

S N L BEARINGS LIMITED

35th ANNUAL REPORT 2014-2015





CIN NO. L99999MH1979PLC134191

BOARD OF DIRECTORS

Ms.H. S. Zaveri -Chairman
Mr.S.C.Rangani
Mr.J.S.Maini
Mr.V.S.Iyer
Mr.J D Diwan

BANKERS

Yes Bank
BNP Paribas

AUDITORS

M/s.Deloitte Haskins & Sells
Chartered Accountants
Tower 3, 27th – 32nd Floor, Indiabulls Finance Centre
Elphinstone Mill Compound, Senapati Bapat Marg
Elphinstone (W), Mumbai 400 013

REGISTERED OFFICE

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

FACTORY

Ratu Road, Ranchi-834 001

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 6620, 2825 7641 Fax:2836 9704



CONTENTS

Particulars	Page No.
Notice	03
Board's Report	06
Secretarial Auditors' Report	11
Extract of Annual Return	13
Management Discussion & Analysis	20
Corporate Governance	24
Shareholders' Information	34
Auditors' Report	40
Balance Sheet	44
Statement of Profit and Loss	45
Cash Flow Statement	46
Notes 1 to 25(n)	48
Process For Members Opting For E-Voting	71



AGM NOTICE

To,
The Members
SNL BEARINGS LIMITED

NOTICE IS HEREBY GIVEN that the Thirty Fifth Annual General Meeting of the Company will be held at the Conference Room, 5th Floor, Dhannur, Sir P.M. Road, Fort, Mumbai 400 001 on Tuesday July 28, 2015 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, 2015 and the reports of the Directors and the Auditors thereon.
2. To declare payment of dividend in arrears on Preference Share Capital for the period from 1st April 2007 to 31st March, 2011.
3. To appoint a Director in place of Ms.H S Zaveri (DIN.00003948) who retires by rotation and being eligible offers herself 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 the appointment of M/s.Deloitte Haskins & Sells, Chartered Accountants, (Registration no. ICAI 117365W) as Auditors of the Company be and is hereby ratified to hold office until the conclusion of the Annual General Meeting to be held for the financial year ending 31st March,2017, 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."

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.Jayavardhan Dhar Diwan as independent director for a term of five years.

"RESOLVED THAT Mr.Jayavardhan Dhar Diwan (DIN 01565319) who was appointed as an Additional director of the company with effect from 29th January,2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting under section 161 of the Companies Act, 2013 and Article 79 of the Articles of Association of the company but who is eligible for appointment and in respect of whom the company has received a notice in writing pursuant to section 150 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the company.

"RESOLVED FURTHER 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 Clause 49 of the Listing Agreement, Mr.Jayavardhan Dhar Diwan , DIN 01565319 who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act be and is hereby appointed as an Independent Director of the



company, to hold office for a period of five years for a term up to the conclusion of the 40th Annual General Meeting of the company in the calendar year 2020, not liable to retire by rotation, on such remuneration by way of sitting fees, other permissible fees plus out-of-pocket expenses, as approved by the Board of Directors."

By order of the Board

S C Rangani
Director

Dated: April 29, 2015

Notes:

1. **THE MEMBERS WHO ARE ENTITLED TO ATTEND AND VOTE AT THE MEETING ARE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND PROXY NEED NOT BE A MEMBER.**

Proxy to be effective should be submitted at the Registered Office of the company not later than 48 hours before the commencement of the meeting.

2. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 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. Pursuant to section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement, e-voting facility to all members has been provided through the e-voting platform of CDSL on all the resolutions set forth in this notice. In this regard your demat account/folio number has been enrolled by the Company for your participation in e-voting on the resolutions placed by the Company on the e-voting system. Instructions and manner of e-voting process can be downloaded from the link <https://www.evotingindia.com> and for the Members convenience a separate note on page no. 71 is enclosed alongwith the Annual Report. E-voting is optional. The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 21st July, 2015. The e-voting period will commence from Thursday, 23rd July, 2015 at 9.00 a.m (IST) and will end at 5.00 p.m.(IST) on Saturday, 25th July, 2015.
4. The Register of members of the company and Transfer Books will be closed from 17th July, 2015 to 28th July, 2015 (both days inclusive).
5. Members/Proxies are requested to bring their attendance slip duly filled in and their copy of the Annual Report for the meeting.


EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
Item No.5
Appointment of Mr.Jayavardhan Dhar Diwan as independent director for a term of five years.

