wise Increase/ Decrease	Nil	Nil	691680	0.71
	At the End of the Year			691680	0.71

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
11	HDFC Small & Midcap Fund				
	At the beginning of the Year	935000	0.96		
	27/05/2016 Sell	-300000	-0.31	635000	0.66
	At the End of the Year			635000	0.66
12	Eastspring Investments India Infrastructure				
	At the beginning of the Year	339261	0.35		
	06/05/2016 Sell	-5690	-0.01	333571	0.34
	13/05/2016 Sell	-3365	0.00	330206	0.34
	20/05/2016 Sell	-5771	-0.01	324435	0.33
	10/06/2016 Sell	-7602	-0.01	316833	0.33
	24/03/2017 Purchase	314085	0.32	630918	0.65
	31/03/2017 Purchase	14986	0.02	645904	0.67
	At the End of the Year			645904	0.67
13	Acacia Conservation Fund, LP				
	At the beginning of the Year	540000	0.56		
	Date wise Increase/ Decrease	Nil	Nil	540000	0.56
	At the End of the Year			540000	0.56

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Trilochan Santsingh Sahney				
	At the beginning of the Year	36486909	37.65		
	03/06/2016 Sell	-9190	-0.01	36477719	37.64
	10/06/2016 Sell	-6678	-0.01	36471041	37.63
	22/07/2016 Sell	-10473	-0.01	36460568	37.62
	29/07/2016 Sell	-495302	-0.51	35965266	37.11
	07/10/2016 Sell	-225000	-0.23	35740266	36.88
	At the End of the Year			35740266	36.88
2.	Trilochan Singh Sahney				
	At the beginning of the Year	2847242	2.94		
	29/07/2016 Sell	-2847242	-2.94	0	0
	29/03/2017 Purchase	1000	0	1000	0
	At the End of the Year			1000	2.94

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	Harshbeena Sahney Zaveri				
	At the beginning of the Year	5165019	5.33		
	06/05/2016 Purchase	4080	0.00	5169099	5.33
	17/06/2016 Purchase	3600	0.00	5172699	5.34
	30/06/2016 Purchase	600	0.00	5173299	5.34
	29/07/2016 Purchase	2848061	2.94	8021360	8.28
	05/08/2016 Purchase	416954	0.43	8438314	8.71
	26/08/2016 Purchase	4170	0.00	8442484	8.71
	23/12/2016 Purchase	6108	0.01	8448592	8.72
	31/12/2016 Purchase	3960	0.00	8452552	8.72
	06/01/2017 Purchase	950	0.00	8453502	8.72
	31/03/2017 Purchase	1267	0.00	8454769	8.72
	At the End of the Year			8454769	8.72
4.	S. C. Rangani				
	At the beginning of the Year	6000	0.00		
	Date wise Increase/ Decrease	Nil	Nil	6000	0.00
	At the End of the Year			6000	0.00
5.	Devesh S. Sahney				
	At the beginning of the Year	1663981	1.72		
	15/04/2016 Sell	-70000	-0.07	1593981	1.64
	29/04/2016 Sell	-60772	-0.06	1533209	1.58
	06/05/2016 Sell	-3626	0.00	1529583	1.58
	03/06/2016 Purchase	2105000	2.17	3634583	1.58
	At the End of the Year			3634583	3.75
6.	Tashwinder Singh				
	At the beginning of the Year	Nil	Nil		
	Date wise Increase/ Decrease	Nil	Nil	Nil	Nil
	At the End of the Year			Nil	Nil
7.	Uday Khanna *				
	At the beginning of the Year	20000	0.02		
	Date wise increase/ decrease	Nil	Nil	20000	0.02
	At the End of the Year			20000	0.02
8.	A. A. Gowariker				
	At the beginning of the Year	Nil	Nil		
	Date wise Increase/ Decrease	Nil	Nil	Nil	Nil
	At the End of the Year			Nil	Nil
9.	Ashank Desai				
	At the beginning of the Year	Nil	Nil		
	Date wise Increase/ Decrease	Nil	Nil	Nil	Nil
	At the End of the Year			Nil	Nil

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	Rustom Desai				
	At the beginning of the Year	Nil	Nil		
	Date wise Increase/ Decrease	Nil	Nil	Nil	Nil
	At the End of the Year			Nil	Nil
11.	Tanushree Bagrodia				
	At the beginning of the Year	Nil	Nil		
	Date wise Increase/ Decrease	Nil	Nil	Nil	Nil
	At the End of the Year			Nil	Nil

* Mr. Uday Khanna resigned from the Board w.e.f. 25th August, 2016.

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Rs.in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	19438.97	10383.81	-	29822.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	170.37	196.97	-	367.34
Total (i+ii+iii)	19609.34	10580.78	-	30190.12
Change in Indebtedness during the financial year				
Addition	5272.09	3000.00	-	8272.09
Reduction	11828.68	217.81	-	12100.49
Net Change	(6610.59)	2782.19	-	(3828.40)
Indebtedness at the end of the financial year				
i) Principal Amount	12828.38	13165.99	-	25994.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	52.34	349.65	-	402.00
Total (i+ii+iii)	12880.72	10580.78	-	26396.37

VII. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (in Rs.)
		Mr. T S Sahney (Executive Chairman till 30.09.2016)	Ms. H S Zaveri (Vice Chairman & Managing Director)	Mr. S C Rangani (Executive Director & Company Secretary)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	30,00,000	69,00,000	71,19,000	1,70,19,000
	(b) Value of perquisites u/s 17(2)	1,02,13,537	1,66,66,673	9,53,559	2,78,33,769
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission-profit related - as % of profit - other, specify	41,49,354	51,03,520	--	92,52,874
5	Others, please specify Sitting Fees (p.a.)	1,80,000	--	--	1,80,000
	Total (A)	1,75,42,891	2,86,70,193	80,72,559	5,42,85,643
	Ceiling as per the Act (Sec197)				8,67,66,350

B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (Rs in lakhs)
		*Mr. Uday Khanna	Ms. A. A. Gowariker	Mr. D.S. Sahney	Mr. Tashwinder Singh	Mr. Ashank Desai	Mr. Rustom Desai	
1	Independent Directors							
	Fee for attending board/committee mtgs	1,10,000	1,80,000	--	3,10,000	2,90,000	--	8,90,000
	Commission - profit related	2,08,333	3,00,000	--	5,00,000	5,00,000	--	15,08,333
	Total (1)	3,18,333	4,80,000	--	8,10,000	7,90,000	-	23,98,333
2	Other Non-Executive Directors Fee for attending board/ committee meetings	--	--	1,30,000	--	--	--	1,30,000
	Commission - profit related			4,00,000	--	--	--	4,00,000
	Total (2)	--	--	5,30,000	--	--	--	5,30,000
	Total (B)=(1+2)	3,18,333	4,80,000	5,30,000	8,10,000	7,90,000		29,28,333
	Total Managerial Remuneration	--	--	--	--		--	5,72,13,976
	Overall Ceiling as per the Act							8,67,66,350

*Mr. Uday Khanna resigned from the Board w.e.f. 25th August, 2016

C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of KMP	Total Amount (in Rs.)
		Ms. Tanushree Bagrodia - CFO & VP (IT)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 40,84,968 68,53,840 4,77,463	 40,84,968 68,53,840 4,77,463
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission _ as % of profit _ others, specify…	--	--
5	Others, please specify	--	--
	Total (A)	1,14,16,271	1,14,16,271

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ Compoun-ding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
Other Officers in Default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Annexure 7

Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 and Rule 5(1) of the Companies (Appointment And Remuneration) Rules, 2014.

A. STATEMENT SHOWING DETAILS OF MEDIAN REMUNERATION OF THE DIRECTOR/KMP OF THE COMPANY:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2016-17

Name of Directors		Remuneration (Rs. In Lakhs)	Median Remuneration (Rs. In Lakhs)	Ratio
Mr. T S Sahney	- Non-Executive/Non-Independent Director	175.43	3.71	47.29
Ms. H S Zaveri	- Executive/Non-Independent Director	286.70	3.71	77.28
Mr. S C Rangani	- Executive/Non-Independent Director	80.72	3.71	21.76
Ms. Tanushree Bagrodia - KMP		114.16	3.71	30.77

No remuneration is paid except Sitting fees/Commission related to profits.

b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016-17;

Name of Directors			Percentage increase in remuneration in the Financial year.
Mr. T S Sahney	-	Non-Executive/Non-Independent Director	13.2
Ms. H S Zaveri	-	Executive/Non-Independent Director	1.00
Mr. S C Rangani	-	Executive/Non-Independent Director	3.5
Ms. Tanushree Bagrodia	-	CFO	4.75

c. The percentage increase in the median remuneration of employees in the financial year ;

The median remuneration of employees of the Company has reduced by 1.3% during the Financial year 2016-17. (from Rs. 3.76 lakhs to Rs.3.71 lakhs p.a.)

d. The Company has 1613 number of permanent employees on the rolls of company as on 31 March, 2017;

e. The explanation on the relationship between average increase in remuneration and company performance;

Net revenue of the Company for the financial year ended 31 March 2017 was Rs.70870 lakhs as compared to Rs. 65919 lacs in previous financial year 31 March 2016. The total employee cost during the financial year 2016-17 was Rs.11580 lacs. Considering the subdued economic environment, which affected growth in certain segments of the Auto industry to whom the company supplies its products, the overall performance of the company has been stable.

f. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Aggregate remuneration of KMP in Financial year 2017 (Rs. In lakhs)	657.01
Total Revenue (Rs. In lakhs)	70870
Remuneration of KMP (as % of Total Revenue)	0.92 %
Profit before Tax (Rs. In lakhs)	7020
Remuneration of KMP (as % of profit before tax)	9.36%

g. 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

Sr. No.	Description	Amount
1.	**Market Capitalisation variation (Rs. In crores)**	
	Market Cap at 31st March, 2017	1046.76
	Market Cap at 31st March, 2016	1206.20
2.	**Price-to-earnings ratio**	
	PE as at 31st March, 2017 (Mkt Price/ EPS)	20.49
	PE as at 31st March, 2016 (Mkt Price/ EPS)	26.25
3.	**% increase / Decrease from last Public Offer**	
	IPO price per share (public issue made by NRB Bearings Ltd in 1995 @ Rs.120 per share of FV Rs.10/-, now sub-divided to Rs.2/- and bonus issue of 1:1 given in 2010)	12
	Market Price as at 31st March 2017	108.00

h. Average percentile increase already made in the salaries of employees other than the managerial personnel and its comparison with the percentile increase in the managerial remuneration and justification thereof.

Average percentile reduction in the salaries of employees other than Managerial Personnel is 1.3% while increase in the Managerial Remuneration is 4.3%.

i. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

Sr. No.	Particulars of Remuneration	KMP			
		Mr. T S Sahney	Ms.H S Zaveri	Mr.S C Rangani	Ms.Tanushree Bagrodia
1	Remuneration in FY 2016-17 (Rs. In lakhs)	175.43	286.70	80.72	114.16
2	Total Revenue	70870			
3	Remuneration (as a % of Revenue)	0.25	0.40	0.11	0.16
4	Profit before tax (Rs. In lacs)	7020			
5	Remuneration (as a % of profit before tax)	2.50	4.08	1.15	1.63

j. Key parameters for any variable component of remuneration availed by the directors;

Remuneration to Non-executive Directors involve sitting fees and commission @ 1.0% of net profits, with a ceiling of Rs.5 lacs p.a. per Director other than Non-Executive Chairman as determined by the Board of Directors, to be apportioned and payable during 2017-18.

k. 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;

Not Applicable.

l. The remuneration is as per the remuneration policy of the company.

For and on behalf of the Board of Directors
NRB Bearings Limited

(Ms) H S Zaveri
Vice Chairman & Managing Director

S C Rangani
Executive Director & Co. Secretary

Dated : May 26, 2017

CEO/CFO CERTIFICATION

The Managing Director (CEO) and the CFO of NRB Bearings Ltd hereby certify to the board that:

a. we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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 the existing accounting standards, applicable laws and regulations.

b. to the best of our knowledge and belief there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operations of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. we have indicated to the auditors and the Audit Committee:

   (i) significant changes in internal control over financial reporting during the year;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For NRB BEARINGS LTD

H S ZAVERI
MANAGING DIRECTOR (CEO)

TANUSHREE BAGRODIA
CFO & VP IT

Mumbai : May 26, 2017

Declaration regarding compliance by Board members and Senior Management personnel with the Company's code of conduct

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management personnel and the same has been placed on the Company's web site. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2017.

H S ZAVERI
VICE CHAIRMAN & MANAGING DIRECTOR

Mumbai : May 26, 2017

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development and outlook

The Company is in the ball and roller bearing business for the requirements of the mobility industry which has Original Equipment Manufacturers (OEMs) accounting for 65% -70 % of the demand while the rest is supplied to the Aftermarket (12% -15%) and Exports (20% - 25%). OEMs comprise domestic and global vehicle manufacturers in the following broad segments:

- 2/3 wheelers comprising motor cycles, scooters, mopeds, auto rickshaws (passenger & goods) and industrial 4 stroke engines
- passenger cars from small car hatchbacks to luxury models and utility vehicles
- commercial vehicles from LCVs, MCV/HCV to buses
- farm equipment and off highway vehicles including forklift trucks and construction equipment
- railway locomotives.
- defence vehicles including gun carriers and tanks
- aircraft and aerospace applications

Market growth in the Indian mobility industry for both people and goods has a very large potential given the geographical spread and size of population- personal mobility is spurred by the increasing disposable incomes and higher rural incomes of an aspirational young population, given the relatively low current penetration while growth in the goods mobility segment is being driven by the need to establish strong supply chains between producers and markets.

As a young nation, India needs multi nodal mobility solutions: personal mobility, urban mobility , inter- urban mobility. New vehicle models are being constantly introduced, there is expansion of the public transport systems, dedicated freight corridors for movement of farm produce and goods from and to the rural areas.

The annual production of the domestic organized sector (as represented under Ball & Roller Bearing Manufacturers Association-BRBMA) has grown to Rs. 5500 crores for the year 2016-17. Your Company's market share in the domestic organized sector is 13% approximately.

FY 2016-17 has been a mixed year – starting off on an encouraging note , a near normal monsoon giving a boost to the rural economy and consumer demand picking up in the first half year. Q3 saw the demand upheaval caused by demonetization in the domestic markets heightening the uncertainties in the global environment arising from Brexit, weak growth in China and subdued global trade. Fortunately, Q4 saw the liquidity pressures abating and the government driving implementation of BS IV emission norms and GST and its increased spend on upgradation of infrastructure, resulting in demand reviving with expectations that GDP growth will be 7% for the year.

For the near term, though the private sector investment cycle has not yet gained strength and the banking system is weighed down by high NPAs and low business confidence, the Indian economy outlook is optimistic considering prospects of a near normal monsoon, increased government spends, recovery in export demand for the Indian automotive industry. Macro factors like strong forex reserves, low inflation expectations, the "Make in India" initiative with its focus on liberalized FDI regime, boost in manufacturing sectors such as defence, aerospace, etc and concrete measures to improve ''ease of doing business', the government's push for dedicated freight corridors, high speed network for both freight and passenger routes, improved safety is expected to make India emerge as one of the most preferred locations in the world for manufacturing high quality auto components and vehicles of all kinds. The Indian automotive industry and the bearings industry are expected to be major beneficiaries of this expected growth.

During 2016-17, the three wheelers segment witnessed de-growth and HCV/MCV demand was flat mainly as a result of the demonetization over hang and the emission control norms BSIV implementation by end March. The passenger car segment, including multi utility vehicles, and farm equipment segment showed robust growth in double digits over the previous year, with growth in production driven by new model launches. Tabled below are growth estimates for 2017-18 projected by the Company, after assessing demand forecasts with all major OEMs:

	Vehicle Production (Nos)			
User Industry	2015-16	2016-17	% growth	2017-18 Est % growth
2-Wheelers				
Motorcycle	12816012	13084074		
Scooter	5275888	5926379		
Mopeds	737886	919032		
Total	18829786	19929485	5.84	] 10
3-Wheelers	933950	783149	-16.15	]
Passenger Cars	2565970	2704600	5.40	} 26
MUV/MPV	899075	1086940	20.90	}
HCV/MCV	341181	342733	0.45	) 12
LCV	445405	467553	4.97	)
Tractors	535041	625837	17.0	15
Total	24550408	25940297	5.66	

Source:SIAM for 2016-17 and 2015-16 production data and Company estimates

Financials

Revenue from operations, net of excise duty has increased by 7.5% to Rs.70870 lakhs from Rs. 65920 lakhs in 2016-17. Domestic sales increased by 9% to Rs.57578 lakhs from Rs.52926 lakhs while exports have increased by 2.3% to Rs.13292 lakhs from Rs.12993 lakhs.

The table below sets forth the key expense items as a percentage of net revenues for 2016-17 and 2015-16. Margins have been higher owing to lower input costs and employee payments.

	% of Turnover -Year ended March 31	
	2017	2016
Revenue from operations (net of excise duty)	70870 (100%)	65920 (100%)
Expenditure:		
- Material (Including change in stock)	41.98	42.93
- Employee Cost	16.34	17.48
- Manufacturing and Other expenses (Net)	25.57	23.44
Total Expenditure	83.89	83.85
Profit before Depreciation, Interest and Tax	16.11	16.15
Depreciation	4.13	4.42
Finance costs (Net)	2.07	2.20
Profit before Exceptional Items and Tax	9.91	9.53

Benchmarked against other large players in the domestic bearings industry, your Company's performance compares favourably for certain ratios as below:

Ratio/ Year Ended	SKF 31.03.2017	FAG 31.12.2016	NRB 31.03.2017
Operating Profit (PBDIT) to Net Sales - %	16.28	20.35	16.32
RONW-PAT/Net Worth - %	13.47	13.41	14.90
ROCE –PBT/Cap employed - %	16.31	20.57	16.21
EPS	46.30	117.05	5.16

* For SKF, FAG F.V. Rs.10/- per share and for NRB F.V. Rs.2/- per share

Economic Value Addition

EVA is residual income after charging the Company for the cost of capital provided by the lenders and shareholders. It represents the value added to the shareholder by generating operating profits in excess of the cost of capital employed in the business.

Rs. In Lakhs

EVA	2016-17	2015-16
EBIT	8490	7830
Less: Adjusted Tax	2938	2710
NOPAT (Net Operating Profit less tax)	5552	5120
Equity	33632	30135
Debt	26397	30190
Total Invested Capital	60029	60325
Post Tax Cost of Debt %	3.49	3.05
Cost of Equity %	11.30	11.70
Weighted Average Cost of Capital % (WACC)	7.87	7.37
Weighted Average Cost of Capital (WACC)	4722	4446
EVA (NOPAT – WACC)	830	674

Notes: Tax calculation excludes deferred tax and is adjusted for tax shield on interest.

Cost of equity is based on cost of risk free return equivalent to yield on long term government bonds @ 6.8% p.a. plus equity premium adjusted for Company's beta variant. The equity premium is assumed @ 9% while the beta is considered at 0.5%.

The Company's EVA, which is a real measure of shareholders' value creation, has improved during the year. Lower yields on long term government bonds reduced the weighted average cost of debt, capital employed in the business has reduced with lower debt, the EVA is higher.

Segment wise Performance

Your Company has a single reportable segment of ball and roller bearings as the primary business segment for the purpose of AS17. The assets and liabilities of the Company are all expended towards this business segment.

Geographical segment information is also given in Note.33.

Opportunities and Threats

Opportunities

- The Automotive Mission Plan (AMP II) for the period 2016-26 aims to propel the Indian Automotive industry to be the engine of the Make In India program as it is amongst the foremost drivers of the Manufacturing sector and is likely to contribute 40% of the Manufacturing Sector ,adding in excess of 12% of India's GDP over the next decade. India will be among the top 5 of the world in engineering, manufacturing and exports of vehicles and auto components.
- Exports are likely to increase 5x (vehicles) and 7.5x (components) with dedicated facilities for last mile connectivity to ports being set up in several ports on both western and eastern coasts.
- AMP II seeks to enhance universal mobility – safe, efficient and comfortable mobility for every person through both public and personal transport options .Road infrastructure development with a target of achieving 20 kms of new roads per day, dedicated freight corridors which will give impetus to people movement and to movement of goods, should be a big demand booster.
- boost for farm equipment requirements is imminent with expectations of a near normal monsoon, technology aiding improvement in productivity systems, micro –irrigation intensifying and financing for the same being readily available and at lower affordable rates.
- Most of the worlds large vehicle manufacturers have set up base in India and are expanding capacities with a thrust on localisation to improve competitiveness.

Your Company has the largest product range in the domestic market and has been investing in technology development and building competencies for skilled based manufacturing. Having won customers' confidence by leveraging innovative ideas,

creative engineering and comprehensive manufacturing expertise we are well positioned to take advantage of the revival in demand.

Threats

- Spurious/ counterfeit product supplies of inferior quality and which are unsafe and unreliable in use, pose a risk to people, to industry and to the economy by way of unexpected downtime, safety hazards and financial losses. These probably account for a fourth of the bearings sold in the replacement market and the problem continues owing to the slow legal process, in spite of industry-wide efforts to thwart the unscrupulous suppliers. In addition to educating users and increasing awareness about the need to use safe sources like the authorized distribution channel, the Company is also working actively to deter the culprits and mitigate its risk by partnering with competent agencies and BRBMA.
- Switch to electrification and self drive electric vehicles (EVs) as EV battery ranges surpass 200 miles and are 10 times cheaper to run than fossil based cars, having an expected lifespan of 1 million miles and only 18 moving parts compared to 2000 moving parts ,could affect the entire market for land transport, as the next generation of cars will be " computers on wheels" with Google and Apple having the disruptive edge. India will have to gear itself to such massive changes
- Regulatory demands on emission levels and improved safety norms is driving Indian industry to shift their focus on reducing vehicle weight and opt for lower friction technologies. Customers are demanding higher fuel efficiency, improved manoeuvrability, lighter weight, intelligent vehicle control and of course low noise and improved reliability from their vehicles. Company will need regular investments in R & D, new technology and even new production facilities to meet these requirements. Indian industry will need to capitalize on its competitive advantages of an economical and large skilled workforce for establishing R & D capabilities to leap frog into the future by getting into such hi-tech businesses.

  Your Company is working continuously to mitigate these threats - leveraging its wide range of products and its Engineering capabilities and priming its sourcing and purchasing capabilities. The Company remains committed towards implementing TPM and investing in sophisticated technology to offer enduring and efficient solutions.

Risks and concerns

Risk management practices seek to sustain and enhance long term competitive advantage of the Company.