Mr. Jayavardhan Dhar Diwan has been Non Executive Director on the Board of the company since January, 2015. Mr.Jayavardhan Dhar Diwan (50 yrs) holds a degree in BE (Metallurgy) from University of Roorkee. He started his career in Indian Aluminium post his Engineering degree. He moved to a career in finance in 1993 post his MBA from S P Jain Institute of Management and Research as a Senior Research Analyst covering India for W.I Carr in Bombay and New York, moving on to KBC Financial Products as Executive Vice President, covering Global convertible bonds, distressed companies and special situations based out of New York. Currently, Mr. Diwan is the Advisor to OIM for the India focused Convertible Bond Opportunities Fund and also serves as Senior Advisor to the Odyssey Convertible Bond Fund I Ltd. The board has decided to appoint him for a further term of five years as Non Executive Independent Director in terms of provisions of section 152 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.5 of the accompanying notice. Notice from a member proposing his candidature together with a deposit of Rs.1 lac in terms of section 160 of the Companies Act, 2013 has been received by the company. Except Mr.Jayavardhan Dhar Diwan none of the other Directors, key management personnel and their relatives are interested or concerned with the resolution.

Brief details of Mr.Jayavardhan Dhar Diwan are given below:

Age	50 years
Qualification	BE (Metallurgy) MBA
Expertise/Experience	23 years of work experience.
Director Since	January 2015
List of other Indian Public companies in which Directorship is held	-
Chairman/Member of Committees in other public companies in which he is a Director	-
No.of shares held	-

By Order of the Board

S C Rangani

Director

April 29, 2015



BOARD'S REPORT

To,
The Members
SNL Bearings Limited

Your Directors have pleasure in presenting their Thirty Fifth Annual Report together with Audited Accounts for the year ended 31st March, 2015.

1. Financial Results

	Year ended 31st March, 2015 ₹ in lakhs	Year ended 31st March, 2014 ₹ in lakhs
Profit before providing for interest & depreciation	789.97	610.02
Less : Finance costs	56.31	70.65
Less: Depreciation	60.19	43.32
	-----	-----
Profit Before Tax	673.47	496.05
Tax expenses	218.51	157.20
	-----	-----
Profit After Tax	454.96	338.85
Less: Balance brought forward from previous year	(263.03)	(331.68)
Less: Proposed dividend on Preference Shares	(230.56)	(60.00)
Less: Additional Income tax on dividend on Preference Shares	(47.21)	(10.20)
Less: Transfer to capital redemption reserve	(150.00)	(200.00)
Closing balance of surplus in statement of Profit and loss	(235.84)	(263.03)
	=====	=====

2. Operations

Net sales during the year at Rs. 2648.29 lakhs (previous year Rs.2303.96 lakhs) are higher by 15%. Despite the challenging environment in the Indian economy, your company has achieved sales growth. However high, though stable, interest rates affected the working capital cycle across sectors and manufacturing and industrial activity remained sluggish for a large part of the year as demand was subdued across most sectors.

Profit before tax (PBT) has increased by 36% from Rs.496.05 lakhs (Previous year) to Rs.673.47 lakhs on account of higher volumes and improved cost competitiveness. Your company is confident of further capitalizing on growth opportunities during the current year and enhancing profitability and widening its ability to serve customers with emphasis on improving quality and productivity.

No dividend on equity shares has been recommended for the year in order to conserve resources for future requirements.



Preference Dividend arrears @6% on the cumulative redeemable preference shares for the years ended 31st March, 2008 to 31st March 2011 aggregating Rs.230.56 lakhs is being recommended by the Board.

3. **Public Deposits**

The company has not taken fixed deposit during the year. As on 31.3.2015 there are no fixed deposits with the company.

4. **Directors**

Ms. H S Zaveri retires by rotation but being eligible offers herself for re-appointment.

Ms.A A Gowariker, Independent director resigned from the Board w.e.f.January 2015 owing to time constraints. The Board hereby records its appreciation for the valuable contribution to the Board proceedings during her tenure.

Brief details of Mr.Jayavardhan Dhar Diwan, who is being appointed for a fresh term of 5 years as independent director are as below:

Mr.Jayavardhan Dhar Diwan (50 yrs) holds a degree in BE (Metallurgy) from University of Roorkee. He started his career in Indian Aluminium post his Engineering degree. He moved to a career in finance in 1993 post his MBA from S P Jain Institute of Management and Research as a Senior Research Analyst covering India for W.I Carr in Bombay and New York, moving on to KBC Financial Products as Executive Vice President, covering Global convertible bonds, distressed companies and special situations based out of New York.

Currently,Mr.Diwan is the Advisor to OIM for the India focused Convertible Bond Opportunities Fund and also serves as Senior Advisor to the Odyssey Convertible Bond Fund I Ltd.

Familiarisation Programme for Independent Directors

In order to familiarize the Independent Directors with the business of the Company, presentation was made 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, its committees, the Directors individually and the overall performance has been rated as satisfactory. 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 in March 2015.

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 stated in the Corporate Governance Report.

5. **Finance**

Finance costs have been controlled in spite of higher interest rates, term loan availed for capex and the enhanced working capital requirements arising from the additional volumes. Fresh investments are being considered for further enhancing capacities for projected growth.



6. Information regarding employee pursuant to section 217(2A) of the Companies Act, 1956 read with Rule 5 of Companies (Appointment & Remuneration) Rules 2014.

There was no employee -

- a. employed throughout the period under review, receiving remuneration in aggregate not less than Rs.60,00,000/-p.a.
- b. employed for the part of the period receiving remuneration not less than Rs.5,00,000/- per month

7. Safety, Healthy & Environment

The company's plant at Ranchi has been awarded internationally recognized external certification viz. ISO14001:2004 (for adherence to environmental processes), OHSAS:18001:1999(for Health & Safety) and ISO/TS:16949:2002 (quality management)

Behavioral safety programmes have been initiated at regular intervals and your company strives to continually improve environment, health and safety performance through the prevention of work place accidents and pollution, the promotion of employee health and well being and the reduction of environmental impacts including those from energy consumption and use.

Besides creating general awareness among employees towards environmental protection, the management encourages initiatives which are targetted towards conserving natural resources and improvements in resource efficiency across all processes.

8. Information pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule no.8 of Companies (Accounts) Rules 2014

- a. Measures taken for conservation of energy

The company is making all efforts for conservation of energy on a continuous basis.

- i) The company has installed on line Voltage Controller which helped save energy due to high and low voltage. Savings in Diesel are expected to be 525 litres per month.

The resultant cost savings as a result of these measures are Rs.3.9 lakhs p.a.

- b. Technology absorption

With the objective of improving productivity as well as quality, during the year the company has continued its efforts on development of special purpose machines and toolings, improvements in process parameters and reduction in cycle times.

The company has developed new products with improved functionalities which would contribute to better efficiencies in use.

- c. Foreign exchange earnings & outgo

Details regarding expenditure and earnings in foreign exchange have been given in Note No. 25 (h) and 25(i) respectively of the audited accounts of the company.

9. Corporate Governance

Pursuant to clause 49 of the listing agreements with the stock exchanges, 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.



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 Plant Head of the Company. All Independent directors have also submitted the declaration of independence confirming that they meet the criteria of independence as provided under section 149 of the Companies Act, 2013.

The relevant certification on the various matters specified under paragraph V of clause 49 has been done by the Assistant General Manager/Plant Head and a Director of the Company.

10. **Related Party transactions**

Transactions between the Holding company, NRB Bearings Ltd and its co-subsiidiary, NRB Bearings (Thailand) Ltd have taken place in the ordinary course of business. All transactions have been at arms length. The individual transactions have been regularly placed before the audit committee and the Board of Directors and have been approved in advance. Details of the remuneration/ sitting fees paid to the Directors and KMP as applicable and all transactions appear under Notes to accounts as note no. 25 (c) to the Annual Accounts.

Form No.AOC-2 in respect of the above transactions is uploaded on the Company's website.

11. **Corporate Social Responsibility activities (CSR)**

The CSR Committee has met on 29th January, 2015 and defined the areas which will be the preferred activities for the financial year FY 2015-16. For the current year an amount of Rs.11.54 lacs has been contributed to the PM Relief fund. The details of the same are available on the company's website.

12. **Risks and risk mitigation**

Risk committee has been constituted and is expected to meet during FY 2015-16 to complete risk assessment and the risk mitigation measures. Regular reviews of the same shall be held once the above is finalized.

13. **Directors' Responsibility Statement**

The Directors state that :

- i. in the preparation of annual accounts, all applicable Accounting Standards have been followed and proper explanations relating to material departures, if any, have been furnished;
- ii. accounting policies as listed in Note 2 to the financial statements have been judiciously selected and consistently applied and reasonable & 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, 2015 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. internal financial controls have been laid down and such financial controls are adequate and are operating effectively.
- vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

**14. Auditors**

- i. Appointment of M/s.Deloitte Haskins & Sells, Chartered Accountants as Auditors is approved till 31st March'2017 and is subject to annual ratification by the shareholders. The board recommends their re-appointment. A certificate from the auditors have been received to the effect that their appointment, if made would be within the limits prescribed under section 139 of the Companies Act, 2013.
- ii. The product "Bearings" was subject to cost audit under the Central Government rules till the previous year. The cost audit report for the year ended 31.3.2014 was reviewed by the audit committee at their meeting held on July 29,2014 and has been filed in XBRL format on 22.09.2014. Cost audit for the year ended 31st March, 2015 is not applicable.
- iii. 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. Upendra C. Shukla practicing Company Secretary to undertake the secretarial Audit of the Company. The report of the Secretarial Auditor is annexed herewith.