The Board of Directors looks at risks which are mainly reputational and where the risk grid shows criticality. For the risk grid, the risks have been listed, then prioritised and ranked in terms of probability and impact- high/moderate/low. Wherever possible, triggers are being identified, even multiple triggers, which would help decide when a risk has become critical – eg. Euro Dollar rate changing to 1.00 or USD INR rate exceeding a specified risk point.

The Board also approves the risk policies and associated practices of the Company, reviews and approves risk related disclosures. Otherwise in a normal situation, the operating team would be responsible for all operational risks. At the operating level the core group of the Executive Management team comprising the Managing Director and the functional heads review enterprise risks from time to time, initiate mitigation actions and identify owners for the action to be taken.

The following broad categories of risks have been considered :

- Strategy : Choices and decisions we make to enhance long term competitive advantage of the Company and value to the stakeholders eg. the Company's shift from bearing related products to becoming a friction solutions provider.
- Industry : Relates to the inherent characteristics of our industry including competitive structure, nature of market and regulatory environment, eg. adding to existing segments, the emerging segments of defence, aerospace and railways and improving its presence in the ASEAN region, thus spreading the risk in terms of geographies.
- Counterparty : Risks arising from our association with entities for conducting business. These include customers, vendors and their respective industries.
- Resources : Risks arising from sub-optimal utilization of key organization resources such as capital and infrastructure. eg. risks further broken up into equipment risk and people risk. With insurance covers in place for the equipment, the management of people risks by way of a cordial relationship with the employees and keeping motivation in the plants at a high level.

- Operations : Risks inherent to our business operations includes service & delivery to customers, business support activities like NPD, TPM, Quality management, IT, Legal, Taxation eg. plants having detailed plant maintenance and tool manufacturing programs, dedicated teams for managing risks relating to information security (data leakage) and technology disruption risks and constantly researching how new technologies are changing the applications and products .
- Regulations and compliance : Risks due to inadequate compliance to regulations and contractual obligations violations leading to litigation and loss of reputation.

The business environment is expected to improve during the year, with economic performance helped by lower global fuel and commodity prices, well managed fiscal deficits, forecast of a near normal monsoon and Government initiatives to increase the spend on rural infrastructure and the "Make in India'' drive to boost manufacturing. The automotive industry, the largest consumer of bearings, has strong linkages with the economy and should benefit from the same.

Management of financial risks such as interest rates risk, currency risk and liquidity risk, have come in for increased focus. Various measures were deployed to continuously monitor risks and take appropriate actions to mitigate the same.

Internal Control Systems and Adequacy

Based on the nature of the business and size of operations the Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These controls have been designed to provide for

- Accurate recording of transactions with internal checks and prompt reporting
- Safeguarding assets from unauthorized use or losses
- Compliance with applicable statutes and adherence to management instructions & policies
- Effective management of working capital
- Monitoring economy and efficiency of operations

Processes are also in place for formulating and reviewing annual and long term business plans and for preparation and monitoring of annual budgets for all operating plants and the service functions.

A reputed external audit firm carries out periodical audits at all plants and of all functions and brings out deviations from laid down procedures. The audit firm independently tests the design, adequacy and operating effectiveness of the internal control system to provide a credible assurance to the Audit Committee. The observations arising out of audit are reviewed, in the first instance by the respective HODs and plant/functional heads and compliance is ensured. Further corrective action plans are drawn up to build business processes which will eliminate repetition of deviations. Business risks are managed through cross functional involvement, facilitated by internal audit and the results of the assessment are presented to senior management.

The Audit Committee reviews the recommendations for improvement of the business processes and the status of implementation of the agreed action plan.

Human Resource and Industrial Relations

Overall relations with the workmen at all plants have been cordial during the year and the Company has contained its employee costs, benefiting from the wage settlements which have linked incentive payments to increase in overall production volumes (net of rework) and reduction in rejection rates.

Settlement was signed with the union at Hyderabad plant in conciliation with Joint Commissioner of Labour on 27th April, 2016. The wage increase has been linked with productivity improvements (18.5%), with a penalty for non achievement of quality and productivity as agreed. The new agreement is effective for three years w.e.f. 1st April, 2016 and the total financial impact for FY 2016-17 is estimated at Rs.1.2 crores.

At Chikalthana, workmen's settlement (155 nos) has been signed in August 2016 with wage increase linked to productivity improvement of 19% and penalties for non achievement. The settlement effective for 3 years w.e.f. 1st July,2016 and the total financial impact for FY 2016-17 is estimated at Rs.109 lakhs.

The primary focus of IR during the current year will continue to be on the engaging, motivating and improving the productivity of blue collar employees and finalizing new settlements while ensuring improved productivity & product quality at the Thane, Waluj and Jalna plants and without any interim work disruptions. The company has ambitious sales revenue and profit targets budgeted for the year and its people approach, encouragement of team work should enable its achievement.

Employment of young talented GETs and Management trainees, who currently constitute over a third of the company's employees and make it a forward looking young organization (average age 38 yrs) and to harness their potential, we have multi phased training programs imparting understanding of bearing and engineering principles, diverse bearing applications, modern manufacturing practices, lean management and quality management and in behavioural aspects and providing an understanding of the Company's customers and markets. Besides developing knowhow building managerial and technical capabilities to align with career aspirations, they also serve as a platform to interact with peers from diverse backgrounds and spread the values of togetherness, positive thinking and mutual respect.

SPEED : System of Performance Evaluation and Employee Development, the framework for Individual Development Planning, Career and Succession Planning maps employee competence with current and future needs of the organization and forms the basis for developmental interventions. As part of its plan to build a bench strength of talented future leaders of tomorrow, the company has campus recruited engineering trainees from reputed engineering colleges and Indo German Toolroom, and other interns from Ashoka University, IIT, Mumbai, etc. who are deployed on efficiency improvements and cost control exercises through out the company.

Permanent employees directly employed by the Company currently total 1613 nos.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ materially from those either expressed or implied.

CORPORATE GOVERNANCE

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way to do business – at all levels within the Company, actions are governed by our values and principles. Your Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. To succeed requires the highest standards of corporate behavior towards everyone you work with, the communities we touch and the environment on which we have an impact. This is the road to sustainable, profitable growth and creating long term value for the shareholders, the employees and the business partners.

1. Board of Directors

(i) Composition:

The Board's strength is eight members, with a Non- Executive Chairman, two Executive Directors and five Non-Executive Directors. All Directors including Non-Executive Directors are professionally competent. The Board of Directors has been constituted with the appropriate combination of Independent, Non-Independent Directors as per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The composition and category of Directors in the Board of the Company are:

Name of Director	DIN	Category	No. of Directorships (Chairmanship) of other Indian companies as on 31.03.2017	No.of Membership In mandatory Committees (Chairmanship) of other companies (other than NRB) as on 31.03.2017
Mr.T S Sahney *	00003873	NE & NID	1(1)	-
Ms.H S Zaveri	00003948	E & NID	3(1)	2
Mr.D S Sahney	00003956	NE & NID	1	1
Mr.S C Rangani**	00209069	E & NID	1	1
Mr.Tashwinder Singh	06572282	NE & ID	1	-
Mr.Uday Khanna ***	00079129	NE & ID	4(1)	-
Ms.A A Gowariker	03634905	NE & ID	1	-
Mr.Ashank D Desai	00017767	NE & ID	1	2
Mr.Rustom Desai ****	02448175	NE & ID	-	-

E & NID – Executive & Non Independent Directors

NE & ID – Non Executive & Independent Directors

NE & NID – Non Executive and Non Independent Directors

* The tenure of Mr.T S Sahney as Executive Chairman expired on 30th September,2016. However he continues as Chairman of the Board in Non-Executive capacity w.e.f.1st October,2016.

** The tenure of Mr.S C Rangani expired on 23rd January,2017 and has been re-appointed as an Additional Director designated as Executive Director and Company Secretary w.e.f.24th January,2017.

*** Mr. Uday Khanna resigned from the Board w.e.f. 25th August, 2016.

**** Mr. Rustom Desai has been appointed as Additional Director with effect from 23rd January, 2017 vide circular resolution of the same date.

Other Directorships do not include Alternate Directorships, Directorships of Private Limited companies, Section 8 Companies and Companies incorporated outside India.

Membership in mandatory committees are only membership in Audit Committee and Stakeholders' Relationship Committee.

(ii) Attendance of Directors :

The overall attendance of Directors was 87.18%. The attendance of whole-time Directors was 100%.

At the Board Meetings held during 2016-17 and the last Annual General Meeting

	Directors	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM (23rd August, 2016)	Share-holding
1	Mr. T S Sahney	5	5	Yes	1000
2	Ms. H S Zaveri	5	5	Yes	8454769
3	Mr. D S Sahney	5	4	Yes	3634583
4	Mr. S C Rangani	5	5	Yes	6000
5	Mr. Tashwinder Singh	5	5	Yes	-
6	Mr. Uday Khanna *	2	2	Yes	20000
7	Ms. A A Gowariker	5	3	Yes	-
8	Mr. Ashank Desai	5	5	Yes	-
9	Mr. Rustom Desai**	2	-	N.A	-

Overall attendance in the Board Meetings: 87.18% AGM : 100%

* Mr. Uday Khanna resigned from the Board w.e.f. 25th August, 2016.

** Mr. Rustom Desai has been appointed with effect from 23rd January, 2017

(iii) Board Meetings:

The Board of the Company, as also the various specialized committees constituted by the Board, held as many as 20 meetings including 5 meetings of the Board during 2016-17.

The maximum interval between any two meetings of the Board was less than four months. The Board held its meetings on 24th May, 2016, 12th August, 2016, 14th November, 2016, 8th February, 2017 and 13th February, 2017.

(iv) Other Directorships

Srl. No	Name of Directors	Details of other Directorships	Details of Committee Memberships (Audit and Stakeholder)
1	Mr. T S Sahney	NRB Industrial Bearings Ltd	-
2	Ms. H S Zaveri	SNL Bearings Ltd NRB Industrial Bearings Ltd Karam Chand Thapar & Bros (Coal Sales) Ltd	Audit Committee-Member Stakeholder Relationship Committee-Member --- ---
3.	Mr. S C Rangani	SNL Bearings Ltd	Stakeholder Relationship Committee-Member
4.	Mr. Tashwinder Singh	Resonance Eduventures Ltd	-
5.	Ms. A A Gowariker	Forbes & Company Limited	-
6.	Mr. D S Sahney	NRB Industrial Bearings Ltd	Audit Committee-Member
7.	Mr. Ashank D Desai	Mastek Ltd	Audit Committee-Member Stakeholder Relationship Committee-Member
8.	Mr. Rustom Desai	-	-

(v) Memberships of Board Committees

None of the Directors holds membership of more than 10 Committees of Boards nor is any Director a Chairman of more than 5 Committees of Boards as per Regulation 26 (1) of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 across all the Public Companies, in which he/ she is a Director. The necessary disclosure regarding the committee position & other Directorship has been made by all the Directors.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013 other than Ms. H S Zaveri and Mr. D S Sahney who are the daughter and son respectively of Mr. T S Sahney.

(vi) Details of Directors being appointed/reappointed

Mr.D S Sahney (DIN 00003956) retires by rotation and is eligible to offer himself for re-appointment.

Profile of Directors being appointed/reappointed are attached as Annexure to AGM Notice.

Period of Contract of Vice Chairman & Managing Director	For a period of 5 years w.e.f. 1.10.2015 to 30.9.2020 The contract may be terminated by either party giving the other party three calendar months notice.
Period of Contract of Executive Director & Company Secretary	For a period of 12 months w.e.f. 24.01.2017 to 23.01.2018 The contract may be terminated by either party giving the other party three calendar months notice.

No severance fees are payable to the above.

(vii) Directors Shareholding in the Company

No Independent Director holds shares in the Company. The shareholding of the Non- Independent Directors is disclosed under para (ii) above.

(viii) Code of conduct/Prevention of insider trading

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc.

The Code of Conduct is posted on the website of the Company www.nrbbearings.com. All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Director is attached and forms part of the Annual Report of the Company.

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. S C Rangani, Executive Director & Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

(ix) Familiarisation Programme for Independent Directors

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including visit to the plant to familiarize them with all facts of Roller Bearing manufacturing and interactive session with the Functional Head of the Company on manufacturing, marketing, finance and other important aspects. The details of familiarization program can be accessed from the website: www.nrbbearings.com.

(x) Board evaluation

During the year, for Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

The independent directors have also met separately on 21st March 2017

2. Audit Committee

In compliance of the Regulation 18 SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015, the Committee currently comprises of three Non-executive Independent Directors and the Vice Chairman & Managing Director. It was headed by Mr. Uday Khanna as Chairman who resigned on 25th August, 2016. Presently the committee is headed by Mr. Tashwinder Singh. The Members of the Committee have fair knowledge of project finance, accounts and Company law. The committee held 6 meetings during the year, which were attended by its members. The statutory auditor and internal auditor's representatives are permanent invitees to all Audit Committee meetings. The Secretarial

Auditor and Cost Auditor are invited to meetings whenever matters relating to secretarial audit or cost audit have to be considered. The Committee is empowered to seek any information it requires from any employee or to obtain legal or other independent professional advice when considered necessary.

The Audit Committee is responsible for overseeing of the Company's financial reporting process, reviewing with management the quarterly/half yearly/annual financial statements before submission to the Board for approval. Other terms of reference, inter alia, include:

a. Reviewing with management the quarterly/annual financial statements before submission to the Board, focusing primarily on (i) 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 section 134(3) of the Companies Act, 2013, (ii) any changes in accounting policies and practices, (iii) major accounting entries based on exercise of judgement by management, (iv) qualifications in draft audit report, (v) significant adjustments arising out of audit, (vi) compliance with Stock Exchanges and legal requirements concerning financial statements and (vii) any related party transactions i.e. transactions of the Company of material nature with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

b. Recommending for appointment, remuneration and terms of appointment of auditors of the Company, reviewing and monitoring the auditors independence and performance and effectiveness of the audit process and discussion with internal auditors of any significant findings and follow up thereon particularly into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature.

c. Scrutiny of inter-corporate loans and investments.

d. Valuation of undertakings or assets of the Company, wherever it is necessary.

e. Evaluation of internal financial controls and risk management systems

f. Review the functioning of the whistle blower mechanism.

g. Approval of appointment of CFO (ie. The whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background of the candidate.

The Committee has acted as a link between the management, external and internal auditors and the Board of Directors of the Company and has discussed with the external auditors their audit methodology and significant observations as also major issues related to risk management and compliances.

In addition the Committee has discharged other role/function as envisaged under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of section 177 of the Companies Act, 2013

Attendance of Members at the Meetings of the Audit Committee held during 2016 -17

Members	Meetings held during the tenure of the Director	Meetings attended
Mr. Uday Khanna (Chairman) *	4	4
Mr. Tashwinder Singh (Chairman w.e.f. 25.08.2016)	3	3
Ms. H S Zaveri	6	6
Ms. A A Gowariker	6	3
Mr. Ashank Desai (Member w.e.f. 08.02.2017)	-	-

* Mr. Uday Khanna resigned from the Board w.e.f. 25th August, 2016.

Overall attendance: 84.21%

The Chairman of the Audit Committee was present at the last AGM of the Company.

3. Nomination & Remuneration Committee (NRC)

The Board had constituted the Committee with three Non-Executive and Independent Directors viz. Mr. Tashwinder Singh (Chairman) Mr. Uday Khanna (resigned w.e.f. 25th August, 2016) and Mr. Ashank D Desai as members. Mr. Rustom Desai has been replaced in place of Mr. Uday Khanna w.e.f. 23rd January, 2017.

The Committee shall:

1. Identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, while ensuring that all pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company are disclosed as also their shareholding in the Company where they are proposed to be appointed as directors, recommend to the Board their appointment and removal and shall carry out evaluation of the performance of the Board.
2. Formulate the criteria for determining, qualifications, positive attributes and independence of a director.
3. Recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees, which ensures that the level and composition of compensation of remuneration is reasonable and sufficient to attract and retain and motivate directors of the quality required to run the Company successfully.
4. Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Determine remuneration to directors, key managerial personnel and senior management such that it involves a balance between fixed and incentive pay appropriate to the working of the Company and its goals.

During the year the Committee held 3 meetings on 13th June, 2016, 14th November, 2016 and 14th January, 2017.

Remuneration policy/Remuneration of Directors

The Board has decided directors shall be remunerated by way of sitting fees of Rs.40,000 each per meeting being paid for the board meetings and Business strategy committee meetings, Rs.30,000 each per meeting paid for the Audit Committee meetings, Nomination & Remuneration Committee and CSR Committee meetings and Rs.20,000/- per meeting paid for Stakeholders relationship committee meetings. In addition the non executive Directors are entitled to commission @ 0.50%, with a ceiling of Rs.5 lakhs per Director as determined by the Board of Directors, which will be apportioned and payable during 2016-17.

The details of the remuneration package of Directors / key management personnel is tabled below:

(Amount in Rs)

Name of Director/KMP	Sitting fees	Commission on profits *	Salary and Perquisites	Total
Mr. T S Sahney (Non-Executive Chairman w.e.f. 01/10/2016)	1,80,000	41,49,354	1,32,13,537	1,75,42,891
Ms. H S Zaveri	-	51,03,520	2,35,66,673	2,86,70,193
Mr. Tashwinder Singh	3,10,000	5,00,000	-	8,10,000
Mr. D S Sahney	1,30,000	4,00,000	-	5,30,000
Mr. Uday Khanna	1,10,000	2,08,333	-	3,18,333
Ms. A A Gowariker	1,80,000	3,00,000	-	4,80,000
Mr. S C Rangani	-	-	80,72,559	80,72,559
Ms. Tanushree Bagrodia (CFO)	-	-	1,14,16,271	1,14,16,271
Mr.Ashank Desai	2,90,000	5,00,000	-	7,90,000
Mr. Rustom Desai	-	-	-	-

* Commission to Non-Executive Directors @ 0.50% of net profits, with a ceiling of Rs.5 lakhs p.a. per director as determined by the Board of Directors at Rs.19,08,333 based on net profits for the year FY 2016-17.

4. Stakeholders Relationship Committee

The Committee comprises of four Directors viz. Ms. Aslesha A Gowariker (Chairman), Mr.T S Sahney, Ms. H S Zaveri and Mr. Ashank D Desai. The broad terms of reference of this Committee include review of the grievances of security holders of the Company and of the work done by the share transfer agent. During the year there were more than 1000 shareholders, debenture holders and other security holders.

The Company holds Committee meetings on a periodical basis, as may be required to approve the transfers/ transmissions/issue of duplicate shares. During the year 4 meetings were held.

The shareholders of the Company are serviced by the share transfer agent- M/s. Universal Capital Securities Pvt. Ltd. As required under the SEBI (LODR) Regulations, the Company has appointed Mr. S C Rangani, Executive Director & Company Secretary as Compliance Officer to monitor the share transfer process and liaison with the regulatory authorities.

Attendance of the Members at the Meetings of the Stakeholders Relationship Committee of Directors held during 2016-17

Members	Meetings held during the tenure of the Director	Meetings attended
Mr. T S Sahney	4	4
Ms. H S Zaveri	4	1
Ms. A A Gowariker (Chairman)	4	2
Mr. Ashank Desai	4	4

Overall attendance 68.75%

Investor queries

Nature of queries/complaints	2016-17 Nos.
Transfers (including stop transfer), Transmissions	1
Duplicate share certificates	1
Signature verification	-
Non receipt of share certificates	-
Deletion of name	2
Power of Attorney	-
Reissue of dividend warrants	3
Non-receipt of dividend warrants	24
Change in bank details	2
Change of address	2
Change of address undelivered	-
Non receipt of AGM reports	-
Total	35

All the complaints received during the year have been resolved and there are no pending share transfers as at the year end.

Legal proceedings on share transfer, if any: there are no major legal proceedings relating to transfer of shares

There are no shareholder complaints or transfers pending resolution.

5. CSR Committee

The CSR committee currently comprises three Directors viz. Ms. Harshbeena S Zaveri as Chairman, Mr. Uday Khanna (resigned w.e.f. 25th August, 2016) and Mr. S C Rangani. Mr. Ashank Desai was added as the member of the committee w.e.f. 12th August, 2016.

The Committee is responsible for:

i. Formulating and recommending to the Board a CSR policy which indicates the activities to be undertaken by the Company as specified in schedule VII ensuring that preference is given to the local areas where it operates

ii. Recommending the amount of expenditure to be incurred on such activities

iii. Monitoring the CSR policy from time to time

The Company has been undertaking CSR activities voluntarily in the past and has identified the activities it would like to promote as

a) Promotion of education, both at school and post graduate levels

b) Promoting gender equality and empowering women

c) Ensuring environmental sustainability

During the year 1 meeting was held on 26th July, 2016 and was attended by all the members.

The average of the last 3 years profits works out to Rs.6424 lakhs and @ 2% the amount to be spent by the Company on CSR activities works out to Rs.128.48 lakhs during FY 2016-17. The Company has actually spent Rs. 128.90 lakhs during FY 2016-17 on the identified activities.

6. Sexual Harassment of Women at work place (Prevention Prohibition and Redressal) Act 2013

In line with the requirements of the Act, all employees (permanent, temporary, contractual, trainees) are covered under the Company policy in this regard.

Committee comprising MD, CFO (both women) and VP-HR is set up to receive, investigate and redress any complaints. In addition ICC (Internal Complaint Committees) have been set up at all the offices/plants of the Company as set out in the Act.

To date, there have been no complaints received by the Committee.

7. General Body Meetings

During the year there was no Extra Ordinary General Meeting.

The last 3 Annual General Meetings of the Company were held on the following dates and times:

51st Annual General Meeting on 23rd August,2016 at 11.00 a.m. at M.C.Ghia Hall, K Dubash Marg, Mumbai 400 001

50th Annual General Meeting on 24th July,2015 at 11.00 a.m. at M.C.Ghia Hall, K Dubash Marg, Mumbai 400 001

49th Annual General Meeting on 11th August, 2014 at 11.30 a.m. at M.C.Ghia Hall, K Dubash Marg, Mumbai 400 001

Last three years four special resolutions were passed. At the last AGM no special resolutions were required to be passed by the shareholders.

During the year under review one special resolution was passed through postal ballot for payment of commission to Non-Executive Directors.

In April 2017, the Company has passed through postal ballot Special Resolution for issue of unsecured/secured NCDs/ Debentures not exceeding Rs 100 crores on private placement basis.

At the ensuing Annual General Meeting e-voting facility will be provided.

8. Means of Communication

Information like Quarterly Financial Results and Press Releases on significant developments in the Company that has been made available from time to time to the Press is hosted on the Company's web site and has also been submitted to stock Exchanges to enable them to put them on their web sites. The Quarterly Financial Results are published in English and vernacular newspapers.