15. Acknowledgements

The Board wishes to acknowledge and thank all stakeholders for their whole hearted support and contribution by the company's bankers, customers, suppliers and all employees of the company. Your Directors also acknowledge the valuable support and active involvement and encouragement by all members of the management team of NRB Bearings Ltd., towards the improved efficiencies of the company.

On behalf of the Board

MR. S C RANGANI

Chairman for the meeting

Mumbai: April 29, 2015



**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2015**

[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

SNL Bearings Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SNL 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, 2015 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 SNL Bearings Limited for the financial year ended on 31st March, 2015 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, 1992; and
 - c) 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 : NIL

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with the Stock Exchanges in India.



I report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above.

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

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports by respective department heads, taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed 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 the size and operation of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period except for passing of Special Resolutions u/s 180(1)(c) and 180(1)(a) of the Act in the Annual General Meeting held on 20/09/2014 thereby increasing the borrowing power and authorising the Board to create charge on assets of the Company, there was no other specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc. having major bearing on the Company's affairs.

Place: Mumbai

Date : 29/04/2015

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



Form No. MGT-9

EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31/03/2015**

[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:- L99999MH1979PLC134191
- ii) Registration Date: 05/03/1979
- iii) Name of the Company: SNL 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 i.d. : sc.rangani@nrbbearings.co.in
 Web address: www.snlbearings.in
 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.	Bushes and Cages and Components	2913	98%

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	NRB BEARINGS LTD	L29130MH1965PLC013251	Holding	73.45	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	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	9643	--	9643	0.27	25459	--	25459	0.70	0.43
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	2652762	--	2652762	73.45	2652762	--	2652762	73.45	0.00
e) Banks/ FI	--	--	--	--	--	--	--	--	--
f) Any other..	--	--	--	--	--	--	--	--	--
Sub-total (A) (1)	2662405	--	2662405	73.72	2678221	--	2678221	74.16	0.43
(2) Foreign									
a) NRIs –									
Individuals	--	--	--	--	--	--	--	--	--
b) Other –									
Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.									
d) Banks/ FI	--	--	--	--	--	--	--	--	--
e) Any Other ...									
Sub-total (A) (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoters (A) = (A)	2662405	--	2662405	73.72	2678221	--	2678221	74.16	
(1)+(A)(2)	2662405	--	2662405	73.72	2678222	--	2678221	74.16	



B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	--	---	---	---	--	---	---	---	---
b) Banks/ FI	0	50	50	0.00	0	50	50	0.00	0.00
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (Specify)	--	--	--	--	--	--	--	--	--
Sub-total (B) (1)	0	50	50	0.00	0	50	50	0.00	0.00
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	118624	2975	121599	3.37	90905	2975	93880	2.60	(0.77)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	577802	149544	727346	20.14	499117	145294	644411	17.84	(2.30)
i) Individual Shareholders holding nominal sharecapital upto Rs.1 Lakh	85412	--	85412	2.36	177967	--	177967	4.93	(2.57)
ii) Individual Shareholders holding nominal sharecapital in excess of Rs. 1 Lakh	7286	600	7886	0.22	9819	600	10419	0.29	0.07
C) Any Other									
i) NRI's/ OCBs	6842	0	6842	0.19	6592	0	6592	0.18	(0.01)
ii) Clearing Members	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	795966	153119	949085	26.28	784400	148869	933269	25.84	0.44
Total Public Shareholding (B) = (B)(1) + (B)(2)	795966	153169	949135	26.28	784400	148919	933319	25.84	0.44
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3458371	153169	3611540	100	3462621	148919	3611540	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 shareholding during the year
1	Ms. Harshbeena S. Zaveri	9643	0.27	0	25459	0.70	0	0.43
2	NRB Bearings Ltd.	2652762	73.45	0	2652762	73.45	0	0
	Total	2662405	73.72	0	2678221	74.16	0	0.43

(iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	Ms. Harshbeena S. Zaveri	9643	0.27	25459	0.70	0.43

(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		Share holding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	Saharsh Yarn Pvt. Ltd.	46250	1.28	46250	1.28	0
2	Ritu Garg	0	0	40300	1.12	1.12
3	Madhu Mansharamani	0	0	39786	1.10	0.10
4	Anil Kumar Bajaj	0	0	24000	0.66	0.66
5	Kirit Ratilal Mehta	19542	0.54	23457	0.65	0.11
6	Lalit Kumar Poddar	0	0	15000	0.41	0.41
7	Ayyalusamy Kanagalakshmi	3051	0.08	14500	0.40	0.32
8	Anil Kumar Bajaj	0	0	10525	0.29	0.29
9	Surendra Patel	11099	0.31	10399	0.29	(0.02)
10	Amit Azad	15254	0.42	10000	0.28	(0.14)

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	Ms.H .S Zaveri	9643	0.27	25459	0.70	0.43

VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness (₹ in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	647.89	0	0	647.89
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	2.52	0	0	2.52
Total (i+ii+iii)	650.41	0	0	650.41
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction	237.93	0	0	237.93
Net Change	237.93	0	0	237.93
Indebtedness at the end of the financial year				
i) Principal Amount	410.36	0	0	410.36
ii) Interest due but not paid		0	0	0
iii) Interest accrued but not due	2.12	0	0	2.12
Total (i+ii+iii)	412.48	0	0	412.48



VII. Remuneration of Directors and Key Managerial Personnel

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
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	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission _ as % of profit _ others, specify...	--	--	--
5.	Others, please specify Sitting Fees (p.a.)	--	--	--
	Total (A)	--	--	--
	Ceiling as per the Act	--	--	--

B. Remuneration to Other Directors ₹ in lakhs

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. J. S. Maini	Mr. V. S. Iyer	Mrs. A. A. Gowariker (up to 13/01/15)	Mr. J. D. Diwan	Ms. H S Zaveri	Mr. S C Rangani	
	3. Independent Directors							
	• Fee for attending board / committee meetings	0.65	0.95	0.15	0.28	--	--	2.03
	• Commission	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--
	Total (1)	0.65	0.95	0.15	0.28	--	--	2.03
	4. Other Non-Executive Directors							
	• Fee for attending board / committee meetings	--	--	--	--	1.10	0.83	1.92
	• Commission	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--
	Total (2)	--	--	--	--	1.10	0.83	1.92
	Total (B)=(1+2)	0.65	0.95	0.15	0.28	1.10	0.83	3.95
	Total Managerial Remuneration	0.65	0.95	0.15	0.28	1.10	0.83	3.95
	Overall Ceiling as per the Act	--	--	--	--	--	--	--



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

₹ in lakhs

Sr. No.	Particulars of Remuneration	Name of Manager	Total Amount
1.		Mr.K K P Sinha	
	Gross salary	17.45	17.45
	(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		
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission _ as % of profit _ others, specify...	--	--
5.	Others, please specify	--	--

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



MANAGEMENT DISCUSSION & ANALYSIS

Industry structure and development

Your Company operates in the Antifriction bearing industry which is segmented into ball bearings and roller bearings (Tapered, Cylindrical, Needle, Spherical, Thrust and other special application bearings). The major user industries of antifriction bearings are automobiles, general engineering, railways, electrical equipment etc. The production of the organized bearing industry as represented under Ball & Roller Bearing Manufacturers Association (BRBMA) is placed at Rs.4600 crores during the last financial year. Your company operates in the following market segments:

- | | | | | | |
|----|----------------|----|--------------|----|---------|
| 1. | Automotive OEM | 2. | After Market | 3. | Exports |
|----|----------------|----|--------------|----|---------|

For your company, the automotive OEMs constitute over 90% of the sales. The demand for roller bearings has grown by 8% during the last year reflecting overall sluggishness in industrial activity.

The automotive industry is the largest consumer of bearing products. In FY 2014-15 sales of the overall Indian automobile sector have shown a moderate growth of 4% compared to the negative growth of the previous year. Particularly affected were sales of Commercial vehicles & Farm equipment that have shown de-growth compared with the previous year. Sales of two/three wheelers have continued to show moderate growth of around 4% while the passenger car segment has shown a growth of around 3%.

Roller bearings have wide ranging applications and are critical to industrial progress. As Indian industry develops, demand for bearings is expected to grow both in quantitative as well as qualitative terms towards bearing solutions that are efficient and support productivity. Your company has enhanced capacity at Ranchi and is now in a position to offer a more comprehensive product portfolio to our customers.

Economic Environment

Manufacturing and industrial activity remained sluggish for a major part of FY 2014-15 with the economy continuing on the same volatile path as in the previous year. Inflationary pressure, high interest rates and mixed signals from the euro area resulted in growth challenges across sectors. Global growth is estimated at 2.6% as per the World Bank report during 2014 with rise in economic activity in USA, slow down in the euro area and China. During 2015 global growth is estimated to be 3.5% with the decline in oil prices expected to support economic activity.