As per the amendment to Listing Agreement a separate e-mail ID of the grievance redressal division/compliance office exclusively for the purpose of registering complaints by investors, the Company has already displayed the e-mail ID on the website. The email ID is investorcare@nrbbearings.co.in.

No separate presentations has been made to institutional investors nor has any separate meeting of analysts held during the year. One on one meetings are held with any institutional investors or analyst as per mutual convenience.

A Report on Management Discussion and Analysis of Accounts has been included elsewhere in this report.

9. General Shareholder Information

The mandatory as also various additional information of interest to investors is voluntarily furnished in the following section on Investor information in this Report.

10. Disclosures

The Company has formulated a Policy on Related Party Transaction and the same can be accessed at the Company's website www.nrbbearings.com under 'Investors' tab. Transactions with related parties entered in the ordinary course of business have been disclosed in Note 34 of the Standalone Financial Statements of the Company.

Neither the Company nor any of its subsidiaries has entered into any transaction of material nature that may have a potential conflict with interests of the Company or of its subsidiaries, with any of the Directors or their relatives during the year 2016-17. Neither has any non-compliance with any of the legal provisions of law been made by the Company nor any penalty or stricture imposed by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years.

The Company has formulated a whistle blower policy with adequate safeguards against victimisation of those who avail of this whistle mechanism which shall be implemented subject to approval by the Board. However, employees continue to be free to report to Management or the Audit Committee on any matter concerning unethical behaviour actual or suspected fraud or violation of the Company's code of Conduct or ethics policy.

11. Process of Board performance evaluation

The process is initiated once every year or at the discretion of the Board Chairman and normally is scheduled to take place during the meeting for the adoption of annual audited financial results. Copies of the evaluation forms are distributed to each Board member, who complete the same and return to the Board Chair.

Individual directors completed the structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. and in terms of SEBI note dated 5th January, 2017, the company had collated the responses and the median of the responses to each of the aspects covered were presented to the Board.

Evaluation of the Executive Directors and the Independent Directors is carried out by the entire Board except the Director being evaluated. The Board noted that the evaluation process as above, showed that the Board was rated as "Satisfactory" reflecting the overall engagement and effectiveness of the Board and its Committees. The lead Independent Director had provided feedback about areas identified for improvement and for enhanced effectiveness of the Board.

12. Auditor's Certificate on Corporate Governance

The Auditor's Certificate on Compliance with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) and (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations is made part of the Annual Report.

13. Non mandatory recommendations

a. Chairman of the Board – Non-Executive Chairman

The Company's Non-Executive Chairman has been provided with suitable office and adequate staff for his requirements.

b. Half yearly results to shareholders

The Company forwards half yearly results to all its shareholders. The quarterly financial results are also available on the Company's web site.

c. Audit Qualifications

Not Applicable

d. Separate posts of Chairman and CEO

The Company has Non-Executive Chairman and separately Vice Chairman & Managing Director who functions as the CEO of the Company.

e. Reporting of the internal auditor

The internal auditor reports directly to the Managing Director / Audit committee.

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
NRB BEARINGS LIMITED

1. This Certificate is issued in accordance with the terms of our engagement letter dated 04 October, 2016.

2. We, Deloitte Haskins & Sells, Chartered Accountants, the statutory auditors of **NRB BEARINGS LIMITED** ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2017 except that:

   During the period from August 26, 2016 to January 22, 2017 the strength of Independent Directors of the Company was less than half of the strength of the Board of Directors of the Company, as is required by Regulation 17(1)(b) of the Listing Regulations. Noting that the strength of the Independent Director had fallen below the requisite strength during the period as stated above, the Company remediated the non-compliance on January 23, 2017 within a period of six months and also kept the stock exchange informed about the same.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, 26th May, 2017

SHAREHOLDERS' INFORMATION

1. Annual General Meeting

Date and Time	:	11th August, 2017 at 3.00 p.m
Venue	:	Chavan Cultural Hall, Yashvantrao Chavan Pratisthan Nariman Point, Mumbai 400 021

2. Financial Calendar

Financial reporting for the quarter ending June 30, 2017	:	11th August, 2017
Financial reporting for the quarter ending September 30, 2017	:	November, 2017
Financial reporting for the quarter ending December 31, 2018	:	January, 2018
Financial reporting for the year ending March 31, 2018	:	May, 2018
Annual General Meeting for the year ending March 31, 2018	:	August, 2018

3. Book Closure Date	:	7th August, 2017 – 11th August'2017
Interim dividend record date	:	23rd February, 2017
4. Dividend Payment Date	:	3rd March, 2017
Interim dividend (Final)	:	
5. Registered Office, plants & website	:	Dhannur, 15 Sir P.M.Road, Fort, Mumbai 400 001 (Tel) 22664160/4998 | (Fax) 22660412
		Pokhran Road No.2, Majiwade, Thane 400 610
		E-40, M.I.D.C. Industrial Area, Chikalthana, Aurangabad 431 210
		C-6, Additional M.I.D.C. Industrial Area, Jalna 431 213
		E-72, (I) M.I.D.C., Waluj, Aurangabad 431 133
		A-5, Uppal Industrial Estate Hyderabad 500 039
		Plot No.33, Sector –II, SIDCUL IIE Pantnagar, Udhamsingh Nagar, Uttarakhand 263153
		Web Site: www.nrbbearings.com

6. Unclaimed Dividends

Pursuant to Section 125 of the Companies Act, 2013, unclaimed dividends remaining unclaimed for seven years from the date of declaration are required to be transferred by the Company to the Investor Education & Protection Fund established by the Central Government and the various dates for transfer of such amounts are as under.

Financial Year	Date of Declaration at AGM/BM	Date of the warrant	Due for transfer (30 days after expiry of 7 years)
2009-10	4th August ,2010	16th August, 2010	9th October, 2017
2010-11	27th July, 2011	10th August, 2011	30th October, 2018
2011-12	3rd August, 2012	16th August, 2012	7th October, 2019
2012-13	23rd July, 2013	2nd August, 2013	27th September, 2020
2013-14	11th August, 2014	19th August, 2014	15th October, 2021
2014-15	24th July,2015	30th July,2015	28th September,2022
2015-16-Interim Dividend	10th March, 2016	30th March,2016	14th May, 2023
2016-17-Interim Dividend	13th February, 2017	3rd March,2017	17th April, 2024

Members who have so far not encashed their dividend warrants or have not received the dividend warrants are requested to seek issue of duplicate warrants.

7. Unclaimed Dividend Amounts

The following dividend amounts continue to remain unclaimed as at 31st March, 2017.

Financial year	Deal Nos.	No.of warrants issued	No.of warrants unclaimed	%	Amount of dividend Rs.in lakhs	Unclaimed dividend amount Rs.	%
2009-10	704611	7393	274	4.00	969.23	164,866.00	0.17
2010-11	704707	9980	283	2.84	1938.45	311,294.00	0.16
2011-12	704788	10470	358	3.42	1938.45	330,518.00	0.17
2012-13	704859	10660	745	6.99	1647.68	275,564.90	0.17
2013-14	075114	10141	407	4.01	1340.71	254,827.10	0.19
2014-15	075120	11137	441	3.96	1409.38	361,864.50	0.26
2015-16 interim dividend	075122	9759	80	0.82	1356.92	106,233.40	0.08
2016-17 interim dividend	075128	11082	696	6.28	1356.92	546,422.80	0.40
Total		**80622**	**3284**	**4.07**	**11957.74**	**2,351,590.70**	**0.20**

2008-09 deal no. 704479 final dividend has been transferred to investor protection fund on 7.10.16.

8. Bank Details

In order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide, if not provided earlier, their bank account nos., bank account type, names & addresses of bank branches, quoting folio no. to the registrar of the Company/secretarial department to enable us to incorporate the same on your dividend warrants.

9. Bank details for Demat Shareholding

While opening accounts with depository participants (DPs), shareholders are required to give their details of their bank accounts which will be used by the Company for printing on dividend warrants for remittance of dividend. However members who wish to receive dividend in an account other than the one specified while opening the depository account may notify their DP about any change in bank account details.

10. Nomination facility

Shareholders of physical shares can nominate a person for the shares held by them. Requisite nomination forms have already been circulated by the Company to the shareholders who are advised to avail of this facility.

11. Distribution of Shareholding as on 31st March :

	2017				2016			
No. of Equity Shares	**No.of share holders**	**% of share holders**	**No. of shares held**	**% share holding**	**No.of share holders**	**% of share holders**	**No.of shares held**	**% share holding**
Upto 500	8974	79.606	1243374	1.283	7567	77.962	1094785	1.130
501- 1000	1369	12.144	1230691	1.270	1314	13.538	1166522	1.204
1001- 2000	463	4.107	774261	0.799	422	4.348	702988	0.725
2001- 3000	145	1.286	383821	0.396	124	1.278	324366	0.335
3001- 4000	72	0.639	267582	0.276	62	0.639	229154	0.236
4001- 5000	59	0.523	286226	0.295	44	0.453	216241	0.223
5001- 10000	86	0.763	661747	0.683	72	0.742	560595	0.578
10001 & above	105	0.931	92074898	94.998	101	1.041	92627949	95.569
TOTAL	11273	100	96922600	100	9706	100	96922600	100

As on 31st March, 2017 96418340 shares constituting 99.4% of the share capital has been dematerialized.

The Company has entered into agreements with NSDL and CDSL during the year 2000-01 and has been allotted ISN No.INE 349A 01013. SEBI has notified the Company shares to be traded only in demat form w.e.f. 29th April, 2001.

The Company's equity shares of Rs.10/- each have been split into Rs.2/- each effective 4th April, 2007 and the new ISIN No. is INE 349A01021.

12. Categories of shareholdings as on 31st March :

	2017				2016			
Category	**No.of share holders**	**% of share holders**	**No. of shares held**	**% share holding**	**No.of share holders**	**% of share holders**	**No.of shares held**	**% share holding**
Individuals HUF/ clearing members	10390	92.17	21956985	22.65	9259	95.39	22563037	23.28
Corporate Bodies/LLP/ NBFC/Partnership Firms	581	5.15	5333302	5.50	156	1.61	4715993	4.87
Trust	1	-	35740266	36.88	1	0.01	36486909	37.65
Foreign Collaborator	-	-	-	-	-	-	-	-
NRI / OCBs	258	2.29	1134269	1.17	254	2.62	231448	0.24
FI / FII / Banks / Foreign national / Trusts / Foreign Portfolio Investor	21	0.19	18540936	19.13	20	0.21	18528799	19.11
Mutual Funds/UTI	22	0.20	14216842	14.67	16	0.16	14396414	14.85
TOTAL	11273	100.00	96922600	100.00	9706	100.00	96922600	100.00

Promoter holdings constituting 52981124 shares (54.66%) of the equity capital are included in the above.

13. Share Transfer System

The Stakeholders Relationship Committee comprising of four Directors is authorized to consider and resolve the grievances of security holders of the Company. The committee meets quarterly and on need basis to approve physical transfer of shares.

Share transfers in physical form are presently registered and returned within a period of 15 days from the date of receipt in case documents are complete in all respects.

14. Equity History

Details of equity shares issued since inception.

Date	Particulars of issue	No.of shares	Total no.of shares after issue	Equity capital in Rs.
01.06.1965	Issue for cash at par	10	10	1000
27.01.1966	Issue for cash at par	6270	6280	628000
27.01.1966	Allotment to Nadella Without payment in cash	910	7190	719000
16.10.1968	Issue for cash at par	2810	10000	1000000
31.07.1973	Bonus issue 1:1	10000	20000	2000000
24.09.1976	Bonus issue 1:1	20000	40000	4000000
14.02.1979	Bonus issue 3:4	30000	70000	7000000
22.04.1982	Bonus issue 1:1	70000	140000	14000000
03.01.1989	Bonus issue 1:2	70000	210000	21000000
02.11.1990	Bonus issue 1:2	105000	315000	31500000
14.12.1991	Issue on merger of SSPW (Sahney Steel Press Works)	760	315760	31576000
04.11.1993	Bonus issue 5:3	526266	842026	84202600
03.05.1995	Public issue	1272000	9692260*	96922600
04.04.2007	Sub-division 1:5*	48461300	48461300	96922600
08.09.2010	Bonus Issue 1:1	48461300	96922600	193845200
01.10.2012	Demerger–NRB Industrial Bearings Ltd (NIBL)	Entitlement of one share in NIBL for every 4 shares held in NRB as on record date of 26.10.2012.		

*Equity shares sub divided into face value of Rs. 10/- on 10.12.1994.

*Equity shares sub divided into face value of Rs. 2/- on 4.4.2007

15. Listing on Stock Exchange at : Equity shares
BSE Ltd
P.J.Towers, Dalal Street
Mumbai 400 023

National Stock Exchange of
India Ltd. Exchange Plaza, 5th Floor
Plot No.C/1, G Block, Bandra Kurla Complex
Bandra (E) Mumbai 400 051

Note : Listing fees for the year 2016-17 have been paid to the Stock Exchange- Mumbai and National Stock Exchange.

16. Stock Codes

Bombay Stock Exchange	530367
National Stock Exchange	NRBBEARING
ISIN No. for equity share of Rs. 2/-each	INE 349A 01021

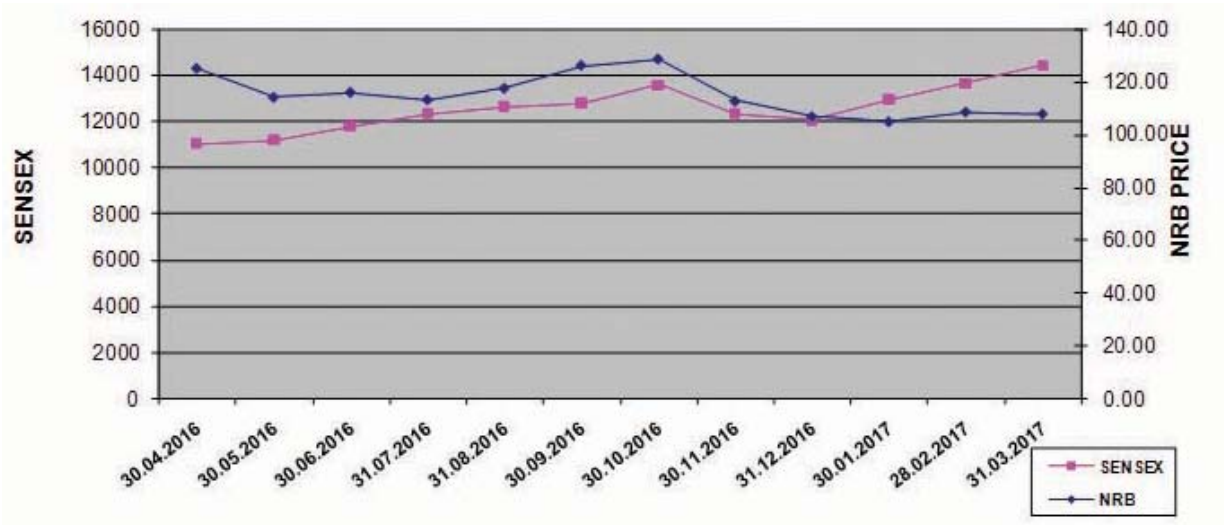
17. Stock Market Data

BSE Ltd, Mumbai and National Stock Exchange of India Ltd., Mumbai

Monthly high and low quotations and volume of shares traded

2016-17	Bombay Stock Exchange			National Stock Exchange		
Month	High (Rs)	Low (Rs)	Volume	High (Rs)	Low (Rs)	Volume
April'16	134.10	122.50	503358	134.00	122.05	871684
May'16	137.00	111.20	424869	127.45	103.75	871565
June'16	120.00	107.00	73428	118.00	107.00	499673
July'16	120.30	106.55	69919	122.50	105.00	793722
August'16	122.70	112.55	138428	123.90	110.40	507259
September'16	141.00	116.10	362953	141.50	115.65	1784311
October'16	138.00	122.00	100256	137.45	125.20	573309
November'16	129.25	103.25	63979	132.20	100.00	267300
December'16	114.85	104.00	64606	114.90	103.00	142210
January'17	113.25	104.70	621591	114.00	104.00	1105244
February'17	116.00	103.00	166067	115.95	102.65	769242
March'17	112.45	103.00	111977	110.95	103.10	878756
Total			**2701431**			**9064275**

18. Performance (Indexed):



	30.04.2016	30.05.2016	30.06.2016	31.07.2016	31.08.2016	30.09.2016	30.10.2016	30.11.2016	31.12.2016	30.01.2017	28.02.2017	31.03.2017
NRB	124.90	114.15	116.00	113.25	117.55	126.05	128.40	112.75	106.95	105.05	108.70	108.00
SENSEX	11021	11142	11801	12310	12649	12781	13583	12330	12046	12936	13691	14434

19. Registrars and Transfer Agents : M/s. Universal Securities Pvt.Ltd
(Share transfer and communication regarding Share certificates, dividends and change of address)
(Formerly known as M/s. Mondkar Computers Pvt.Ltd)
21, Shakil Niwas, Mahakali Caves Rd,
Andheri (East), Mumbai 400 093
(Registered with SEBI as Share Transfer Agent-Category I)

20. Investor correspondence

The Company Secretary,
NRB Bearings Limited
Dhannur, 15 Sir P.M.Road
Fort, Mumbai 400 001

Tel:022-22664160/4998
Fax:022-22660412
E-mail:sc.rangani@nrb.co.in

As per SEBI circular No. MRD/DoP/Dep/SE/Cir-22/06 dated December 18, 2006 has advised all listed companies to designate an email ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors. The following is the email ID designated for the same.

investorcare@nrbbearings.co.in

21. Details on use of public funds obtained in the last three years :

No funds have been raised from public in the last three years.

22. Outstanding GDR/Warrants and convertible bonds, conversion date and likely impact on Equity

The Company has no outstanding GDR/Warrants and/or convertible bonds.

23. Financial ratios

	2016-17	2015-16	2014-15	2013-14	2012-13
Net earnings (Rs. lakhs)	5103.52	4,598.30	5,206.46	3,818.11	4,703.57
Cash earnings (Rs. lakhs)	8028.55	7,512.07	8,037.42	7,144.80	7,700.75
EPS (Rs)	5.27	4.74	5.37	3.94	4.82
CEPS (Rs.)	8.28	7.75	8.29	7.37	7.95
Dividend per share (Rs.)	1.40	1.40	1.50	1.10	1.70
Dividend payout (%)*	31.45	35.51	32.71	32.40	40.77
Book value per share (Rs.)	34.70	31.09	28.03	24.42	21.76
Price to earnings	20.49	26.25	24.58	13.13	6.40
Price to cash earnings	13.04	16.56	16.42	7.02	3.91
Price to book value	3.11	4.00	4.71	2.12	1.43

Stock price as on 31st March, 2017 – Rs.108.00 (closing price)

Dividend payout is inclusive of dividend distribution tax.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NRB BEARINGS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NRB BEARINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss andthe 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 Standalone 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 standalone 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.

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 standalone 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.

In conducting 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.

We conducted our audit of the standalone 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

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 standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 an unmodified 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, as amended,in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 to the standalone financial statements.

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

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

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)

Saira Nainar
(Partner)
(Membership No. 040081)

Mumbai, 26th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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 BEARINGS LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone 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 safe guarding 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 Act.

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 prescribedunder Section 143(10) of the Act, 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 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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.

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

Saira Nainar
(Partner)
(Membership No. 040081)

Mumbai, 26th May, 2017

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)

(i) In respect of its fixed assets:

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

(b) The Company has a programme of verification of fixed assets to cover all the items once in every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all fixed assets were physically verified by the Management during the year ended 31st March, 2015. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except for the title deeds of a freehold land in Hyderabad having a gross and net block of Rs. 55.17 lakhs which is in the name of an entity that was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFR) order.

In respect of immovable properties of land that have been taken on lease and building constructed thereon, and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement as at the balance sheet date, except the following:

(Rs in Lakhs)

Particulars of the leasehold land	Gross Block (as at 31st March, 2017)	Net Block (as at 31st March, 2017)	Remarks
Leasehold land located Waluj, Aurangabad.	6.23	4.59	The lease deeds are in the name of NRB Torrington Private Limited, erstwhile Company that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court(s) of judicature.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals except for the inventories which are lying at third party location for which confirmation has been obtained by the Management and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, in respect of loans granted, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act, the Company has granted loans to two parties aggregating Rs. 2,251.83 lakhs, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated. However, the repayments or receipts of principal amounts and interest have not been made as per stipulations until the new terms for repayment indicated below. Out of the principal amounts aggregating Rs. 438.24 lakhs due, the Company has received Rs. 438.24 lakhs after the due dates of stipulations and the entire interest due aggregating Rs. 1.91 lakhs has been received after the due dates of stipulations. Further, delayed principal amount and interest thereon amounting to Rs. 544.07 lakhs and Rs. 243.01 lakhs respectively have been restructured for a revised payment schedule with effect from 2nd November, 2016. Post such restructuring, the Company has received principal and interest due thereon amounting to Rs. 203.31 lakhs and Rs. 62.12 lakhs respectively as per the revised stipulation. Accordingly, there are no year-end overdue principal and interest as at the balance sheet date.

(c) There is no amount overdue for more than 90 days at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of Sections 73 and 76 or any other relevant provisions of the Act.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, 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 Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income tax, Sales Tax, Value Added Tax and cess which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (Rs. in lakhs)
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2011-2012 A.Y. 2012-2013 A.Y. 2013-2014 A.Y. 2014-2015	738.14
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	A.Y. 2010-2011	37.68
The Bombay Sales Tax Act, 1959	Value Added Tax	Deputy Commissioner (Appeals)	A.Y. 1997-1998	1.20
The Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner (Appeals)	A.Y. 1997-1998 A.Y. 2008-2009 A.Y. 2009-2010 A.Y. 2010-2011 A.Y. 2011-2012 A.Y. 2012-2013	35.11
The Central Sales Tax Act, 1956	Sales Tax	Additional Deputy Commissioner (Appeals)	A.Y. 2012-2013	187.28

(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, banks and Government and dues to debenture holders.

(ix) The term loans availed by the Company has been applied during the year for the purpose for which it was raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

(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 / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Act, 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) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.