Going forward, there are high expectations that the new government will take measures to boost the Indian economy in the short and medium term. The key focus is to revive the investment cycle and focus on pending infrastructure and growth projects is likely to lead to a sustainable demand recovery.

Rising disposable income of the expanding middle class households, and rural prosperity is expected to drive demand for both private and public transportation. The continued capacity expansion by major OEMs, in line with market demand is expected to encourage auto component manufacturers to invest in new capacities and expand operations which will have to effectively address challenges of fuel efficiency, safety and increased comfort. Opportunities for exports are expected to increase both for finished automobiles as well as auto components. Many new launches are also planned during the year which will help in expanding the size of the market.

Interest rates are expected to moderate during the course of the year alongwith containment of fuel prices and inflationary pressures which should enable bearing manufacturers to focus on cost reduction.



Your company will continue to focus on offering value added solutions and leverage its competitive strength to match customer growth plans.

Opportunities and Threats

The long term prospects for the Indian economy remain bright owing to the growth of internal consumption. Demand for personal vehicles like 2-wheelers/passenger cars will be driven by the aspirations of the rising middle class with improving purchasing power and disposable incomes, growth of manufacturing particularly activities in mining, infrastructure and logistical requirements of the e-commerce sectors which will directly influence the demand for commercial vehicles. Rapid urbanization will drive the need for public transportation. At the same time industry will increasingly follow the global trend towards higher efficiency, high safety and improved driving comfort, controlled emissions.

In the short term with revival of business confidence coupled with positive actions on reforms, infrastructure and inclusive growth by the government, the economy is likely to develop positively. The manufacturing sector will play a decisive role in transforming India.

The domestic bearing industry is facing the following threats:

- a. The menace of spurious bearings continues to adversely affect the industry. As per estimates roughly one in every four bearings sold in the replacement market is fake/ of inferior quality presenting a threat to unsuspecting users. Concerted efforts by the industry to control the same are required on a continuing basis to make any impact.
- b. With global demand weakening, dumping of cheap bearings by Chinese and other South East Asian countries has intensified. The industry is working with the government for imposition of safeguard duties to protect the domestic industry.
- c. Rising labour costs which will have to be compensated by productivity increases so as to retain competitiveness of the industry.
- d. Demand for farm equipment has always been cyclic and a favourable monsoon season is essential for rural demand.

Of course, the industry and your company have to continuously explore ways and take all measures to strengthen competitive advantage by minimizing waste, increasing efficiencies and producing high quality products to counter the threat of cheap imports.

Financials

The company has made a profit after tax of Rs.454.96 lakhs as compared to Rs.338.85 lakhs in the previous accounting year. The net sales at Rs.2648.29 lakhs show a growth of 15%, as compared to net sales of the previous year Rs.2303.96 lakhs.

The company expects that the market will improve and with the new capacities which have become operational, it will be able to enhance volumes, improve efficiencies, broaden its customer profile and product range so that the financial results are better during the current financial year.

Risks and risk mitigation

The company has comprehensive risk management processes for identification, assessment and mitigation of all potential business risks. The risks are identified by the departments and then analysed



and evaluated by the management team. These include operational, financial, legal and strategic risks. Depending on probability of occurrence and extent of potential damage, these risks are categorized as material risks and non critical risks. These are periodically presented to the Board along with planned mitigation. Risk mitigation measures and their implementation are regularly reviewed and discussed, and after evaluation, improved and updated. The macro concerns which could significantly impact industry performance during the year are inflation, fiscal deficit, high interest rates, government's inability to build and expand critical infrastructure and the adverse impact of the FTAs which have resulted in higher imports of auto components and could therefore negatively impact the industry's plans to achieve the targeted size of US\$ 40 billion by 2016 under the Automotive Mission Plan.

Company's internal auditors review the internal controls, risk assessment and mitigation procedures, independently as part of their internal audit process and their observations and findings are presented, reviewed and discussed in the audit committee meeting.

The Plant head and his continuing interactions with the functional heads of the holding company, employees and other stakeholders, helps management with regular monitoring and reports about the developments in the market, competition, extension of product range, and financial, legal and compliance issues.

Internal control systems and adequacy

The company has in place adequate internal control systems which ensures reliable financial reporting, safeguarding of assets, adherence to management policies and promotion of ethical conduct. The company has implemented an integrated ERP system which will help the company in its growth process and make it more responsive to changes in the business environment and processes.

Some of the significant features of the internal control systems are:

- a. Internal auditors who in addition to transaction audit cover operational audit and review business processes and performance
- b. Standard operating procedures and guidelines are being reviewed in the light of the ERP implementation to ensure tighter controls, including recommendations to strengthen business processes. Improvements/modifications are being effected to meet with changes in business conditions, statutory and accounting requirements

The Audit Committee closely interacts with and guides management and alongwith statutory auditors and internal auditors reviews significant findings and follows up thereon.

Segmentwise Performance

During the current year also, the company has continued to manufacture special purpose machines and tools for the bearing industry to better utilize its assets and other resources of the company. Accordingly while ball and roller bearings remain the primary business segment, the results of the Special purpose machine segment are also reported as some of the assets and liabilities of the company were expended towards this business segment. The details of the segment performance are tabled below:



Segment Information

Primary Segments- Business Segments

	2014-15			2013-14		
	Bearings	Special Purpose Machines	Total Amount	Bearings	Special Purpose Machines	Total Amount
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
A Segment Revenue						
Net Sales to Customers	2648.29	-	2648.29	2282.97	20.99	2303.96
Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	2648.29	-	2648.29	2282.97	20.99	2303.96
B Segment Results	836.74	(81.24)	755.50	552.19	4.89	557.08
Less: Unallocated corporate expenses net off unallocable income			25.72			(9.62)
Less: Interest expense			56.31			70.65
Profit before tax			673.47			496.05
C Capital Employed	1956.54	2.13	1958.67	1837.72	106.06	1943.78
Unallocated corporate assets (net)			(818.33)			(830.63)
Total			1140.34			1113.15

Industrial Relations and Human Resource management

The company's industrial relations with employees at its Ranchi plant continued to be cordial and peaceful.

The company has continued its efforts towards strengthening HR by providing employees a better working atmosphere and creating a culture which nurtures personal and organizational role.

Productivity increases and the reorganised management structure have resulted in production levels being sustained with improving trend.

Permanent employees directly employed by the company currently total 143 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

The company is committed to and continues to practice good Corporate Governance, with emphasis on integrity and accountability. The core principles followed by the company are creating long term value for all stake holders, business practices which are ethical and in compliance with applicable legal requirements and having an impact on the environment in which we work.

1. Board of Directors

a. Composition :

The Company is Board managed. All directors are non executive directors and professionally competent. At present the Board consists of five members. The Board of Directors closely monitors the performance of the company and its management, approves and reviews strategy, ensures legal and ethical conduct and proper financial reporting. It is accountable to the shareholders as well as other stake holders for the long term health of the Company.

The Chairman of the Board is Ms.H S Zaveri whose details are as below alongwith the brief profiles of the other Directors.

Ms.H S Zaveri (55 yrs) is the Chairman of the Board of Directors. Since October 2010, she is the Managing Director & President of NRB Bearings Ltd.

Ms.Zaveri graduated with distinction and honors from Wellesley College, an institution renowned for developing women leaders. She continues to be deeply involved with her Alma Mater as member of the Wellesley Business Leadership Council and is on the President's International Committee, which is focused on achieving Wellesley's vision of developing women leaders in an increasingly globalized world.

She was awarded The Leading Woman in Manufacturing Sector Award by Women In Leadership Forum (WIL) in 2009, and the Best CEO Award by the Quality Circle Forum of India for her contribution to the Quality movement in India. Fortune Magazine has ranked her amongst the 15 most powerful businesswomen in India since 2011.

As President and CEO of NRB Bearings Limited, she spearheaded NRB's foray into Design Engineering and R & D which enabled NRB to become a supplier to the world's foremost automotive companies. Currently exports constitutes 25 percent of NRB's sales turnover with exports to Global leaders such as Volvo, Mercedes and Audi.

Actively engaged with various business associations, she is Past President of Ball & Roller Bearing Manufacturers Association (BRBMA), Past Deputy Chairman of Western Region and Executive Committee Member of the Automotive Component Manufacturing Association (ACMA). She serves as an elected member on the CII Western Region and Maharashtra State Councils, the Executive Committee of ACMA, and the West India Council of the Indo American Chamber of Commerce (IACC).

Other than Ms.H S Zaveri who is part of the promoter family of NRB Bearings Ltd. and Mr.S C Rangani who receives remuneration from the holding company, the other directors mentioned below are independent.



Mr.S C Rangani (66 yrs) is a graduate in commerce with post graduate qualifications in Management Studies and professional qualifications as a Company Secretary. He has over 42 yrs. experience in management positions in various industries including 22 years have been in the holding company with responsibilities for Finance, IT, Legal and Secretarial. He is also a Director on the board of NRB Bearings Ltd and NRB Bearings (Thailand) Ltd.