(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 directors of its subsidiary Companies or persons connected with him and hence provisions of Section 192 of the Act 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)

Saira Nainar
(Partner)
(Membership No. 040081)

Mumbai, 26th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.		As at 31.03.2017		As at 31.03.2016
		Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	**1938.45**		1938.45	
(b) Reserves and Surplus	4	**31693.89**		28196.95	
			33632.34		30135.40
(2) Non-Current Liabilities					
(a) Long term borrowings	5	**10745.71**		6075.59	
(b) Deferred tax liabilities (Net)	6	**1142.64**		1067.52	
(c) Other Long term liabilities	7	**624.96**		714.46	
(d) Long term provisions	8	**583.43**		540.57	
			13096.74		8398.14
(3) Current Liabilities					
(a) Short term borrowings	9	**14582.61**		16463.00	
(b) Trade payables					
(i) Total outstanding dues of micro and small enterprises		-		-	
(ii) Total outstanding dues of creditors other than micro and small enterprises		**10122.67**		9073.10	
(c) Other current liabilities	10	**2422.67**		9282.03	
(d) Short-term provisions	11	**128.91**		194.69	
			27256.86		35012.82
Total			**73985.94**		73546.36
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	12				
(i) Tangible assets		**21144.27**		22351.94	
(ii) Intangible assets		**29.81**		82.71	
(iii) Capital work-in-progress		**705.08**		301.92	
		21879.16		22736.57	
(b) Non-current investments	13	**1906.80**		1906.80	
(c) Long term loans and advances	14	**5067.39**		4438.90	
(d) Other non current assets	15	**97.96**		**-**	
			28951.31		29082.27
(2) Current assets					
(a) Current investments	16	**-**		25.00	
(b) Inventories	17	**15775.51**		13112.18	
(c) Trade receivables	18	**23634.57**		23765.05	
(d) Cash and Cash Equivalents	19	**2133.70**		3083.60	
(e) Short-term loans and advances	20	**3381.08**		4308.19	
(f) Other current assets	21	**109.77**		170.07	
			45034.63		44464.09
Total			**73985.94**		73546.36

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

Saira Nainar

Partner

T. S. Sahney — Chairman

H. S. Zaveri — Vice Chairman & Managing Director

Tashwinder Singh

A. A. Gowariker

Ashank Desai

Rustom Desai

D. S. Sahney

Directors

Tanushree Bagrodia — Chief Financial Officer

S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

Mumbai: 26th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		Note No.	Rs. lakhs	Year ended 31.03.2017 Rs. lakhs	Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
I.	Revenue from operations (gross)	22	**77632.52**		72160.94	
	Less: Excise duty		**6762.58**		6241.26	
	Revenue from operations (net)			**70869.94**		65919.68
II.	Other Income	23		**959.04**		755.77
III.	**TOTAL REVENUE (I +II)**			**71828.98**		66675.45
IV.	**EXPENDITURE**					
	Cost of materials consumed	24A		**30515.07**		27375.55
	Changes in inventories of finished goods and work-in-progress	24B		**(761.69)**		825.54
	Employee benefit expense	25		**11579.99**		11524.00
	Finance costs	26		**1470.18**		1448.17
	Depreciation and amortization expense	12		**2925.03**		2913.77
	Other expenses	27		**19080.19**		16206.89
	Total Expenses			**64808.77**		60293.92
V.	**PROFIT BEFORE TAX (III - IV)**			**7020.21**		6381.53
VI.	Tax expense:					
	- Current tax		**1886.33**		1849.16	
	- In respect of earlier years		**(44.76)**		(25.26)	
	Net current tax expense		**1841.57**		1823.90	
	- Deferred tax		**75.12**		(40.67)	
	Net deferred tax (income)/expense		**75.12**		(40.67)	
				1916.69		1783.23
VII.	**PROFIT FOR THE YEAR (V - VI)**			**5103.52**		4598.30
	Earnings per share (of Rs. 2 each) (Refer note 36)					
	Basic, as well as diluted (In Rs.)			**5.27**		4.74

See accompanying notes forming part of the financial statements

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

Saira Nainar
Partner

Mumbai: 26th May, 2017

For and on behalf of the Board of Directors

T. S. Sahney — Chairman
H. S. Zaveri — Vice Chairman & Managing Director
Tashwinder Singh
A. A. Gowariker
Ashank Desai
Rustom Desai
D. S. Sahney
Directors
Tanushree Bagrodia — Chief Financial Officer
S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

		Rs. lakhs	Year ended 31.03.2017 Rs. lakhs	Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	NET PROFIT BEFORE TAX		**7020.21**		6381.53
	Adjustments for:				
	Depreciation/amortisation	**2925.03**		2913.77	
	Foreign exchange loss/(gain) - unrealised	**(59.14)**		(73.11)	
	Finance cost (net)	**1470.18**		1448.17	
	Dividend income	**(231.61)**		(236.18)	
	Profit on sale of fixed assets	**(8.99)**		(19.15)	
	Provision for doubtful debts	**294.18**		-	
	Provision for doubtful debts no longer required	-		(56.71)	
			4389.65		3976.79
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS		**11409.86**		10358.32
	Changes in working capital:				
	Adjustment for (increase)/ decrease in operating assets				
	- Trade receivables	(207.26)		(1388.51)	
	- Short-term loans and advances	266.04		(573.73)	
	- Long-term loans and advances	15.09		6.37	
	- Inventories	(2663.33)		1835.48	
	Adjustment in increase/ (decrease) in operating liabilities				
	- Other long term liabilities	(89.50)		(38.50)	
	- Trade payables	1086.20		30.60	
	- Other long term provision	42.86		(7.77)	
	- Other short term provision	(65.78)		91.66	
	- Other current liabilities	(225.67)		23.31	
			(1841.35)		1126.37
	NET CASH GENERATED FROM OPERATIONS		**9568.51**		11484.69
	Direct taxes paid		**(2322.90)**		(1834.17)
	NET CASH FROM OPERATING ACTIVITIES		**7245.61**		9650.52
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of fixed assets (including adjustments on account of capital advances)		(2471.32)		(1773.34)
	Sale of fixed assets		31.04		23.42
	Margin Money deposits placed		(16.85)		(40.60)
	Sale of current investments		25.00		25.00
	Inter Corporate deposit to subsidiary/ group company		638.49		(697.49)
	Dividend income		231.61		236.18
	NET CASH USED IN INVESTING ACTIVITIES		**(1562.03)**		(2226.83)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (contd.)

		Year ended 31.03.2017		Year ended 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from long term borrowings		**6991.57**		3000.00
Proceeds from short term borrowings (net)		**(1719.49)**		(1381.17)
Repayment of long term borrowings		**(8848.56)**		(4003.02)
Finance cost paid (net)		**(1473.18)**		(1378.09)
Dividend paid		**(1356.92)**		(2810.76)
Income tax on dividend on Equity shares		**(249.66)**		(525.27)
NET CASH (USED IN) FINANCING ACTIVITIES		**(6656.24)**		(7098.31)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**(972.66)**		325.38
Cash and cash equivalents as at the beginning of the year		**3007.42**		2682.04
Cash and cash equivalents as at the end of the year (Refer note 19)		**2034.76**		3007.42

See accompanying notes forming part of the financial statements

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

Saira Nainar
Partner

Mumbai: 26th May, 2017

For and on behalf of the Board of Directors

T. S. Sahney — Chairman
H. S. Zaveri — Vice Chairman & Managing Director
Tashwinder Singh
A. A. Gowariker
Ashank Desai
Rustom Desai
D. S. Sahney
Directors
Tanushree Bagrodia — Chief Financial Officer
S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE

1. **Corporate Information:**

NRB Bearings Limited ('Company') incorporated in 1965, is engaged in the manufacture of ball and roller bearings.

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, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

(ii) **Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(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/amortization and impairment losses, if any.

(b) Depreciation/ amortisation on fixed assets has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. The Company uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Class of asset	Revised useful life based on SLM (Range)
Leasehold land	Over period of lease
Buildings and flats	15 – 50 years
Plant and equipment	3 – 30 years
Furniture and fixtures	3 – 10 years
Office equipment	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 years
Intangibles	3 years

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

(iv) **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date to ascertain whether there is any indication of impairment based on internal/external factors. Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(v) **Foreign currency transactions**

(a) Transactions in foreign currency are recorded at the original rates of exchange in force at the time transactions are effected.

(b) Foreign currency denominated assets and liabilities are reported as follows:

(i) Monetary items are translated into rupees at the exchange rates prevailing at the balance sheet date. Non-monetary items such as fixed assets are carried at their historical rupee values.

(ii) Gains/losses arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) are recognised in the statement of profit and loss, except for long term assets/liabilities which pertain to acquisition of fixed assets which are adjusted in the cost of fixed assets (Refer Note 44).

(c) In case of forward exchange covers, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract except those relating to hedged long term liabilities which pertain to acquisition of fixed assets which are adjusted to the cost of fixed assets. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

(d) Swap transactions are entered by the Company to hedge its exposure against movements in foreign exchange rates and interest rates.

(e) Gains/losses arising on swap transactions are recognized 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, unless such costs are specifically identifiable, in which case they are included in the valuation at actuals.

(viii) **Sale of products**

(a) Sales including export benefits thereon are recognized when the products are shipped, i.e. when the seller has transferred to the buyer, the property in the goods, for a price, or all significant risk and rewards of ownership have been transferred to the buyer without the seller retaining any effective control over the goods.

(b) Sales are inclusive of excise duty but exclusive of sales tax and value added tax and are net of sales return.

(ix) **Other Income**

Interest and rent income are 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 year 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).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 monthly contributions at 15% of employees' eligible salary. The contributionss are made to an insurance Company on behalf of the trust managed by the Company (currently HDFC Standard Life Insurance Company Limited). 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 and when 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 Company has arrangements with insurance companies (currently ICICI Prudential Life Insurance Company Limited, HDFC Standard Life Insurance Company Limited and Kotak Mahindra Old Mutual Life Insurance Company Limited) for future payments of gratuities on behalf of the trusts established for this purpose. The Company accounts for gratuity benefits payable in future based on an independent actuarial valuation as at the year 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) **Voluntary retirement compensation**

Voluntary retirement compensation is fully expensed in the year in which the liability is incurred.

(xii) **Research and development expenditure**

Capital expenditure on research and development is treated in the same way as other fixed assets. Revenue expenditure is written off in the year in which it is incurred.

(xiii) **Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xiv) **Operating Lease**

Assets taken on lease under which, all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

(xv) **Taxation**

Taxation expenses comprise current tax and deferred tax.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(b) 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 substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the asset. However, if there are unabsorbed depreciation and carry forword of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

(xvi) **Provisions and Contingent Liabilities**

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 to accounts. Contingent assets are not recognised in the financial statements.

(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.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(xviii) **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.

(xix) **Cash and cash equivalents (for purpose of cash flow statement)**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

(xx) **Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 3 - Share Capital

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
Authorised:		
100,000,000 (as at 31.03.2016 100,000,000)		
Equity shares of Rs. 2 each	**2000.00**	2000.00
Issued, subscribed and fully paid up:		
96,922,600 (as at 31.03.2016 96,922,600)		
Equity shares of Rs. 2 each fully paid up	**1938.45**	1938.45
Per balance sheet	**1938.45**	1938.45

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

Particulars	As at 31.03.2017 Number of shares	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Number of shares	As at 31.03.2016 Rs. lakhs
Shares outstanding at the beginning of the year	**96922600**	**1938.45**	96922600	1938.45
Shares outstanding at the end of the year	**96922600**	**1938.45**	96922600	1938.45

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

	As at 31.03.2017 Number of shares	As at 31.03.2017 % of holding	As at 31.03.2016 Number of shares	As at 31.03.2016 % of holding
Equity Shares:				
Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	**35740266**	**36.88**	36486909	37.65
Hanwantbir Kaur Sahney	**2867000**	**2.96**	4972000	5.13
Harshbeena Sahney Zaveri	**8454769**	**8.72**	5165019	5.33
Nalanda India Equity Fund Limited	**9682667**	**9.99**	9682667	9.99
SBI Magnum Global Fund	**4400000**	**4.54**	5159663	5.32

iii) **Rights attached to equity shares:**

a) Right to receive dividend as may be approved by the Board / Annual General Meeting.

b) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

c) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid- up capital of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 4 - Reserves and Surplus

	As at 31.03.2017		As at 31.03.2016
	Rs. lacs	**Rs. lakhs**	Rs. lacs	Rs. lakhs
Capital reserve		**25.00**		25.00
Capital redemption reserve		**11.10**		11.10
Securities premium account		**847.61**		847.61
Debenture redemption reserve :				
Opening balance	**750.00**		-	
Add: Transfer from Surplus in the statement of Profit & Loss	**1250.00**		750.00	
Closing balance		**2000.00**		750.00
General reserve		**9521.20**		9521.00
Surplus in the Statement of Profit and Loss :				
Opening balance	**17042.04**		14826.90	
Add: Profit for the year	**5103.52**		4598.30	
Less: Appropriations				
Interim dividend {Rs. 1.40 (year ended 31.03.2016 Rs. 1.40 per share}	**1356.92**		1356.92	
Income tax on dividend on Equity shares	**249.66**		276.24	
Transfer to debenture redemption reserve	**1250.00**		750.00	
Closing balance		**19288.98**		17042.04
Per balance sheet		**31693.89**		28196.95

NOTE 5 - Long Term Borrowings

	As at 31.03.2017	As at 31.03.2016
	Rs. lakhs	Rs. lakhs
A) Non-convertible debentures		
Unsecured (Refer footnote i, ii and iii (b) below)	**5000.00**	3000.00
B) Term loans in foreign currency from banks		
Secured (Refer footnote iii (a) below)	**2398.80**	1459.59
C) Term loans from others		
Secured (Refer footnote iii (c) below)	**-**	450.00
D) Other Loans in foreign currency from banks		
Secured (Refer footnote iii (d) below)	**2396.97**	-
E) Deferred payment liabilities		
Unsecured: Interest free Sales tax loan (Refer footnote iii (e) below)	**949.94**	1166.00
Per balance sheet	**10745.71**	6075.59

Footnotes:

i) 300, 9.93% privately placed non-convertible debentures of Rs.1,000,000 each, redeemable at par, on 3rd August, 2018.

ii) 200, 9.49% privately placed non-convertible debentures of Rs.1,000,000 each, redeemable at par, on 14th June, 2020.

iii) Details of repayment of Loans

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Particulars	Security	Terms of repayment	Number of installments outstanding	Rate of interest	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
a.	**Term loans in foreign currency from banks**						
	External commercial borrowings	Secured by hypothecation of charge on specified plant and machinery of the Company.	Quarterly installments completed in February 2017	-	Libor+274 bps to Libor + 350 bps	**-**	849.71
	External commercial borrowings	Secured by hypothecation of charge on specified plant and machinery of the Company.	Half yearly installments repaid prematurely in February 2017	-		**-**	3648.97
	External commercial borrowings	Secured by hypothecation of charge on specified plant and machinery of the Company.	Quarterly installments starting from February 4, 2019 to be completed in February 4, 2022	13	6.40%		
					Total	**2398.80**	4498.68
					Comprises of:		
					Long term borrowings	**2398.80**	1459.59
					Current maturities of long term borrowings	**-**	3039.09
b.	**Non-convertible debentures**	Unsecured	Redeemable at par, on 3rd August, 2018	1	9.93%	**3000.00**	3000.00
		Unsecured	Redeemable at par, on 14th June, 2020	1	9.49%	**2000.00**	-
					Total	**5000.00**	3000.00
					Comprises of:		
					Long term borrowings	**5000.00**	3000.00
					Current maturities of long term borrowings	**-**	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

c. Term loans from others

Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.	Half yearly structured installments starting from June 2015 to be completed in June 2017	1	11%	**450.00**	1350.00
				Comprises of:		
				Long term borrowings	**-**	450.00
				Current maturities of long term borrowings	**450.00**	900.00

d. Other loans in foreign currency from banks

Capex Buyer's Credit	Secured by hypothecation of/charge on specified plant and machinery of the Company.	Structured installments to be completed by June 2016	-	Libor + 270 bps to Libor + 290 bps	**-**	963.73
Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.	Completed in November 2016	-	Libor + 200 bps	**-**	2157.56
Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.	Quarterly installments starting from June 14, 2018 to be completed in December 14, 2021	15	5.95% to 6.00%	**2396.97**	-
				Total	**2396.97**	3127.29
				Comprises of:		
				Long term borrowings	**2396.97**	-
				Current maturities of long term borrowings	**-**	3127.29

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

e. Interest free Sales tax loan

Sales tax deferral scheme	Unsecured	Annual installments to be completed by May, 2025	9	-	**1165.99**	1383.81
				Comprises of:		
				Long term borrowings	**949.94**	1166.00
				Current maturities of long term borrowings	**216.05**	217.81

iv) For the amount of current maturities of long term borrowings, refer note 10 - Other current liabilities

NOTE 6 - Deferred Tax Asset / (Liability)

		Deferred tax asset / (liability) as at 31.03.2016 Rs. lakhs	**Credit / (charge) for the year Rs. lakhs**	**Deferred tax asset / (liability) as at 31.03.2017 Rs. lakhs**
Nature of timing difference				
a)	Deferred tax liability			
	Depreciation	(1647.85)	**(33.74)**	**(1681.59)**
	Sub - total	(1647.85)	**(33.74)**	**(1681.59)**
b)	Deferred tax asset			
	Provision for Gratuity	127.81	**(118.61)**	**9.20**
	Demerger expenses	1.99	**(1.99)**	**-**
	Provision for doubtful debts	137.41	**101.81**	**239.22**
	Voluntary retirement compensation	58.66	**(14.66)**	**44.00**
	Provision for compensated absence	254.46	**7.93**	**246.53**
	Sub - total	580.33	**41.38**	**538.95**
	Per balance sheet	(1067.52)	**(75.12)**	**(1142.64)**

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 7 - Other long term liabilities		
Security deposits	**557.46**	556.96
Income received in advance	**67.50**	157.50
Per balance sheet	**624.96**	714.46
NOTE 8 - Long term provisions		
Provisions for employee benefits:		
Compensated absences	**583.43**	540.57
Per balance sheet	**583.43**	540.57

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 9 - Short term borrowings		
a) Other Loans from banks:		
Secured (Refer footnote below)	**3000.00**	6000.00
b) Other Loans in foreign currency from banks:		
Secured (Refer footnote below)	**4582.61**	4463.00
c) Other Loans:		
Unsecured: Commercial papers	**7000.00**	6000.00
(Maximum balance outstanding during the year Rs. 8500 lakhs; 31.03.2016 Rs. 6000 lakhs)		
Per balance sheet	**14582.61**	16463.00

Footnote:

Secured by a pari passu charge on inventories and trade receivables, present and future.

NOTE 10 - Other current liabilities		
Current maturities of long-term debt (Refer footnote i below)		
- Term loans in foreign currency from banks	-	3039.09
- Interest free Sales tax loan	**216.05**	217.81
- Other Loans in foreign currency from banks	-	3127.29
- Term loans from others	**450.00**	900.00
Interest accrued but not due on borrowings	**402.00**	367.34
Security deposits	**301.00**	281.25
Income received in advance	**90.00**	81.00
Unpaid dividends (unclaimed) (refer footnote ii below)	**23.52**	17.61
Other Payables		
- Fixed assets	**65.54**	121.66
- Statutory dues	**704.34**	663.80
- Advances received	**142.61**	94.87
- Gratuity (Refer note 43)	**26.61**	369.31
- Gratuity in respect of Executive Chairman	**1.00**	1.00
Per balance sheet	**2422.67**	9282.03

Footnotes:

i. Refer footnotes (iii) in note 5 - Long term borrowings.

ii. There is no amount outstanding and due as at the balance sheet date to be credited to the Investor Education and Protection Fund.

NOTE 11 - Short term provisions		
a) Provisions for employee benefits:		
Compensated absences	**128.91**	194.69
Per balance sheet	**128.91**	194.69

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 12 - Fixed Assets

	GROSS BLOCK - AT COST				DEPRECIATION/ AMORTISATION				NET BLOCK
Description	Opening Balance As at 01.04.16	**Additions**	**Deductions**	**Closing Balance As at 31.03.17**	Opening Balance As at 01.04.16	**For the year**	**On Deductions**	**Closing Balance As at 31.03.17**	**As at 31.03.17**
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**
A. Tangible Assets									
Freehold land	60.00	**-**	**-**	**60.00**	-	**-**	**-**	**-**	**60.00**
Leasehold land	177.43	**-**	**-**	**177.43**	22.36	**-**	**-**	**22.36**	**155.07**
Buildings and flats	8326.00	**126.11**	**-**	**8452.11**	1728.97	**163.89**	**-**	**1892.86**	**6559.25**
Plant and equipment* (refer note 44)	42610.80	**1205.53**	**140.49**	**43675.84**	27619.31	**2483.77**	**118.44**	**29984.64**	**13691.20**
Furniture and fixtures	599.21	**23.06**	**-**	**622.27**	368.96	**95.61**	**-**	**464.57**	**157.70**
Office equipment	446.60	**275.95**	**-**	**722.55**	406.40	**44.05**	**-**	**450.45**	**272.10**
Electrical installations	895.55	**55.86**	**-**	**951.41**	794.36	**35.95**	**-**	**830.31**	**121.10**
Vehicles	519.52	**-**	**-**	**519.52**	342.81	**48.86**	**-**	**391.67**	**127.85**
Sub Total (A)	53635.11	**1686.51**	**140.49**	**55181.13**	31283.17	**2872.13**	**118.44**	**34036.86**	**21144.27**
B. Intangible Assets									
Computer Software	591.23	**-**	**-**	**591.23**	508.52	**52.90**	**-**	**561.42**	**29.81**
Sub Total (B)	591.23	**-**	**-**	**591.23**	508.52	**52.90**	**-**	**561.42**	**29.81**
Total (A) + (B)	54226.34	**1686.51**	**140.49**	**55772.36**	31791.69	**2925.03**	**118.44**	**34598.28**	**21174.08**
Capital work-in-progress									**705.08**
Per balance sheet.									**21879.16**

Footnotes:

1. Buildings and flats include:
   a. Shares in respect of residential premises of a cost of Rs. 2.25 lakhs (As at 31.03.2016 Rs. 2.25 lakhs) in a co-operative society which is in the process of being transferred in the name of the Company.
   b. Cost of shares of an aggregate face value of Rs. 750 (as at 31.03.2016 Rs. 750) in co-operative housing societies viz. 5 shares of Rs. 50 each in Vile Parle Vatika Co-operative Housing Society Limited, 5 shares of Rs. 50 each in The Ganesh Villa Co-operative Housing Society Limited and 5 shares of Rs. 50 each in Vinayak Bhavan Co-operative Housing Society Limited.
2. The title deeds/ leasehold right of Land and Buildings, having gross carrying amount aggregating Rs.61.40 lakhs and net carrying amount aggregating Rs. 59.76 lakhs as at 31.03.2017 (Previous year 31.03.2016 - gross carrying amount aggregating Rs.217.86 lakhs and net carrying amount agregating Rs. 200.69 lakhs), have been transferred to and vested in the Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Company is in process.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 12 - Fixed Assets (Previous Year)

Description	GROSS BLOCK - AT COST				DEPRECIATION/AMORTISATION				NET
	Opening Balance As at 01.04.15	Additions	Deductions	Closing Balance As at 31.03.16	Opening Balance As at 01.04.15	For the year	On Deductions	Closing Balance As at 31.03.16	As at 31.03.16
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
A. Tangible Assets									
Freehold land	60.00	-	-	**60.00**	-	-	-	-	**60.00**
Leasehold land	177.43	-	-	**177.43**	20.20	**2.16**	-	**22.36**	**155.07**
Buildings and flats	7148.72	**1177.28**	-	**8326.00**	1575.10	**153.87**	-	**1728.97**	**6597.03**
Plant and equipment* (refer note 44)	40786.16	**1901.05**	**76.41**	**42610.80**	25193.82	**2497.63**	**72.14**	**27619.31**	**14991.49**
Furniture and fixtures	576.40	**22.81**	-	**599.21**	287.47	**81.49**	-	**368.96**	**230.25**
Office equipment	440.93	**5.67**	-	**446.60**	393.72	**12.68**	-	**406.40**	**40.20**
Electrical installations	856.13	**39.42**	-	**895.55**	726.20	**68.16**	-	**794.36**	**101.19**
Vehicles	508.46	**61.20**	**50.14**	**519.52**	340.24	**52.71**	**50.14**	**342.81**	**176.71**
Sub Total (A)	50554.23	**3207.43**	**126.55**	**53635.11**	28536.75	**2868.70**	**122.28**	**31283.17**	**22351.94**
B. Intangible Assets									
Computer Software	547.00	**44.23**	-	**591.23**	463.45	**45.07**	-	**508.52**	**82.71**
Sub Total (B)	547.00	**44.23**	-	**591.23**	463.45	**45.07**	-	**508.52**	**82.71**
Total (A) + (B)	51101.23	**3251.66**	**126.55**	**54226.34**	29000.20	**2913.77**	**122.28**	**31791.69**	**22434.65**
Capital work-in-progress									**301.92**
Per balance sheet									**22736.57**

Footnotes:

1. Buildings and flats include:
   a. Shares in respect of residential premises of a cost of Rs. 2.25 Lakhs (as at 31.03.2016 Rs. 2.25 Lakhs) in a co-operative society which is in the process of being transferred in the name of the Company.
   b. Cost of shares of an aggregate face value of Rs. 750 (as at 31.03.2016 Rs. 750) in co-operative housing societies viz. 5 shares of Rs. 50 each in Vile Parle Vatika Co-operative Housing Society Limited, 5 shares of Rs. 50 each in The Ganesh Vil
2. Borrowing cost capitalised during the year Rs. Nil Lakhs (year ended 31.03.2014 Rs. 172.86 Lakhs).
3. During the year the Company has done componentization of its Plant and Machinery. The depreciation expense in the statement of Profit and Loss for the year is higher by Rs. 411.63 Lakhs consequent to the same.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs. lakhs	Rs. lakhs	As at 31.03.2016 Rs. lakhs	Rs. lakhs
NOTE 13 - Non Current Investments				
A. Trade				
1. Investments in Equity Instruments				
a) of subsidiaries				
Quoted				
SNL Bearings Limited				
2,652,762 (as at 31.03.2016 2,652,762) Shares of Rs. 10 each fully paid-up	**239.67**		239.67	
Unquoted				
NRB Bearings (Thailand) Limited				
10,999,994 (as at 31.03.2016 10,999,994) Shares of THB 10 each fully paid-up	**1640.56**		1640.56	
NRB Bearings Europe GmbH				
25,000 (as at 31.03.2016 25,000) Shares of EUR 1 each fully paid-up	**20.48**		20.48	
b) of other entities				
Quoted				
Indusind Bank Limited				
8,541 (as at 31.03.2016 8,541) Shares of Rs. 10 each fully paid-up	**0.98**		0.98	
Eicher Motors Limited				
600 (as at 31.03.2016 600) Shares of Rs. 10 each fully paid-up	**0.06**		0.06	
Hero Motocorp Limited (formerly known as Hero Honda Motors Limited)				
6,250 (as at 31.03.2016 6,250) Shares of Rs. 2 each fully paid-up	**0.05**		0.05	
		1901.80		1901.80
B. Non -Trade				
1. Investments in Equity Instruments				
Unquoted				
21st Century Battery Limited				
10,000 (as at 31.03.2016 10,000) shares of Rs. 10 each fully paid-up	**1.00**		1.00	
Less: Provision for diminution in value	**1.00**		1.00	
		-		-
2. Investments in Mutual funds				
Unquoted				
DSP Black Rock Equity Fund				
50,000 (as at 31.03.2016 50,000) units of Rs. 10 each fully paid-up	**5.00**		5.00	
		5.00		5.00
Per balance sheet		**1906.80**		1906.80
Aggregate amount of quoted investments [market value Rs. 6705.30 lakhs (as at 31.03.2016: Rs. 4376.89 lakhs)]		**240.76**		240.76
Aggregate amount of unquoted investments		**1666.04**		1666.04
		1906.80		1906.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017 Rs. lakhs		As at 31.03.2016 Rs. lakhs
NOTE 14 - Long term loans and advances			
(Unsecured, considered good)			
Capital Advances	**945.41**		643.95
Inter - corporate deposits to related parties	**832.00**		906.79
Security deposits	**446.36**		343.40
Loans and advances to employees	**-**		5.21
Prepaid expenses	**34.88**		2.24
Balance with government authorities	**684.57**		993.29
Advance sales tax	**517.92**		419.11
Income taxes paid (net of provision for tax Rs. 18062.31 lakhs (As at 31.03.2016 Rs. 16220.75 lakhs))	**1606.25**		1124.91
Per balance sheet	**5067.39**		4438.90
NOTE 15 - Other non current assets			
Interest receivable - Related party	**97.66**		-
Per balance sheet	**97.66**		-
NOTE 16 - Current investments			
(At cost)			
Current portion of long-term investments			
Investments in preference shares of subsidiary Company			
Unquoted			
SNL Bearings Limited			
Nil (As at 31.03.2016 1,000,000 11% Cumulative redeemable preference shares of Rs. 2.5 each) was considered as current investments	-		25.00
Per balance sheet	-		25.00

Footnote:

The Company had in its Board meeting dated 22nd May, 2014, accepted the proposal of its Subsidiary to change the redemption terms of Preference Shares, earlier scheduled to be fully redeemed on 18th June, 2014. As per the revised terms, Rs. 150 lakhs was redeemed on 18th June, 2014 and the balance of Rs 50 lakhs was redeemed equally over the period of two years on 18th June, 2015 and 18th June, 2016 with an enhanced coupon rate of 11% p.a. effective 18th June, 2014 till its redemption. Accordingly, investment of Rs 25 lakhs in Preference Shares of Subsidiary was classified as Current.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2017		As at 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 17 - Inventories			
(at lower of cost and net realisable value)			
(a) Raw materials	**4861.03**	3920.11	
Goods-in-transit	**320.96**	57.43	
	5181.99		3977.54
(b) Work-in-progress	**3525.76**		2936.57
(c) Finished goods	**4260.07**		4087.57
(d) Stores and spares	**2807.69**		2110.50
Per balance sheet	**15775.51**		13112.18
Footnotes:			
i) Raw Materials comprise of:			
Steel	**3203.48**	2344.17	
Brass	**56.78**	14.01	
Components	**1760.74**	1465.00	
Packing materials	**160.99**	154.36	
TOTAL	**5181.99**	3977.54	
ii) Work-in-progress comprise of:			
Loose needle rollers	**66.25**	86.69	
Needle roller bushes & cages	**110.04**	127.47	
Ball & roller bearings	**89.83**	113.53	
Automobile components	**26.51**	13.41	
Manufactured Components	**3233.13**	2595.47	
TOTAL	**3525.76**	2936.57	
iii) Finished goods comprise of:			
Loose needle rollers	**330.32**	416.52	
Needle roller bushes & cages	**1202.70**	1191.49	
Ball & roller bearings	**2047.38**	1854.07	
Automobile components	**679.67**	625.49	
TOTAL	**4260.07**	4087.57	
NOTE 18 - Trade receivables			
Trade receivables outstanding for a period exceeding six months from the date they were due for payment:			
Secured, considered good	**53.54**	21.34	
Unsecured, considered good	**5581.94**	6375.19	
Unsecured, considered doubtful	**691.24**	397.06	
	6326.72	6793.59	
Provision for doubtful debts	**691.24**	397.06	
	5635.48		6396.53
Other trade receivables:			
Secured, considered good	**141.08**	142.64	
Unsecured, considered good	**17858.01**	17225.88	
	17999.09		17368.52
Per balance sheet	**23634.57**		23765.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		As at 31.03.2017		As at 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 19 - Cash and cash equivalents				
Cash on hand		**2.57**		2.70
Cheques on hand		-		21.48
Balances with banks:				
In current accounts		**1942.37**		1661.27
In EEFC account		**89.82**		16.25
In other deposit account		-		1305.72
Other Bank balances				
In earmarked accounts:				
Margin money deposit (FDs pledged with Banks)		**75.42**		58.57
Unpaid dividend accounts		**23.52**		17.61
Per balance sheet		**2133.70**		3083.60
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is		**2034.76**		3007.42
NOTE 20 - Short term loans and advances				
(Unsecured, considered good)				
Inter - corporate deposits to related parties		**741.57**		1345.04
Loans and advances to employees		**92.50**		67.59
Prepaid expenses		**331.68**		336.45
Balance with government authorities		**1132.53**		1353.00
Loans and advances				
Related parties		**98.06**		465.49
Others (Advances to suppliers, export incentive receivable and taxes recoverable)		**984.74**		740.62
Per balance sheet		**3381.08**		4308.19
NOTE 21 - Other current assets				
Interest receivable				
- Related parties		**107.11**		158.60
- Other		**2.66**		11.47
Per balance sheet		**109.77**		170.07
NOTE 22 - Revenue from operations				
Sale of products		**76801.88**		71392.16
Other operating revenues:				
Sale of scrap	**504.14**		499.67	
Duty drawback and export incentives	**326.50**		269.11	
		830.64		768.78
Revenue from operations (gross)		**77632.52**		72160.94
Less: Excise Duty		**6762.58**		6241.26
Per statement of profit and loss		**70869.94**		65919.26

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		As at 31.03.2017		As at 31.03.2016
	Rs. lakhs	**Rs. lakhs**	Rs. lakhs	Rs. lakhs
Revenue from operations comprise of:				
Loose needle rollers	**2891.79**		2860.12	
Needle roller bushes & cages	**28662.50**		27350.78	
Ball & roller bearings	**26249.88**		24545.65	
Automobile components	**12235.13**		10394.35	
	70039.30		65150.90	
Other operating revenues	**830.64**		768.78	
Total	**70869.94**		65919.68	
NOTE 23 - Other income				
Dividend income				
From long term investments				
- Trade	**228.96**		233.38	
- Others	**2.65**		2.80	
		231.61		236.18
Net gain on foreign currency transactions and translation		-		310.65
Profit on sale of fixed assets (net)		**8.99**		19.15
Rent		**115.63**		109.37
Provision for doubtful debts no longer required		**-**		56.71
Refund of duty *		**580.00**		-
Other non-operating income		**22.81**		23.71
Per statement of profit and loss		**959.04**		755.77
* (Represents refund of taxes and duty received by the Company under the Package Scheme of Incentives -2007)				
NOTE 24A - Cost of materials consumed				
Opening Stock		**3977.54**		4892.03
Add: Purchases		**31719.52**		26461.06
		35697.06		31353.09
Less: Closing stock		**5181.99**		3977.54
Per statement of profit and loss		**30515.07**		27375.55
Materials consumed comprise of:				
Steel	**6552.58**		5302.98	
Brass	**165.53**		55.30	
Components	**21982.90**		20448.77	
Packing Material	**1814.06**		1568.50	
Total	**30515.07**		27375.55	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		As at 31.03.2017		As at 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 24B - Changes in inventories of finished goods and work - in - progress				
Opening stocks:				
Finished goods		**4087.57**		4643.65
Work - in - progress		**2936.57**		3206.03
		7024.14		7849.68
Closing stocks:				
Finished goods		**4260.07**		4087.57
Work - in - progress		**3525.76**		2936.57
		7785.83		7024.14
Per statement of profit and loss - Net (increase) / decrease		**(761.69)**		825.54
NOTE 25 - Employee benefit expenses				
Salaries and wages		**10040.95**		9473.11
Contribution to provident and other funds (Refer Note 43)		**597.76**		962.31
Staff welfare		**941.28**		876.71
Voluntary retirement compensation		**-**		211.87
Per statement of profit and loss		**11579.99**		11524.00
NOTE 26 - Finance costs				
Interest				
On fixed loans	**709.46**		817.00	
On others	**876.92**		765.31	
		1586.38		1582.31
Other borrowing costs		**42.73**		125.14
		1629.11		1707.45
Less: Interest income				
From banks on deposits	**9.09**		8.19	
On loans and advances	**149.84**		251.09	
		158.93		259.28
Per statement of profit and loss		**1470.18**		1448.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		As at 31.03.2017		As at 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 27 - Other expenses				
Consumption of stores and spare parts		**5724.01**		4934.07
Processing charges		**1696.98**		1324.13
Power and fuel		**2428.16**		2616.80
Repairs and maintenance -				
Buildings	**334.94**		208.85	
Plant and machinery	**284.03**		286.37	
Others	**54.24**		73.45	
		673.21		568.67
Insurance		**135.26**		133.81
Rent		**95.66**		7.59
Rates and taxes		**117.67**		83.95
Legal and professional fees		**685.33**		557.18
Directors' fees and commission		**29.28**		9.65
Commission on sales		**686.09**		709.68
Sales discount		**200.83**		214.16
Travelling and conveyance		**629.49**		572.76
Postage, telephone and fax		**59.12**		76.47
Bank charges		**29.56**		42.94
Advertisement and sales promotion expenses		**332.90**		472.45
Forwarding charges		**2451.20**		1897.81
Provision for doubtful debts		**294.18**		-
Lease rent (Refer Note 35)		**69.30**		75.39
IT expenses		**462.67**		347.81
Excise duty on Increase/ (decrease) in inventories of finished goods		**71.42**		239.26
Net loss on foreign currency transactions and translation		**444.96**		-
Auditors' remuneration (see footnote i below)		**58.17**		59.49
Expenditure on Corporate Social Responsibility (see footnote ii below)		**128.90**		105.00
Miscellaneous expenses		**1575.84**		1157.82
Per statement of profit and loss		**19080.19**		16206.89
Footnote:				
i) Details of Auditors' Remuneration:				
(excluding service tax)				
Audit fees	**32.00**		32.00	
Report under section 44AB of the Income-tax Act, 1961	**4.25**		4.25	
Taxation matters	-		1.50	
Other services	**21.25**		21.25	
Reimbursement of expenses	**0.67**		0.49	
Total	**58.17**		59.49	
ii) Details of Expenditure on Corporate Social Responsibility:				
Gross amount required to be spent during the year		**128.48**		122.60
Amount spent and paid during the year		**128.90**		105.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 28 - Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

a) No amounts were due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest.

b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.

d) No interest was accrued and unpaid at the end of the accounting year.

e) No further interest remaining due and payable even in the suceeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been relied upon by the Auditors.

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 29 - Contingent liabilities not provided for:		
a) Income Tax	**1823.42**	1712.53
b) Sales Tax	**283.03**	316.30
c) Bank guarantees	**103.41**	114.73
d) Stand by letter of credit given to bank on behalf of a subsidiary Company	**1150.00**	1150.00
e) Corporate guarantees issued on behalf of subsidiary company/group Company	**417.00**	2630.22
The Company is in further appeal in respect of matters stated in a) and b) above		
NOTE 30		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**2072.14**	2808.03

	Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
NOTE 31 - The amount of exchange differences (net):		
(credited) / debited to the statement of profit and loss is	**444.96**	(310.65)
NOTE 32 - Expenditure on research and development:		
(i) Charged to the statement of profit & loss	**966.61**	809.85
(ii) Capitalized to fixed asset	**18.99**	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 33 - Segment reporting

The Company has a single reportable business segment namely bearings for the purpose of Accounting Standard 17 on Segment Reporting.

Geographical Segment information is given as follows:

	Rs. lakhs Within India	Rs. lakhs Outside India	Rs. lakhs Total
Revenue from operations	**56049.53**	**14820.41**	**70869.94**
	(52435.40)	(13484.28)	(65919.68)
Total Assets	**52986.07**	**20999.87**	**73985.94**
	(50552.20)	(22994.16)	(73546.36)
Additions to fixed assets	**1686.51**	**-**	**1686.51**
	(3251.66)	(-)	(3251.66)

Footnote:
Figures in brackets are in respect of the previous year.

NOTE 34 - Related Party Disclosures:

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

Sr.no	Nature of relationship	Names of related parties
(a)	Subsidiaries	SNL Bearings Limited NRB Bearings (Thailand) Limited NRB Bearings Europe GmbH
(b)	Individual having substantial interest in the voting power and the power to direct by agreement, the financial and operating policies of the Company.	Mr. T. S. Sahney, Chairman
(c)	Key management personnel	Ms. H. S. Zaveri, Vice Chairman & Managing Director Mr. S. C. Rangani, Executive Director & Company Secretary
(d)	A firm where chairman is a partner	New Indo Trading Company
(e)	A Company wherein Mr. T. S. Sahney, Chairman and Ms. H. S. Zaveri, Vice Chairman & Managing Director are directors and shareholders having Management Control.	NRB Industrial Bearings Limited

B) Related Party Transactions:

Name of the related parties	Nature of Transactions	Volume of Transactions Rs. lakhs	Receivable as at 31.03.17 Rs. lakhs	Payable as at 31.03.17 Rs. lakhs
SNL Bearings Limited	Sale of raw materials	**17.23** (29.29)		
	Purchase of raw materials /fixed assets etc.	**2001.08** (1832.08)	**-** (-)	**425.09** (395.02)
	Proceeds from redemption of cumulative redeemable preference shares	**25.00** (25.00)		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NRB Bearings (Thailand) Limited	Sale of raw materials / fixed assets	**633.45** (690.99)	**3947.15** (4372.97)	- (-)
	Purchase of raw materials	**2089.22** (1673.15)		
	Trade receivable and Advances converted into Inter Corporate deposit	- (1806.39)		
	Inter Corporate deposit repayment received	**388.49** (64.40)		
	Interest received on Inter Corporate deposit	**141.18** (182.39)		
	Guarantee given by NRB Bearings Ltd.	- (-)	**1150.00** (1150.00)	- (-)
NRB Industrial Bearings Limited	Sale of raw materials	**151.37** (98.23)		
	Purchase of raw materials	**6.97** **-**	**40.65** (258.66)	**-** (-)
	Inter Corporate deposit repayment received	**250.00** (972.00)		
	Interest received on Inter Corporate deposit	**5.77** (73.56)		
	Guarantee given by NRB Bearings Ltd.	**-** **(-)**	**417.00** (2630.22)	**-** (-)
NRB Bearings Europe GmbH	Sales promotion expenses	**159.93** (270.22)	- (-)	**65.34** (87.07)
Mr. T. S. Sahney	Remuneration	**175.43** (154.97)	- (-)	**41.49** (45.98)
Ms. H. S. Zaveri	Remuneration	**286.70** (283.39)	- (-)	**51.03** (45.98)
Mr. S. C. Rangani	Remuneration	**80.73** (77.96)	- (-)	**-** (-)
New Indo Trading Company	Service Charges Paid	**5.00** (5.00)	**-** (-)	**-** (1.23)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

C) Additional disclosure pursuant to Circular CRD/GEN/2003/1 dated February 6, 2003 of The Stock Exchange, Mumbai

Name	Balance as at 31.03.2017 Rs. lakhs	Maximum amount outstanding during the year ended 31.03.2017 Rs. lakhs
Loans and advances in the nature of loans to subsidiary / group companies-		
NRB Industrial Bearings Limited	**-** (250.00)	**250.00** (1222.00)
NRB Bearings (Thailand) Limited	**1573.57** (2001.83)	**2024.41** (2056.25)

Footnote:

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

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 year.

iii) Dividend paid/received has not been considered by the Company as a transaction falling under the purview of Accounting Standard 18 "Related Party Disclosures".

NOTE 35 - Lease Rentals

The Company has taken certain vehicles on operating lease. Lease rental charged to the statement of profit and loss for the year ended 31.03.2017 aggregated Rs. 69.30 lakhs (for the year ended 31.03.2016: Rs.75.39 lakhs). The minimum lease payments to be made in future as at the year end, in respect of non-cancellable lease are follows:

		Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
(i)	For a period not later than one year	**57.80**	53.83
(ii)	For a period later than one year and not later than five years	**95.43**	99.88
(iii)	For a period later than five years	-	-

NOTE 36 - Value used in calculating Earnings Per Share

(i)	Profit after tax (Rs. in lakhs)	**5103.52**	4598.30
(ii)	Number of Equity Shares	**96922600**	96922600
(iii)	Par value per share (Rs.)	**2**	2
(iv)	Earnings per share - Basic and diluted (Rs.)	**5.27**	4.74

NOTE 37 - Value of imported and indigenous materials consumed

	Year ended 31.03.2017		Year ended 31.03.2016	
	Rs. lakhs	**Percentage (%)**	Rs. lakhs	Percentage (%)
Imported	**8552.93**	**28**	7451.47	27
Indigenous	**21962.14**	**72**	19924.08	73
TOTAL	**30515.07**	**100**	27375.55	100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 38 - Value of imported and indigenous Stores & spare parts consumed

	Year ended 31.03.2017 Rs. lakhs	Percentage (%)	Year ended 31.03.2016 Rs. lakhs	Percentage (%)
Imported	**719.64**	**13**	599.56	12
Indigenous	**5004.37**	**87**	4334.51	88
TOTAL	**5724.01**	**100**	4934.07	100

		Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
NOTE 39 - CIF value of imports			
i)	Raw materials and components	**7383.39**	6068.64
ii)	Stores and spare parts	**1005.57**	700.52
iii)	Capital Goods	**73.46**	5.89
NOTE 40 - Expenditure in foreign currency			
i)	Foreign travel	**234.18**	229.56
ii)	Commission on exports	**228.48**	260.49
iii)	Interest	**360.87**	578.12
iv)	Salary	-	31.75
v)	Professional fees	**266.87**	281.69
vi)	Freight and forwarding charges	**737.28**	578.22
vii)	Sales promotion expenses	**154.28**	313.45
NOTE 41 - Earnings in foreign exchange:			
i)	Export of goods calculated on F.O.B basis	**12149.20**	12673.80
ii)	Reimbursement of insurance and freight on exports	**301.22**	253.66

NOTE 42 - Financial and Derivative Instruments

i) Forward Exchange Contracts entered into by the Company that are outstanding as at 31.03.2017:

Currency	Amount in foreign currency	Buy/Sell	Cross Currency
USD	**70000**	**Buy**	**INR**
	(14588)	(Buy)	(INR)
EURO	**37493**	**Buy**	**INR**
	(-)		
JPY	**11652719**	**Buy**	**USD**
	(-)		
USD	**3110000**	**Sell**	**INR**
	(2744000)	(Sell)	(INR)
EURO	**1136000**	**Sell**	**INR**
	(787750)	(Sell)	(INR)

These Forward Foreign Exchange Contracts are entered into for hedging purposes and not for speculation purposes

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii) Interest rate swaps to hedge against fluctuations in interest rate changes: No. of contracts: 3 (as at 31.3.2016: 2)

iii) Foreign currency exposures that have not been hedged by a derivative instrument or other wise outstanding as at 31.03.2017:

		Currency	Amount	Equivalent Rs. lakhs as at year end
a)	Amount receivable in foreign currency :			
	Export of goods	USD	**10080101**	**6533.92**
			(10573765)	(7015.16)
		EURO	**7694049**	**5322.74**
			(8027379)	(6023.75)
	Inter - corporate deposits to related parties	THB	**-**	**-**
			(10000000)	(188.37)
		USD	**2427508**	**1573.57**
			(2733992)	(1813.87)
	Balance with government authorities	EURO	**1816545**	**1256.69**
			(2228576)	(1673.22)
	Interest receivable on Inter Corporate Deposit	THB	**-**	**-**
			(315192)	(5.93)
		USD	**316317**	**205.07**
			(239093)	(158.60)
b)	Amounts payable in foreign currency :			
	Import of goods	JPY	**116341452**	**673.38**
			(93698022)	(553.66)
		EURO	**888945**	**615.33**
			(618642)	(464.48)
		USD	**343314**	**222.58**
			(518933)	(344.25)
		CHF	**16664**	**10.79**
			(84778)	(58.23)
	Capital Imports	EURO	**3841**	**2.65**
			(4000)	(2.71)
	Loans payable	USD	**7655184**	**4963.04**
			(14718272)	(9764.84)
		EURO	**6379141**	**4415.33**
			(1770000)	(1328.92)

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 43 - Employee Benefits :

1) Defined contribution plans

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

		Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
i)	Employer's Contribution to Provident Fund	**349.23**	332.60
ii)	Employer's Contribution to Family Pension Fund	**120.24**	135.70
iii)	Employer's Contribution to Superannuation Fund	**101.68**	120.14
iv)	Employer's Contribution to Social Security Fund	**-**	5.16

2) **Defined Benefit Plans :**

a) Gratuity- as per actuarial valuation as at the year end (based on Projected Unit Benefit Method)

Particulars	**2016 - 2017 Rs. lakhs**	2015 - 2016 **Rs. lakhs**
i) Components of employer expenses		
a) Current Service cost	**142.59**	129.79
b) Interest cost	**220.92**	200.74
c) Expected return on plan assets	**(192.02)**	(184.44)
d) Actuarial Losses/ (Gains)	**(144.88)**	223.22
Total expenses recognised in the Statement of Profit and Loss	**26.61**	369.31
ii) Actual Contribution and Benefit Payments for year		
a) Actual benefit payments	**250.32**	193.05
b) Actual Contributions	**369.31**	204.82
iii) Change in Defined Benefit Obligations (DBO) during the year		
a) Present Value of DBO at the beginning of the year	**2820.49**	2520.47
b) Current Service cost	**142.59**	129.79
c) Interest cost	**220.92**	200.74
d) Actuarial Losses/ (Gains)	**(16.41)**	162.54
e) Benefits paid	**(250.32)**	(193.05)
Present Value of DBO at the end of the year	**2917.27**	2820.49
iv) Change in Fair Value of Assets during the year		
a) Plan assets at beginning of the year	**2451.18**	2315.65
b) Expected return on plan assets	**192.02**	184.44
c) Actuarial (Losses)/ Gains	**128.47**	(60.68)
d) Actual Company contributions	**369.31**	204.82
e) Fair Value of benefits paid	**(250.32)**	(193.05)
Fair value of plan assets at the end of year	**2890.66**	2451.18
v) Contribution expected to be paid next year	**182.21**	290.84
vi) Actuarial Assumptions		
a) Discount Rate	**7.09% - 7.39%**	7.79% - 7.86%
b) Expected rate of return on Plan assets	**7.09% - 7.39%**	7.79% - 7.86%
c) Salary escalation	**6% - 10%**	6% - 10%
d) Mortality Table	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality(2006-08)
e) Attrition rate	**2% - 11%**	2% - 10%
vii) The major categories of plan assets - Insurer Managed Funds	**100%**	100%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	**As at 31.03.2017 Rs. lakhs**	As at 31.03.2016 Rs. lakhs	As at 31.03.2015 Rs. lakhs	As at 31.03.2014 Rs. lakhs	As at 31.03.2013 Rs. lakhs
viii) Net asset/(liability) recognised in balance sheet					
a) Defined Benefit Obligation	**(2917.27)**	(2820.49)	(2520.47)	(2156.22)	(2043.32)
b) Fair Value of Plan assets	**2890.66**	2451.18	2315.65	2043.37	1675.16
c) Net asset/(liability) recognised in balance sheet	**(26.61)**	(369.31)	(204.82)	(112.85)	(368.16)
d) Experience adjustment arising on :					
1) Plan Liabilities [Losses / (Gains)]	**(100.33)**	142.15	59.60	97.29	67.91
2) Plan Assets [(Losses) / Gains]	**128.47**	(60.68)	174.75	(22.27)	(62.36)

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, take account of inflation, seniority, promotion, increment and other relevant factors.

(iii) The discount rate is based on prevailing market yield of government of India security as at the Balance sheet date for the estimated term of the obligation.

b) Compensated Expenses

(i) Compensated Expenses recognised in the statement of profit and loss for the year, under employee benefit expense, is Rs.139.44 lakhs (for the year ended 31.03.2016 : Rs. 157.97 lakhs).

(ii) Actuarial Assumptions used:

	As at 31.03.2017	As at 31.03.2016
a) Discount Rate	**7.09% - 7.39%**	7.79% - 7.86%
b) Expected rate of return on Plan assets	**7.09% - 7.39%**	7.79% - 7.86%
c) Salary escalation	**6% - 10%**	6% - 10%
d) Mortality Table	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
e) Attrition rate	**2% -11%**	2% -10%

NOTE 44 -

Pursuant to the notification issued by the Central Government extending the applicability of amendment to Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates' upto March 31, 2020, which provides an option for adjustment of foreign exchange gain / loss arising on long term foreign currency borrowings against the carrying value of related fixed assets, the Company has continued to exercise the option and has adjusted exchange loss aggregating Rs. 4.99 lakhs (for the year ended 31.03.2016 : Rs. 503.90 lakhs) against the carrying value of fixed assets. The balance amount, based on aforesaid adjustments, of plant and machinery to be amortised, as at the year-end, aggregates Rs. 1436.14 lakhs (for the year ended 31.03.2016 : Rs. 1639.76 lakhs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 45 -

Specified Bank Notes (SBNs) and other denominations held and transacted during the period from November 8, 2016 to December 30, 2016, is given below as per MCA notification G.S.R 308(E) dated March 30, 2017:

(Rupees in lakhs)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1.42	1.29	2.71
(+) Permitted receipts	-	4.64	4.64
(-) Permitted payments	-	4.52	4.52
(-) Amount deposited in Banks	1.42	0.02	1.44
Closing cash in hand as on 30.12.2016	-	1.39	1.39

* For the purpose of this clause, the term "Specified Bank notes" shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated 8th November, 2016

NOTE 46 -

Previous year figures have been regrouped / re-stated wherever necessary.

Signature to Notes

For and on behalf of the Board of Directors

T. S. Sahney — Chairman

H. S. Zaveri — Vice Chairman & Managing Director

Tashwinder Singh

A. A. Gowariker

Ashank Desai **Rustom Desai** **D. S. Sahney**

Directors

Tanushree Bagrodia — Chief Financial Officer

S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NRB BEARINGS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of NRB BEARINGS LIMITED (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting 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.

We conducted our audit 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the wholly owned subsidiaries referred to in Other Matters paragraph below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31stMarch, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements oftwowholly owned subsidiaries, whose financial statements reflect total assets of Rs.4333.33 lakhs as at 31st March, 2017, total revenues of Rs.3238.45 lakhs and net cash inflows amounting to Rs.52.58 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these wholly owned subsidiariesand our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the wholly owned subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statementsand our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of wholly owned subsidiaries referred in the Other Matters paragraph above 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those book and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31stMarch, 2017 taken on records by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2017 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding Company and subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and subsidiary company's incorporated in India 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 29 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of account maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities.

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

Saira Nainar
(Partner)
(Membership No. 040081)

Mumbai, 26th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **NRB BEARINGS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary company which is incorporated in India, which has been audited by us, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is incorporated in India, are 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 (ICAI). 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which is incorporated in India, 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 Act, 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 for Holding Company and its subsidiary Company incorporated in India, which is audited by us, is sufficient and appropriate to provide a basis for our audit opinion on the 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.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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.

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

Saira Nainar
Partner
(Membership No. 040081)

Mumbai, 26th May, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.		As at 31.03.2017		As at 31.03.2016
		Rs. lakhs	**Rs. lakhs**	Rs. lakhs	Rs. lakhs
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2		**1938.45**		1938.45
(b) Reserves and Surplus	3		**29768.97**		25977.71
(c) Minority interest					
(i) Share capital		**95.88**		95.88	
(ii) Reserves and surplus					
- Brought forward balance		**311.79**		193.61	
- Transferred from consolidated statement of profit & loss		**140.13**		118.18	
		451.92	**547.80**	311.79	407.67
			30316.77		26385.38
			32255.22		28323.83
(2) Non-Current Liabilities					
(a) Long term borrowings	4	**10749.49**		6180.20	
(b) Deferred tax liabilities (Net)	5	**1269.48**		1174.30	
(c) Other Long term liabilities	6	**624.96**		714.46	
(d) Long term provisions	7	**621.74**		575.97	
			13265.67		8644.93
(3) Current Liabilities					
(a) Short term borrowings	8	**15724.56**		17541.40	
(b) Trade payables					
(i) Total outstanding dues of micro and small enterprises		**1.39**		3.70	
(ii) Total outstanding dues of creditors other than micro and small enterprises		**10458.87**		8984.47	
(c) Other current liabilities	9	**2434.11**		9381.97	
(d) Short-term provisions	10	**141.01**		316.35	
			28759.94		36227.89
Total			**74280.83**		73196.65
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	11				
(i) Tangible assets		**24598.32**		25805.78	
(ii) Intangible assets		**48.63**		92.03	
(iii) Capital work-in-progress		**881.50**		483.53	
		25528.45		26381.34	
(b) Goodwill arising on consolidation		**47.75**		47.75	
(c) Non-current investments	12	**6.09**		6.09	
(d) Long term loans and advances	13	**4346.37**		2237.43	
			29928.66		28672.61
(2) Current assets					
(a) Current Investment	14	**106.73**			
(b) Inventories	15	**17227.95**		14471.06	
(c) Trade receivables	16	**22119.64**		22594.71	
(d) Cash and Cash Equivalents	17	**2261.91**		3203.24	
(e) Short-term loans and advances	18	**2633.28**		4249.50	
(f) Other current assets	19	**2.66**		5.23	
			44352.17		44524.04
Total			**74280.83**		73196.65

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

Saira Nainar

Partner

Mumbai: 26th May, 2017

T. S. Sahney — Chairman

H. S. Zaveri — Vice Chairman & Managing Director

Tashwinder Singh

A. A. Gowariker

Ashank Desai **Rustom Desai** **D. S. Sahney**

Directors

Tanushree Bagrodia — Chief Financial Officer

S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Particulars	Note No.	Rs. lakhs	For the Year ended 31.03.2017 Rs. lakhs	Rs. lakhs	For the Year ended 31.03.2016 Rs. lakhs
I.	Revenue from operations (gross)		**79686.96**		73878.78	
	Less: Excise duty		**6927.58**		6385.09	
	Revenue from operations (net)	20		**72759.38**		67493.69
II.	Other Income	21		**776.85**		238.65
III.	**TOTAL REVENUE (I +II)**			**73536.23**		67732.34
IV.	**EXPENDITURE**					
	Cost of material consumed	22		**27972.67**		25165.98
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23		**(776.71)**		813.89
	Employee benefit expense	24		**13022.16**		12839.12
	Finance costs	25		**1685.22**		1700.98
	Depreciation and amortization expense	11		**3232.80**		3194.50
	Other expenses	26		**20609.15**		17628.58
	Total Expenses			**65745.29**		61343.05
V.	**PROFIT BEFORE TAX (III - IV)**			**7790.94**		6389.29
VI.	Tax expense:					
	- Current tax		**2200.03**		2124.65	
	- In respect of earlier years		**(42.12)**		(25.26)	
	Net current tax expense		**2157.91**		2099.39	
	- Deferred tax		**95.18**		(28.06)	
	Net deferred tax (income)/expense		**95.18**		(28.06)	
				2253.09		2071.33
VII.	**PROFIT FOR THE YEAR (V - VI)**			**5537.85**		4317.96
	Parent Company's share			**5397.72**		4199.78
	Minority			**140.13**		118.18
	Earnings per share (of Rs. 2 each) (Refer note 36)					
	Basic, as well as diluted (In Rs.)			**5.57**		4.33

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

Saira Nainar
Partner

T. S. Sahney — Chairman
H. S. Zaveri — Vice Chairman & Managing Director
Tashwinder Singh
A. A. Gowariker
Ashank Desai
Rustom Desai
D. S. Sahney
Directors
Tanushree Bagrodia — Chief Financial Officer
S. C. Rangani — Executive Director & Company Secretary

Mumbai: 26th May, 2017

Mumbai: 26th May, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

		Rs. lakhs	Year ended 31.03.2017 Rs. lakhs	Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	NET PROFIT BEFORE TAX		**7790.94**		6389.29
	Adjustments for:				
	Depreciation/amortisation	**3232.80**		3194.50	
	Foreign exchange loss unrealised	**(149.68)**		(370.85)	
	Finance cost (net)	**1685.22**		1700.98	
	Dividend income	**(8.47)**		(5.62)	
	(Profit)/Loss on sale of fixed assets (net)	**0.77**		(12.44)	
	Receivables written off	**-**		3.19	
	Provision for doubtful debts no longer required	**297.00**		(56.71)	
	Foreign currency translation	**(1.98)**		34.31	
			5055.66		4487.36
			12846.60		10876.65
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS				
	Changes in working capital:				
	Adjustment for (increase)/ decrease in operating assets				
	- Trade receivables	**134.51**		(1933.24)	
	- Short-term loans and advances	**1275.71**		232.57	
	- Long-term loans and advances	**(1368.16)**		3.19	
	- Other non-current assets	**-**		-	
	- Inventories	**(2756.89)**		1953.65	
	Adjustment in increase/ (decrease) in operating liabilities				
	- Other long term liabilities	**(89.50)**		(38.50)	
	- Trade payables	**1508.72**		20.76	
	- Other long term provision	**45.77**		(1.58)	
	- Other short term provision	**(65.69)**		74.59	
	- Other current liabilities	**(352.22)**		102.90	
			(1667.75)		414.34
NET CASH GENERATED FROM OPERATIONS			**11178.85**		12290.99
	Direct taxes paid (net of refund)		**(2640.12)**		(2102.17)
	NET CASH FROM OPERATING ACTIVITIES		**8538.73**		9188.82
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of fixed assets (including adjustments on account of capital advances)		**(2785.16)**		(1918.80)
	Sale of fixed assets		**42.13**		26.07
	Current investments		**(106.73)**		-
	Margin Money deposits placed		**(16.85)**		(40.60)
	Inter corporate deposit from/ (to) group Company		**250.00**		972.00
	Dividend income		**8.47**		5.62
	NET CASH USED IN INVESTING ACTIVITIES		**(2608.14)**		(955.71)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

		Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from long term borrowings	**6995.36**	3028.16
	Proceeds from short term borrowings (net)	**(1720.53)**	(1435.66)
	Repayment of long term borrowings	**(9014.04)**	(4335.40)
	Increase / (Decrease) in cash credit	**64.59**	(197.71)
	Finance cost paid (net)	**(1567.71)**	(1548.46)
	Dividend paid	**(1385.69)**	(2810.76)
	Tax on dividend	**(271.84)**	(572.48)
	NET CASH USED IN FINANCING ACTIVITIES	**(6899.86)**	(7872.31)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(969.27)**	360.80
	Cash and cash equivalents as at the beginning of the year	**3127.06**	2766.26
	Cash and cash equivalents as at the end of the year (Refer note 17)	**2157.79**	3127.06

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

Saira Nainar
Partner

Mumbai: 26th May, 2017

T. S. Sahney Chairman
H. S. Zaveri Vice Chairman & Managing Director
Tashwinder Singh
A. A. Gowariker
Ashank Desai **Rustom Desai** **D. S. Sahney**
Directors
Tanushree Bagrodia Chief Financial Officer
S. C. Rangani Executive Director & Company Secretary

Mumbai: 26th May, 2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - Significant accounting policies

1. Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') 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, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. [The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous year]

2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3. 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/amortization and impairment losses, if any.

(b) Depreciation/ amortisation on fixed assets has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. The Company uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Class of asset	Revised useful life based on SLM (Range)
Leasehold land	Over period of lease
Buildings and flats	15 – 50 years
Plant and equipment	3 – 30 years
Furniture and fixtures	3 – 10 years
Office equipment	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 years
Intangibles	3 years

In respect of SNL Bearings Limited depreciation/ amortisation on fixed assets has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. The subsidiary uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Class of asset	Revised useful life based on SLM (Range)
Buildings on leasehold land	15 - 50 years
Plant and equipment	4 - 30 years
Furniture and fixtures	6 years
Vehicles	6 - 8 years
Office Equipment	3 - 10 years
Electrical Installations	15 years
Computer Software	3 years

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

In respect of NRB Bearings (Thailand) Limited depreciation for the year has been provided on straight line method over the estimated useful life of the assets concerned as follows:

Class of asset	Useful lives
Building & Building improvement	30 years
Land improvement	10 years
Machinery	20 years
Electrical installation	10 years
Furniture and fixtures	5 years
Office Equipment / Factory equipment	5 years
Computers	5 years
Intangibles	5 years

(c) Also see Note 1(13) below.

4. Impairment

The carrying amounts of assets are reviewed at each balance sheet date to ascertain whether there is any indication of impairment based on internal/external factors. Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

5. Foreign currency transactions

i. Transactions in foreign currency are recorded at the original rates of exchange in force at the time transactions are effected.

ii. Foreign currency denominated assets and liabilities are reported as follows:

(a) Monetary items are translated into rupees at the exchange rates prevailing at the balance sheet date. Non-monetary items such as fixed assets are carried at their historical rupee values.

(b) Gains/losses arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) are recognised in the consolidated statement of profit and loss, except for long term assets/liabilities which pertain to acquisition of fixed assets which are adjusted in the cost of fixed assets (Refer Note 39).

iii. In case of forward exchange covers, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract except those relating to hedged long term liabilities which pertain to acquisition of fixed assets which are adjusted to the cost of fixed assets. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

iv. Swap transactions are entered by the Group to hedge its exposure against movements in foreign exchange rates and interest rates.

v. Gains/losses arising on swap transactions are recognized in the consolidated statement of profit and loss.

6. 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.

7. 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, unless such costs are specifically identifiable, in which case they are included in the valuation at actuals.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8. Sale of products

(a) Sales including export benefits are recognized when the seller has transferred to the buyer, the property in the goods, for a price, or all significant risk and rewards of ownership have been transferred to the buyer without the seller retaining any effective control over the goods.

(b) Sales are inclusive of excise duty but exclusive of sales tax and value added tax and are net of sales return.

9. Other Income

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

10. Employee benefits

(a) Short term employee benefits are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year 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 group are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the group 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 or Provident Fund Trust as applicable and the Central Provident Fund under the State Pension Scheme. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the group has no further obligations beyond making the contribution.

2. Superannuation

The eligible employees of the group are entitled to receive post employment benefits in respect of superannuation scheme, in which the group makes quarterly contributions at 15% of employees' eligible salary. The contributions are made to insurance companies on behalf of the trust managed by the group. Superannuation scheme is classified as Defined Contribution Plan as the Group has no further obligations beyond making the contribution.

The Group's contributions to Defined Contribution Plans are charged to consolidated statement of profit and loss as and when incurred.

(ii) Defined Benefit Plan / Other Employee Benefit :

1. Gratuity

The Group 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 Group has arrangements with insurance companies for future payments of gratuities on behalf of the trusts established for this purpose. The Group accounts for gratuity benefits payable in future based on an independent actuarial valuation as at the year end. Actuarial gains and losses are recognised in the consolidated statement of profit and loss.

2. Compensated absences

The Group 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 the year end. Actuarial gains and losses are recognised in the consolidated statement of profit and loss.

11. Voluntary Retirement Compensation

Voluntary Retirement Compensation is fully expensed in the year in which the liability is incurred.

12. Research and development expenditure

Capital expenditure on research and development is treated in the same way as other fixed assets. Revenue expenditure is written off in the year in which it is incurred.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

13. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

14. Operating Lease

Assets taken on lease under which, all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

15. Taxation

Taxation expenses comprise current tax and deferred tax.

(a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

(b) 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 substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the asset.

16. Provisions and Contingent Liabilities

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 to accounts. Contingent assets are not recognised in the financial statements.

17. 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.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

18. 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 Group are segregated based on the available information.

19. Cash and cash equivalents (for purpose of cash flow statement)

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

20. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - Share Capital

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
Authorised:		
100,000,000 (as at 31.03.2016 100,000,000)		
Equity shares of Rs. 2 each	**2000.00**	2000.00
Issued, subscribed and fully paid up:		
96,922,600 (as at 31.03.2016 96,922,600)		
Equity shares of Rs. 2 each fully paid up	**1938.45**	1938.45
Per consolidated balance sheet	**1938.45**	1938.45

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

Particulars	As at 31.03.2017 Number of shares	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Number of shares	As at 31.03.2016 Rs. lakhs
Shares outstanding at the beginning of the year	**96922600**	**1938.45**	96922600	1938.45
Shares outstanding at the end of the year	**96922600**	**1938.45**	96922600	1938.45

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

Particulars	As at 31.03.2017 Number of shares	As at 31.03.2017 % of holding	As at 31.03.2016 Number of shares	As at 31.03.2016 % of holding
Equity Shares:				
Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	**35740266**	**36.88**	36486909	37.65
Hanwantbir Kaur Sahney	**2867000**	**2.96**	4972000	5.13
Harshbeena Sahney Zaveri	**8454769**	**8.72**	5165019	5.33
Nalanda India Equity Fund Limited	**9682667**	**9.99**	9682667	9.99
SBI Magnum Global Fund	**4400000**	**4.54**	5159663	5.32

(iii) Rights attached to equity shares:

a) Right to receive dividend as may be approved by the Board / Annual General Meeting.

b) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

c) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Rs. lakhs	**As at 31.03.2017 Rs. lakhs**	Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 3 - Reserves and surplus				
Capital reserve		**40.03**		40.03
Capital redemption reserve:				
Opening balance	**986.10**		961.10	
Add: Transferred from surplus in the consolidated statement of profit and loss	**25.00**		25.00	
Closing balance		**1011.10**		986.10
Securities premium account		**847.61**		847.61
Debenture redemption reserve :				
Opening balance	**750.00**		0.00	
Add: Transferred from surplus in consolidated statement of profit and loss	**1250.00**		750.00	
Closing balance		**2000.00**		750.00
General reserve:				
Closing balance		**9475.07**		9475.07
Foreign currency translation reserve:				
Opening balance	**(111.24)**		(145.55)	
Add /(Less): For the year	**(1.98)**		34.31	
Closing balance		**(113.22)**		(111.24)
Surplus in the Consolidated Statement of Profit and Loss:				
Opening balance	**13990.14**		12303.39	
Add: Profit for the year	**5397.72**		4199.78	
Less: Appropriations				
Interim dividend	**1332.64**		1356.92	
Tax on Interim dividend	**271.72**		276.24	
Proposed dividend	**-**		72.23	
Income Tax on Proposed dividend	**-**		14.70	
Income Tax on preference dividend	**0.12**		17.94	
Transfer to capital redemption reserve	**25.00**		25.00	
Transfer to debenture redemption reserve	**1250.00**		750.00	
Closing balance		**16508.38**		13990.14
Per consolidated balance sheet		**29768.97**		25977.71
NOTE 4 - Long term borrowings				
a) Non-convertible debentures				
Unsecured (Refer footnote i,ii and iii (b) below)		**5000.00**		3000.00
b) Term loans in foreign currency from banks				
Secured (Refer footnote iii (a) below)		**2398.80**		1459.59
c) Term loans from banks / others				
Secured (Refer footnote iii (c) below)		**3.78**		554.61
d) Other Loans in foreign currency from banks				
Secured (Refer footnote iii (d) below)		**2396.97**		-
e) Deferred payment liabilities				
Unsecured: Interest free Sales tax loan (Refer footnote iii (e) below)		**949.94**		1166.00
Per consolidated balance sheet		**10749.49**		6180.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Footnotes :

i) 300, 9.93% privately placed non-convertible debentures of Rs. 1,000,000 each, redeemable at par, on 3rd August, 2018.

ii) 200, 9.49% privately placed non-convertible debentures of Rs. 1,000,000 each, redeemable at par, on 14th June,2020.

iii) Details of repayment of Loans

Particulars	Security		As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
a. Term loans in foreign currency from banks				
External commercial borrowings	Secured by hypothecation of/charge on specified plant and machinery of the Company.		**-**	849.71
External commercial borrowings	Secured by hypothecation of/charge on specified plant and machinery of the Company.		**2398.80**	3648.97
External commercial borrowings	Secured by hypothecation of/charge on specified plant and machinery of the Company.			
		Total	**2398.80**	4498.68
		Comprises of:		
		Long term borrowings	**2398.80**	1459.59
		Current maturities of long term borrowings	**-**	3039.09
b. Non-convertible debentures				
	Unsecured		**5000.00**	3000.00
		Comprises of:		
		Long term borrowings	**5000.00**	3000.00
		Current maturities of long term borrowings	**-**	-
c. Term loans from banks				
Long - term loan	Secured against assets purchased out of the borrowings.		**3.78**	165.48
Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.		**450.00**	1350.00
		Total	**453.78**	1515.48
		Comprises of:		
		Long term borrowings	**3.78**	554.61
		Current maturities of long term borrowings	**450.00**	960.87
d. Other Loans in foreign currency from banks				
Capex Buyer's Credit	Secured by hypothecation of/charge on specified plant and machinery of the Company.		**-**	969.73
Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.		**-**	2157.56
Term Loan	Secured by hypothecation of/charge on specified plant and machinery of the Company.			
		Total	**2396.97**	3127.29
		Comprises of:		
		Long term borrowings	**2396.97**	-
		Current maturities of long term borrowings	**-**	3127.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

e. Interest free Sales tax loan

Sales tax deferral scheme	-		**1165.99**	1383.81
		Comprises of:		
		Long term borrowings	**949.94**	1166.00
		Current maturities of long term borrowings	**216.05**	217.81

iv) For the amount of current maturities of long term borrowings, refer note 9 - Other current liabilities

NOTE 5 - Deferred tax

	Deferred tax asset / (liability) as at 31.03.2016 Rs. lakhs	**Credit / (charge) for the year Rs. lakhs**	**Deferred tax asset / (liability) as at 31.03.2017 Rs. lakhs**
Nature of timing difference			
a) Deferred tax liability			
Depreciation and amortization	(1776.36)	**(53.19)**	**(1829.55)**
Sub - total	(1776.36)	**(53.19)**	**(1829.55**
b) Deferred tax asset			
Provision for doubtful debts	140.66	**102.74**	**243.40**
Voluntary retirement compensation	58.66	**(14.66)**	**44.00**
Provision for compensated absences	268.52	**(6.94)**	**261.58**
Provision for Gratuity	132.24	**(121.14)**	**11.10**
Demerger expenses	1.99	**(1.99)**	**-**
Sub - total	602.07	**(41.99)**	**560.08**
Per consolidated balance sheet	(1174.30)	**(95.18)**	**(1269.48)**

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 6 - Other long term liabilities		
Security deposits	**557.46**	556.96
Income received in advance	**67.50**	157.50
Per consolidated balance sheet	**624.96**	714.46
NOTE 7 - Long term provisions		
Provisions for employee benefits:		
Compensated absences	**621.74**	575.97
Per consolidated balance sheet	**621.74**	575.97
NOTE 8 - Short term borrowings		
a) Loans repayable on demand		
Cash credit from banks (Refer footnote 1 below)		
Secured	**80.95**	16.36
b) Other Loans from banks:		
Secured (Refer footnote 2 below)	**4061.00**	7062.04
c) Other Loans in foreign currency from banks:		
Secured (Refer footnote 2 below)	**4582.61**	4463.00
d) Other Loans:		
Unsecured: Commercial papers	**7000.00**	6000.00
(Maximum balance outstanding during the year Rs. 8500 lakhs; 31.3.2015 Rs. 6000 lakhs)		
Per consolidated balance sheet	**15724.56**	17541.40

Footnotes:

1) Cash Credit taken from banks are secured by a pari passu charge on current assets.
2) Secured by a pari passu charge on inventories and trade receivables, present and future.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 9 - Other current liabilities		
Current maturities of long-term debt (Refer footnote i below)		
- Term loans in foreign currency from banks	**-**	3039.09
- Interest free Sales tax loan	**216.05**	217.81
- Term loans from banks / others	**450.00**	960.87
- Other Loans in foreign currency from banks	**-**	3127.29
Interest accrued but not due on borrowings	**402.00**	287.36
Security deposits	**307.11**	369.08
Income received in advance	**90.00**	81.00
Unpaid dividends (unclaimed) (refer footnote ii below)	**28.70**	17.61
Other Payables		
- Fixed assets	**79.30**	121.66
- Statutory dues	**731.57**	680.08
- Advances received	**96.02**	96.41
- Gratuity (refer note 37)	**32.36**	382.71
- Gratuity in respect of Executive Chairman	**1.00**	1.00
Per consolidated balance sheet	**2434.11**	9381.97

Footnotes:

i. Refer footnotes (iii) to note 4 - Long term borrowings for details of security

ii. There is no amount outstanding due as at the balance sheet date to be credited to the Investor Education and Protection Fund.

NOTE 10 - Short term provisions		
a) Provisions for employee benefits:		
Compensated absences	**136.13**	201.82
	136.13	201.82
b) Provision - Others:		
Taxation (net of advance tax Rs. Nil (as at 31.03.2016 Rs. 268.00 Lakhs))	**4.88**	9.66
Proposed dividend	**-**	72.23
Income Tax on dividend	**-**	14.70
Income Tax on preference dividend	**-**	17.94
	4.88	114.53
Per consolidated balance sheet	**141.01**	316.35

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - Fixed Assets

Description	GROSS BLOCK - AT COST					DEPRECIATION/AMORTISATION					NET BLOCK
	Opening Balance As at 01.04.16	Additions	Foreign currency translation reserve	Deductions	Closing Balance As at 31.03.17	Opening Balance As at 01.04.16	For the year	Foreign currency translation reserve	On Deductions	Closing Balance As at 31.03.17	As at 31.03.17
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
A. Tangible Assets											
Freehold land	257.58	-	(0.19)	-	257.39	-	-	-	-	-	257.39
Leasehold land	178.59	-	-	-	178.59	26.33	-	-	-	26.33	152.26
Buildings and flats	9168.57	126.11	(0.65)	8.55	9285.48	2024.74	186.78	(0.51)	7.03	2203.98	7081.50
Plant and equipment Refer note 39	47079.83	1445.79	(4.66)	296.51	48224.45	29514.76	2,708.58	2.37	258.75	31966.96	16257.49
Furniture and fixtures	918.60	45.96	(0.66)	-	963.90	616.80	127.42	(0.70)	-	743.52	220.38
Office equipment	458.06	303.14	(0.02)	11.78	749.40	414.94	52.77	(0.04)	11.78	455.89	293.51
Electrical installations	1116.13	98.14	(0.80)	72.51	1140.96	954.51	50.64	(0.32)	68.89	935.94	205.02
Vehicles	527.25	-	-	-	527.25	346.75	49.73	-	-	396.48	130.77
Sub Total (A)	59704.61	2019.14	(6.98)	389.35	61327.42	33898.83	3175.92	0.80	346.45	36729.10	24598.32
B. Intangible Assets											
Computer Software	647.17	14.24	(0.03)	-	661.38	555.14	56.88	0.73	-	612.75	48.63
Sub Total (B)	647.17	14.24	(0.03)	-	661.38	555.14	56.88	0.73	-	612.75	48.63
Total (A)+ (B)	60351.78	2033.38	(7.01)	389.35	61988.80	34453.97	3232.80	1.53	346.45	37341.85	24646.95
Capital work-in-progress											881.50
											25528.45

Footnotes:

1. Buildings and flats include:
   a. Shares in respect of residential premises of a cost of Rs. 2.25 Lakhs (as at 31.03.2016 Rs. 2.25 Lakhs) in a co-operative society which is in the process of being transferred in the name of the Company.
   b. Cost of shares of an aggregate face value of Rs. 750 (as at 31.03.2016 Rs. 750) in co-operative housing societies viz. 5 shares of Rs. 50 each in Vile Parle Vatika Co-operative Housing Society Limited, 5 shares of Rs. 50 each in the The Ganesh Villa Co-operative Housing Society Limited and 5 shares of Rs. 50 each in Vinayak Bhavan Co-operative Housing Society Limited.
2. The title deeds/ leasehold right of Land and Buildings, having gross carrying amount aggregating Rs.61.40 lakhs and net carrying amount aggregating Rs. 59.76 lakhs as at 31.03.2017 (Previous year 31.03.2016 - gross carrying amount aggregating Rs.217.86 lakhs and net carrying amount agregating Rs. 200.69 lakhs), have been transferred to and vested in the Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Company is in process.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - Fixed Assets (previous year)

	GROSS BLOCK - AT COST					DEPRECIATION / AMORTISATION					NET BLOCK
Description	Opening Balance As at 01.04.15	**Additions**	**Foreign currency translation reserve**	**Deductions**	**Closing Balance As at 31.03.16**	Opening Balance As at 01.04.15	**For the year**	**Foreign currency translation reserve**	**On Deductions**	**Closing Balance As at 31.03.16**	**As at 31.03.16**
	Rs. lakhs	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**	Rs. lakhs	**Rs.lakhs**	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**	**Rs. lakhs**
A. Tangible Assets											
Freehold land	262.11	**-**	**(4.53)**	**-**	**257.58**	-	**-**	**-**	**-**	**-**	**257.58**
Leasehold land	178.81	**-**	**(0.22)**	**-**	**178.59**	23.42	**3.08**	**(0.17)**	**-**	**26.33**	**152.26**
Buildings and flats	8009.18	**1,177.28**	**(15.02)**	**2.87**	**9168.57**	1855.09	**176.47**	**(3.95)**	**2.87**	**2024.74**	**7143.83**
Plant and equipment (Refer note 38)	45348.21	**2,014.38**	**(58.28)**	**224.48**	**47079.83**	27045.39	**2,692.53**	**(12.31)**	**210.85**	**29514.76**	**17565.07**
Furniture and fixtures	893.86	**38.29**	**(5.75)**	**7.80**	**918.60**	506.10	**122.14**	**(3.64)**	**7.80**	**616.80**	**301.80**
Office equipment	466.19	**12.48**	**(0.36)**	**20.25**	**458.06**	418.45	**17.03**	**(0.29)**	**20.25**	**414.94**	**43.12**
Electrical installations	1077.72	**41.74**	**(3.33)**	**-**	**1116.13**	873.26	**82.89**	**(1.64)**	**-**	**954.51**	**161.62**
Vehicles	516.36	**61.20**	**-**	**50.31**	**527.25**	343.29	**53.77**	**-**	**50.31**	**346.75**	**180.50**
Sub Total (A)	56752.44	**3345.37**	**(87.49)**	**305.71**	**59704.61**	31065.00	**3147.91**	**(22.00)**	**292.08**	**33898.83**	**25805.78**
B. Intangible Assets											
Computer Software	596.56	**51.07**	**(0.46)**	**0.00**	**647.17**	508.93	**46.59**	**(0.38)**	**0.00**	**555.14**	**92.03**
Sub Total (B)	596.56	**51.07**	**(0.46)**	**-**	**647.17**	508.93	**46.59**	**(0.38)**	**-**	**555.14**	**92.03**
Total (A) + (B)	57349.00	**3396.44**	**(87.95)**	**305.71**	**60351.78**	31573.93	**3194.50**	**(22.38)**	**292.08**	**34453.97**	**25897.81**
Capital work-in-progress											**483.53**
											26381.34

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2017		As at 31.03.2016	
	Rs. lakhs	**Rs. lakhs**	Rs. lakhs	Rs. lakhs
NOTE 12 - Non current investments				
A. Trade (Quoted)				
Shares		**1.09**		1.09
B. Non -Trade (Unquoted)				
Shares	**1.00**		1.00	
Less: Provision for diminution in value	**1.00**		1.00	
	-		-	
Mutual fund	**5.00**		5.00	
		5.00		5.00
Per consolidated balance sheet		**6.09**		6.09
Aggregate amount of quoted investments [market value		**1.09**		1.09
Rs. 476.59 lacs (as at 31.03.2016: Rs. 381.83 lakhs)]				
Aggregate amount of unquoted investments		**5.00**		5.00
		6.09		6.09
NOTE 13 - Long term loans and advances				
(Unsecured, considered good)				
Capital Advances		**1012.58**		722.48
Security deposits		**482.84**		379.89
Loans and advances to employees				5.21
Other loans and advances		**3.76**		
Income taxes paid (net of provision for tax Rs. 18852.77 Lakhs (as at 31.03.2016 Rs. 16428.05 Lakhs))		**1609.83**		1127.61
Balance with government authorities		**684.57**		-
Advance Sales Tax		**517.91**		-
Prepaid expenses		**34.88**		2.24
Per consolidated balance sheet		**4346.37**		2237.43
NOTE 14 - Current investments				
Investment in Mutual Funds (quoted).				
HDFC liquid fund - regular plan - Dividend - Daily reinvest	**35.44**		-	
As at 31.03.2017: No of units - 3474.724 , Value per unit Rs. 1019.82				
(As at 31.03.2016: No of units - Nil , Value per unit Rs. Nil)				
Kotak Low Duration Fund Standard weekly dividend (Regular plan)	**35.68**		-	
As at 31.03.2017: No of units - 3513.048 , Value per unit Rs. 1015.611				
(As at 31.03.2016: No of units - Nil , Value per unit Rs. Nil)				
Reliance liquid fund - treasury plan - daily dividend option dividend reinvestment	**35.61**		-	
As at 31.03.2017 : No of units - 2329.542 , Value per unit Rs. 1528.742				
(As at 31.03.2016 : No of units - Nil , Value per unit Rs. Nil)	**-**	**106.73**	-	-
Per consolidated balance sheet		**106.73**		-
NOTE 15 - Inventories				
(at lower of cost and net realisable value)				
(a) Raw materials	**5080.16**		4122.76	
Goods-in-transit	**325.73**		1.14	
		5405.89		4123.90
(b) Work-in-progress		**3816.87**		3196.65
(c) Finished goods		**5045.28**		4888.79
(d) Stores and spares		**2959.91**		2261.72
Per consolidated balance sheet		**17227.95**		14471.06

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2017 Rs. lakhs		As at 31.03.2016 Rs. lakhs	
NOTE 16 -Trade receivables				
Trade receivables outstanding for a period exceeding six months from the date they were due for payment:				
Secured, considered good	**53.54**		21.34	
Unsecured, considered good	**4129.88**		6375.19	
Unsecured, considered doubtful	**703.88**		406.88	
	4887.30		6803.41	
Provision for doubtful debts	**703.88**		406.88	
		4183.42		6396.53
Other trade receivables:				
Secured, considered good	**141.08**		142.64	
Unsecured, considered good	**17795.14**		16055.54	
		17936.22		6198.18
Per consolidated balance sheet		**22119.64**		22594.71

	As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
NOTE 17 - Cash and cash equivalents		
Cash on hand	**3.38**	3.46
Cheques on hand	**-**	21.48
Balances with banks		
In current accounts	**2064.59**	1780.15
In EEFC account	**89.82**	16.25
In deposit account	**-**	1305.72
Other Bank balances		
In earmarked accounts:		
Margin money deposit (FDs pledged with Banks)	**75.42**	58.57
Unpaid dividend accounts	**28.70**	17.61
Per consolidated balance sheet	**2261.91**	3203.24
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is	**2157.79**	3127.06
NOTE 18 - Short term loans and advances		
(Unsecured, considered good)		
Inter - corporate deposits to related parties	**-**	250.00
Loans and advances to employees	**96.30**	71.03
Prepaid expenses	**354.56**	358.41
Balance with government authorities	**1176.60**	2369.92
Advance sales tax	**-**	419.11
Loans and advances		
Others (Advances to suppliers, export incentive receivable and taxes recoverable)	**1005.82**	781.03
Per consolidated balance sheet	**2633.28**	4249.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		Year ended 31.03.2017		Year ended 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 19 - Other current assets				
Interest receivable		**2.66**		5.53
Per consolidated balance sheet		**2.66**		5.53
NOTE 20 - Revenue from operations				
Sale of products		**78810.24**		73066.05
Other operating revenues:				
Sale of scrap	**549.62**		542.37	
Duty drawback and export incentives	**327.10**		270.36	
		876.72		812.73
Revenue from operations (gross)		**79686.96**		73878.78
Less: Excise duty		**6927.58**		6385.09
Per consolidated statement of profit and loss		**72759.38**		67493.69
NOTE 21 - Other income				
Dividend income				
From long term investments				
- Trade	**5.82**		2.82	
- Others	**2.65**		2.80	
		8.47		5.62
Profit on sale of fixed assets (net)		**-**		12.44
Rent		**115.63**		109.37
Provision for doubtful debts no longer required		**-**		56.71
Refund of duty*		**580.00**		-
Other non-operating income		**72.75**		54.51
Per consolidated statement of profit and loss		**776.85**		238.65
* Represents refund of taxes and duty received by the company under the Package Scheme of Incentives - 2007.				
NOTE 22 - Cost of materials consumed				
Opening Stock		**4123.90**		5121.94
Add: Purchases		**29254.66**		24167.94
		33378.56		29289.88
Less: Closing stock		**5405.89**		4123.90
Per consolidated statement of profit and loss		**27972.67**		25165.98
NOTE 23 - Changes in inventories of finished goods, work-in-progress, stock-in-trade				
Opening stocks:				
Finished goods		**4888.79**		5439.24
Work - in - progress		**3196.65**		3460.09
		8085.44		8899.33
Closing stocks:				
Finished goods		**5045.28**		4888.79
Work - in - progress		**3816.87**		3196.65
		8862.15		8085.44
Per consolidated statement of profit and loss - Net (increase) / decrease		**(776.71)**		813.89

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		Year ended 31.03.2017		Year ended 31.03.2016
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
NOTE 24 - Employee benefit expense				
Salaries and wages		**11160.36**		10518.30
Contribution to provident and other funds (refer note 38)		**676.33**		1037.19
Staff welfare		**1185.47**		1071.76
Voluntary retirement compensation		**-**		211.87
Per consolidated statement of profit and loss		**13022.16**		12839.12
NOTE 25 - Finance costs				
Interest				
On fixed loans	**624.74**		877.57	
On others	**877.81**		775.16	
		1502.55		1652.73
Other borrowing costs		**191.76**		125.14
		1694.31		1777.87
Less: Interest income				
From banks on deposits	**9.09**		8.19	
On loans and advances	**-**		68.70	
		9.09		76.89
Per consolidated statement of profit and loss		**1685.22**		1700.98
NOTE 26 - Other expenses				
Consumption of stores and spare parts		**6161.26**		5351.07
Processing charges		**1780.30**		1436.51
Power and fuel		**2758.07**		2941.59
Repairs and maintenance -				
Buildings	**353.32**		218.00	
Plant and machinery	**400.85**		403.57	
Others	**86.49**		97.45	
		840.66		719.02
Insurance		**139.07**		136.02
Rent		**116.18**		14.52
Rates and taxes		**123.26**		91.63
Legal and professional fees		**753.68**		640.37
Directors' fees and commission		**48.66**		15.13
Commission on sales		**696.46**		719.93
Sales discount		**205.35**		217.19
Travelling and conveyance		**767.05**		707.44
Postage, telephone and fax		**65.64**		84.33
Bank charges		**48.17**		70.51
Advertisement and sales promotion expenses		**166.17**		225.23
Forwarding charges		**2501.58**		1939.15
Receivables written off		**-**		3.19

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Provision for doubtful debts	**297.00**	-
Lease rent (refer note 34)	**69.30**	92.71
IT expenses	**462.67**	347.81
Excise duty on Increase/ (decrease) in inventories of finished goods	**76.00**	233.70
Loss on sale of Fixed Asset	**0.77**	-
Net loss on foreign currency transactions and translation	**534.54**	122.00
Auditors' remuneration (see footnote below)	**68.64**	69.86
Expenditure on Corporate Social Responsibility	**142.40**	117.00
Miscellaneous expenses	**1786.27**	1332.67
Per consolidated statement of profit and loss	**20609.15**	17628.58

Footnote

i) Details of Auditors' Remuneration:

(excluding service tax)		
Audit fees	37.60	37.60
Report under section 44AB of the Income-tax Act, 1961	5.75	5.75
Taxation matters	-	1.50
Other services	24.40	24.40
Reimbursement of expenses	0.89	0.61
Total	68.64	69.86

ii) Details of Expenditure on Corporate Social Responsibility:

Gross amount required to be spent during the year	141.98	134.60
Amount spent and paid during the year	142.40	117.00

NOTE 27 - Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(a) An amount of Rs. 1.39 lakhs (for the year ended 31.03.2016: Rs. 3.70 lakhs) and Rs. Nil (for the year ended 31.03.2016: Rs. Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.

d) No interest was accrued and unpaid at the end of the accounting year.

e) No further interest remaining due and payable even in the suceeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Group and has been relied upon by the Auditors.

NOTE 28 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(a) These consolidated financial statements comprise the consolidation of the financial statements of NRB Bearings Limited, the Parent Company and the financial statements of SNL Bearings Limited, a subsidiary Company incorporated in India (extent of shareholding – 73.45%), NRB Bearings (Thailand) Limited, a subsidiary incorporated in Thailand (extent of shareholding – 100%) and NRB Bearings Europe GmbH, a subsidiary incorporated in Germany (extent of shareholding – 100%) together referred to as 'the group'.

(b) In case of the foreign subsidiaries, namely, NRB Bearings (Thailand) Limited and NRB Bearings Europe GmbH, revenue items are converted at the average exchange rate prevailing during the period. All assets and liabilities are converted at the exchange rate prevailing as at the end of the year. Exchange difference arising on consolidation is recognized as Foreign Currency Translation Reserve.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Name of the entity	Net assets, i.e. total assets minus total liabilities				Share of profit / (loss)			
		2017		2016		2017		2016	
		As % of consolidated net assets	Rs. Lakhs	As % of consolidated net assets	Rs. Lakhs	As % of consolidated profit / (loss)	Rs. Lakhs	As % of consolidated profit / (loss)	Rs. Lakhs
A)	**Parent**								
	NRB Bearings Limited	**86.94**	**28043.83**	85.44	24200.95	**86.69**	**4800.71**	100.01	4318.37
B)	**Subsidiaries**								
i)	**Indian**								
	SNL Bearings Limited	**4.85**	**1564.39**	4.14	1171.42	**8.46**	**468.32**	7.79	336.42
ii)	**Foreign**								
	NRB Bearings (Thailand) Limited	**8.30**	**2677.58**	10.61	3006.53	**2.25**	**124.39**	(10.75)	(463.92)
	NRB Bearings Europe GmbH	**(0.09)**	**(30.58)**	(0.19)	(55.07)	**0.08**	**4.30**	0.21	8.91
	Minority Interests in a subsidiary					**2.53**	**140.13**	2.74	118.18

NOTE 29 - Contingent liabilities not provided for:

		As at 31.03.2017 Rs. lakhs	As at 31.03.2016 Rs. lakhs
a)	Income Tax	**1823.42**	1712.53
b)	Sales Tax	**301.83**	316.30
c)	Bank guarantees	**114.10**	125.41
d)	Corporate guarantees issued on behalf of group Company	**417.00**	2630.22

The group is in further appeal in respect of matters stated in a) and b) above.

(e) The Subsidiary Company incorporated in India had received an Order dated 6th September, 2004 from the Employees Provident Fund Organisation raising a demand of Rs. 161.36 lakhs including interest of Rs. 46.73 lakhs for default in making payment of Employees Provident Fund and allied dues for the period April, 1986 to February, 2003. The Company has been making contributions to the 'SNL Officers Provident Fund Trust' and 'SNL Employee's Provident Fund Trust', being Trusts formed by the Company in earlier years; these Trusts have net assets of Rs. 162.40 lakhs and Rs. 92.25 lakhs respectively as at 31st March, 2016 as reflected in their audited balance sheets. As per the order, the existence of the said Trusts and the act of switching over from Employees trust to the Officers trust on salary exceeding the statutory limit fixed by the Employees Provident Fund and Miscellaneous Act, 1952, have been considered violative of the Act. The authorities had attached one of the Company's bank accounts and had recovered an amount of Rs. 2.75 lakhs in an earlier year. The Company has contested the above demand and on a writ petition filed by the Company in the High Court of Jharkhand, Ranchi, the High Court has directed the authorities not to take coercive steps till the disposal of the petition. The Company denies all the allegations made against it since the Company had made the necessary applications to grant exemption to the Trusts which was neither granted nor rejected in spite of several reminders from time to time. In view of the facts of the case, the Company does not expect any liability in this regard.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at Year ended 31.03.2017 Rs. lakhs	As at Year ended 31.03.2016 Rs. lakhs
NOTE 30 -		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**2237.07**	4463.26
NOTE 31 - The amount of exchange differences (net):		
debited to the consolidated statement of profit and loss is	**534.54**	122.00
NOTE 32 - Expenditure on research and development:		
(a) Charged to the statement of profit & loss	**966.61**	809.85
(b) Capitalized to fixed asset	**18.99**	-

NOTE 33 - Segment Reporting

The Company has a single reportable business segment namely bearings for the purpose of Accounting Standard 17 on Segment Reporting. Geographical Segment information is given as follows:

	Within India Rs. lakhs	Outside India Rs. lakhs	Total Rs. lakhs
Revenue from operations	**57588.31**	**15171.07**	**72759.38**
	(53791.59)	(13702.10)	(67493.69)
Total Assets	**54624.23**	**19656.60**	**74280.83**
	(52024.23)	(21172.42)	(73196.65)
Additions to fixed assets	**1820.75**	**212.63**	**2033.38**
	(3297.68)	(98.76)	(3396.44)

Footnote:

Figures in brackets are in respect of the previous year.

NOTE 34 - Related Party Disclosures:

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

Sr.no	Nature of relationship	Names of related parties
(a)	Individual having substantial interest in the voting power and the power to direct by agreement, the financial and operating policies of the Company.	Mr. T. S. Sahney, Chairman
(b)	Key management personnel	Ms. H. S.Zaveri, Vice Chairman & Managing Director
		Mr. S. C. Rangani, Executive Director & Company Secretary
(c)	Director in a subsidiary Company	Mr. S. C. Rangani (Director in SNL Bearings Limited)
		Mr. Sumit Mitra (Director in NRB Bearings Europe, GmbH)
(d)	Executive Director in a subsidiary Company	Mr. A.S. Kohli (NRB Bearings (Thailand) Limited)
(e)	A firm where Chairman is a partner	New Indo Trading Company
(f)	A Company wherein Mr. T. S. Sahney, Chairman and Ms. H. S. Zaveri, Vice Chairman & Managing Director are directors and shareholders having Management Control.	NRB Industrial Bearings Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B) Related Party Transactions:

Name of the related parties	Nature of transaction	Volume of transactions Rs. lakhs	Receivable As at 31.03.2017 Rs. lakhs	Payable As at 31.03.2017 Rs. lakhs
NRB Industrial Bearings Limited	Sale of raw materials	**151.37** (98.23)		
	Purchase of raw materials	**6.97** **(-)**	**40.65** (258.66)	- (-)
	Inter Corporate deposit repayment received	**250.00** (972.00)		
	Interest received on Inter Corporate deposit	**5.77** (73.56)		
	Guarantee given by NRB Bearings Ltd.	**-** (-)	**417.00** (2630.22)	- (-)
Mr. T. S. Sahney	Remuneration	**175.43** (154.97)	**-** (-)	**41.49** (45.98)
Ms. H. S. Zaveri	Remuneration and Directors fees	**288.00** (284.67)	**-** (-)	**51.03** (45.98)
Mr. S. C. Rangani	Remuneration and Directors fees	**81.76** (79.03)	**-** (-)	**-** (-)
Mr. A S Kohli	Remuneration	**25.15** (22.14)	**-** (-)	**-** (-)
Mr. Sumit Mitra	Remuneration	**-** (88.46)	**-** (-)	**-** (-)
New Indo Trading Company	Service charges paid	**5.00** (5.00)	**-** (-)	**-** (1.23)

Footnotes:

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

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 year.

	Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
NOTE 35 - Lease Rentals		

The Company has taken certain vehicles on operating lease. Lease rental charged to the statement of profit and loss for the year ended 31.03.2017 aggregated Rs. 69.30 lakhs (for the year ended 31.03.2016: Rs.75.39 lakhs). The minimum lease payments to be made in future as at the year end, in respect of non-cancellable lease are follows:

(i) For a period not later than one year	**57.80**	53.83
(ii) For a period later than one year and not later than five years	**95.43**	99.88
(iii) For a period later than five years	**-**	-

NOTE 36 - Value used in calculating Earnings Per Share

(i)	Profit after tax (Rs. in lakhs)	**5397.72**	4199.78
(ii)	Number of Equity Shares	**96922600**	96922600
(iii)	Par value per share (Rs.)	**2**	2
(iv)	Earnings per share - Basic and diluted (Rs.)	**5.57**	4.33

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 37 - Financial and Derivative Instruments

i) Forward Exchange Contracts entered into by the Company that are outstanding as at 31st March, 2017:

Currency	Amount in foreign currency	Buy/Sell	Cross Currency
USD	**70000**	**Buy**	**INR**
	(14588)	(Buy)	(INR)
EURO	**37493**	Buy	INR
	(-)		
JPY	**11652719**	**Buy**	**USD**
	(-)		
USD	**3110000**	**Sell**	INR
	(2744000)	Sell	(INR)
EURO	**1136000**	(Sell)	INR
	(787750)	(Sell)	(INR)

These Forward Foreign Exchange Contracts are 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: 3 (as at 31.3.2016:2)

iii) Foreign currency exposures that have not been hedged by a derivative instrument or other wise outstanding as at 31.03.2017:

Purpose	Currency	Amount	Equivalent Rs. lakhs as at Year end
a) Amount receivable in foreign currency :			
Export of goods	USD	6885921	4463.45
		(8234482)	(5459.11)
	EURO	7697159	5324.89
		(8033404)	(6028.30)
Balance with government authorities	EURO	1816545	1256.69
		(2228576)	(1673.22)
b) Amounts payable in foreign currency :			
Import of goods	JPY	116341452	673.38
		(93698022)	(553.66)
	EURO	866594	599.86
		(568016)	(426.58)
	USD	343314	222.58
		(540357)	(358.25)
	CHF	16664	10.79
		(84778)	(58.23)
Capital Imports	EURO	3841	2.65
		(4000)	(2.71)
Loans payable	USD	7655184	4963.04
		(14718272)	(9764.84)
	EURO	6379141	4415.33
		(1770000)	(1328.92)

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 38 - Employee Benefits :

1 Defined Contribution plans

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

		Year ended 31.03.2017 Rs. lakhs	Year ended 31.03.2016 Rs. lakhs
(i)	Employer's Contribution to Provident Fund	**361.58**	342.85
(ii)	Employer's Contribution to Family Pension Fund	**138.40**	153.25
(iii)	Employer's Contribution to Superannuation Fund	**101.68**	120.14
(iv)	Employer's Contribution to Social Security Fund	**30.96**	32.35

2 Defined Benefit plans

(a) Gratuity- as per actuarial valuation as at the year end (based on Projected Unit Benefit Method)

Rs. lakhs

Sr. No.	Particulars	2016 - 17	2015 - 16
(i)	Components of employer expenses		
	a) Current Service cost	**153.62**	141.34
	b) Interest cost	**241.10**	218.68
	c) Expected return on plan assets	**(212.60)**	(201.77)
	d) Actuarial Losses/(Gains)	**(138.41)**	227.50
	Total expenses recognised in the Statement of Profit and Loss	**43.71**	385.75
(ii)	Actual Contribution and Benefit Payments for year		
	a) Actual benefit payments	**265.72**	198.69
	b) Actual Contributions	**394.22**	215.46
(iii)	Change in Defined Benefit Obligations (DBO) during the year		
	a) Present Value of DBO at the beginning of the year	**3076.17**	2744.79
	b) Current Service cost	**153.62**	141.34
	c) Interest cost	**241.10**	218.68
	d) Actuarial Losses/ (Gains)	**(8.30)**	170.05
	e) Benefits paid	**(265.56)**	(198.69)
	Present Value of DBO at the end of the year	**3197.03**	3076.17
(iv)	Change in Fair Value of Assets during the year		
	a) Plan assets at beginning of the year	**2693.46**	2532.37
	b) Expected return on plan assets	**212.60**	201.77
	c) Actuarial (Losses)/ Gains	**130.11**	(57.45)
	d) Actual Company contributions	**394.22**	215.46
	e) Fair Value of benefits paid	**(265.72)**	(198.69)
	Fair value of plan assets at the end of year	**3164.67**	2693.46
(v)	Contribution expected to be paid next year	**199.93**	348.34
(vi)	Actuarial Assumptions		
	a) Discount Rate	**7.00% - 7.39%**	7.79% - 7.86%
	b) Expected rate of return on Plan assets	**7.00% - 7.39%**	7.79% - 7.86%
	c) Salary escalation	**6% - 10%**	6% - 10%
	d) Mortality Table	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate
	e) Attrition rate	**2% - 11%**	2% - 10%
(vii)	The major categories of plan assets - Insurer Managed Funds	**100%**	100%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs. lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
(viii) Net asset/(liability) recognised in balance sheet					
a) Defined Benefit Obligation	**(3197.03)**	(3076.17)	(2744.79)	(2345.47)	(2191.21)
b) Fair Value of Plan assets	**3164.67**	2693.46	2532.37	2232.49	1820.66
c) **Net asset/(liability) recognised in balance sheet**	**(32.36)**	(382.71)	(212.42)	(112.98)	(370.55)
d) Experience adjustment arising on :					
1) Plan Liabilities [Losses / (Gains)]	**(96.06)**	135.72	59.61	98.33	67.91
2) Plan Assets [(Losses) / Gains]	**130.11**	(57.45)	169.31	(16.47)	(51.98)

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, take account of inflation, seniority, promotion, increment and other relevant factors.

(iii) The discount rate is based on prevailing market yield of Government of India security as at the Balance sheet date for the estimated term of the obligation.

b) Compensated Expenses

(i) Compensated Expenses recognised in the statement of profit and loss for the year, under employee benefit expense, is Rs. 150.73 lakhs (for the year ended 31.03.2016 : Rs. 171.06 lakhs).

(ii) Actuarial Assumptions used:

	As at 31.03.2017	As at 31.03.2016
a) Discount Rate	**7.00% - 7.39%**	7.79% - 7.86%
b) Expected rate of return on Plan assets	**7.00% - 7.39%**	7.79% - 7.86%
c) Salary escalation	**6% - 10%**	6% - 10%
d) Mortality Table	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Lives Mortality (2006-08) Ultimate
e) Attrition rate	**2% -11%**	2% -10%

NOTE 39

Pursuant to the notification issued by the Central Government extending the applicability of amendment to Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates' upto March 31, 2020, which provides an option for adjustment of foreign exchange gain / loss arising on long term foreign currency borrowings against the carrying value of related fixed assets, the Company has continued to exercise the option and has adjusted exchange loss aggregating Rs. 4.99 lakhs (for the year ended 31.03.2016 : Rs. 503.90 lakhs) against the carrying value of fixed assets. The balance amount, based on aforesaid adjustments, of plant and machinery to be amortised, as at the year-end, aggregates Rs. 1436.14 lakhs (for the year ended 31.03.2016 : Rs.1639.76 lakhs).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 40 -

Specified Bank Notes (SBNs) and other denominations held and transacted during the period from November 8, 2016 to December 30, 2016, is given below as per MCA notification G.S.R 308(E) dated March 30, 2017:

(Rs. in Lakhs)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2.52	1.31	3.83
(+) Permitted receipts	-	6.81	6.81
(-) Permitted payments	-	6.16	6.16
(-) Amount deposited in Banks	2.52	0.05	2.57
Closing cash in hand as on 30.12.2016	-	1.91	1.91

* For the purpose of this clause, the term "Specified Bank notes" shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated 8th November, 2016

NOTE 41 -

Previous year figures have been regrouped / re-stated wherever necessary.

Signature to Notes

For and on behalf of the Board of Directors

T. S. Sahney
Executive Chairman

H. S. Zaveri
Vice Chairman &
Managing Director

S. C. Rangani
Executive Director &
Company Secretary

D. S. Sahney **Rustom Desai** **Tashwinder Singh** **A. A. Gowariker** **Ashank Desai**
Directors

Tanushree Bagrodia
Chief Financial Officer

Mumbai : 26th May, 2017

FINANCIAL HIGHLIGHTS

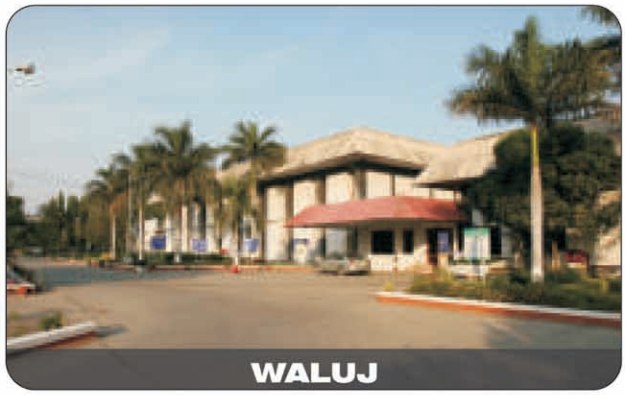
Rs. in lakhs

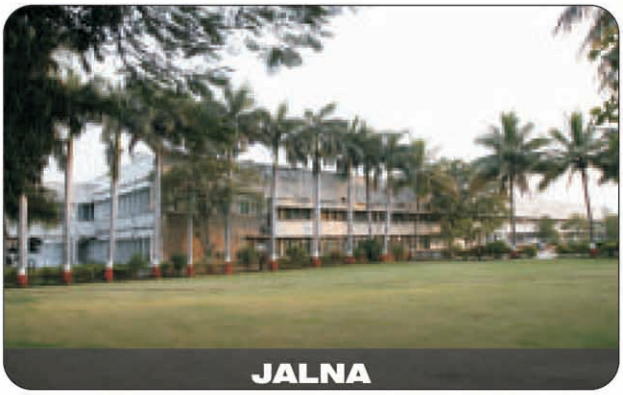
Year Ended	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
Sales (Net)					
Domestic	44606.38	44633.61	48773.04	51666.62	56049.53
Exports	12250.00	13585.00	15484.17	13484.28	14820.41
Sales Total	**56856.38**	**58218.61**	**64257.21**	**65150.90**	**70869.94**
Operating Profit (EBITDA)	10233.15	10517.54	11836.95	10743.47	11415.42
Profit Before Tax	5504.54	5471.58	7418.94	6382.00	7020.21
Tax (Net)	800.97	1653.47	2212.48	1784.00	1916.69
Profit After Tax	4703.57	3818.11	5206.46	4598.00	5103.52
Retained Earnings	2786.07	2580.97	3503.59	2964.84	3496.94
Dividend	1647.68	1066.15	1453.84	1356.92	1356.92
Tax on dividend	269.82	170.99	249.03	276.24	249.66
Earnings per share (FV Rs.2)	4.85	3.94	5.37	4.74	5.27
Dividend %	85	55	75	70.00	70.00
Shareholders' Funds	21085.70	23666.67	27170.26	30135.40	33632.34
Funds Employed	31511.45	35336.05	39515.96	42481.10	42030.48
Fixed Assets (Gross)	46580.34	52320.15	51256.86	54528.26	55772.36
Fixed Assets (Net)	20855.92	23560.89	22256.66	22736.57	21879.16
Fixed Asset Turnover (times)	2.73	2.47	2.89	2.87	3.24
Net Current Assets	5762.08	6910.66	12206.46	10863.67	17777.77
Working Capital Turnover (times)	9.87	8.42	5.26	6.00	3.99
Shareholder Nos	10920	9494	10330	9706	11273
Employee Nos	1574	1593	1571	1670	1613

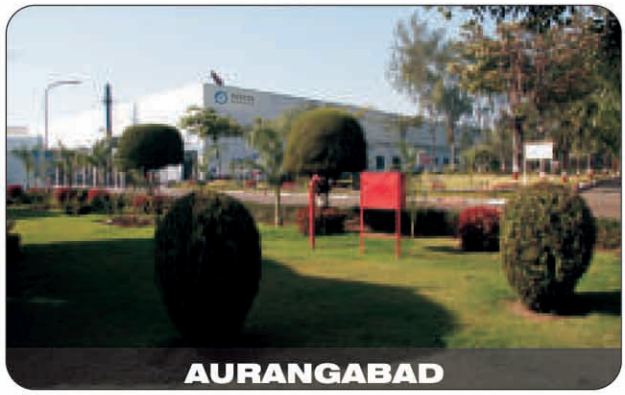
Fixed Asset Turnover - Net sales/Net Fixed Assets at year end
Working capital Turnover - Net sales/Net current assets as at year end

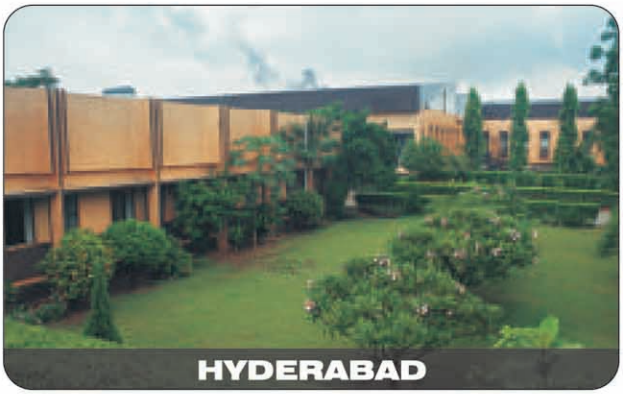
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