Mr.J S Maini (73 yrs) holds a degree in Mechanical Engineering from Pune University. He retired from the position of General Manager (Aurangabad & Waluj plants), NRB Bearings Ltd., after meritorious service of 27 years with the company in various positions in the maintenance, manufacturing and commercial areas of the business. He has a wealth of experience in manufacturing practices and currently in the business of marketing bearings and automotive products.

Mr.V S Iyer (91 yrs) has a Master's degree in Arts and a Law degree from Bombay University and additionally professionally qualified as a Company Secretary. He is a practicing Company Secretary and has extensive experience in company law related matters.

Mr.J D Diwan (50 yrs) holds a degree in BE (Metallurgy) from University of Roorkee and completed his MBA from S P Jain Institute of Management and Research. He started his career in Indian Aluminium post his Engineering degree. He moved to a career in finance in 1993 post his MBA, as a Senior Research Analyst covering India for W.I Carr in Bombay and New York, moving on to KBC Financial Products as Executive Vice President, covering Global convertible bonds, distressed companies and special situations based out of New York. Currently, Mr.Diwan is the Advisor to OIM for the India focused Convertible Bond Opportunities Fund and also serves as Senior Advisor to the Odyssey Convertible Bond Fund I Ltd.

The directors have received remuneration only by way of sitting fees.

Name of Directors	DIN	Category	No.of directorships as on 31.3.2015	No.of Committees in which Chairman/ Member (other than SNL) as on 31.3.2015
H S Zaveri	00003948	NE/NID	3	4/1
S C Rangani	00209069	NE/NID	1	2
J S Maini	00371772	NE/ID	-	-
V S Iyer	00333957	NE/ID	1	-
J D Diwan	01565319	NE/ID	-	-

NE and NID – Non Executive and Non Independent Director

NE and ID - Non Executive and Independent Director

Directorships do not include alternate directorship, directorships of private limited companies, section 8 companies and companies incorporated outside India.

The Board of Directors is constituted with appropriate combination of Independent and Non Independent Directors as per Clause 49 of the Listing Agreement with the stock exchanges.

Membership of Audit, Stakeholders', Nomination & Remuneration, CSR and Risk committees has been considered only.



b. Board Meetings:

The Board of the Company, as also the various specialized committees constituted by the Board, held as many as 19 meetings including 4 meetings of the Board during 2014-15.

The Board held its meetings on 25th April, 2014, 29th July, 2014, 30th October, 2014 and 29th January, 2015. The maximum interval between any two meetings did not exceed four months.

c. Attendance of Directors:

The overall attendance of Directors was 85%.

Attendance of Directors

At the Board Meetings held during 2014-15 and the last Annual General Meeting

Sr.No.	Name of Directors	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM (29th July, 2014)
1	Ms.H S Zaveri	4	4	Yes
2	Mr.S C Rangani	4	4	Yes
3	Mr.J S Maini	4	4	Yes
4	Mr.V S Iyer	4	3	Yes
5	Ms.A Gowariker *	3	1	Yes
6	Mr.J D Diwan **	1	1	No

Overall attendance in the Board Meetings: 85%

AGM: 100%

* upto 13/01/2015

** from 29/01/2015

d. Other Directorships:

Other Boards of which directors are Members

Sr. No.	Name of Directors	Details of other Directorships *	Details of Committee Memberships
1	Ms.H S Zaveri	NRB Bearings Ltd NRB Industrial Bearings Ltd	Member-Stakeholder Relationship Committee Chairman-CSR Committee Member-Audit Committee Member-Risk Committee Nil
2	Mr.S C Rangani	NRB Bearings Ltd	Member-CSR Committee Member-Risk Committee
3	Mr.J S Maini	NIL	NIL
4	Mr.V S Iyer	RMG Special Alloys Ltd	NIL
5	Mr.J D Diwan	NIL	NIL

*excluding private limited companies and companies incorporated outside India



e. Membership 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 clause 49 of the Listing Agreement.

f. Details of Directors being appointed/reappointed:

Ms.H S Zaveri retires by rotation and being eligible offers herself for re-appointment.

Mr.Jayavardhan D Diwan, Independent director is proposed to be appointed for a term of five years.

The particulars of these directors are furnished elsewhere.

g. Remuneration of directors:

The directors have been remunerated only by way of sitting fees and no other benefits are paid.

Name of Directors	Sitting fees
H S Zaveri	1,10,000
S C Rangani	82,500
J S Maini	65,000
V S Iyer	95,000
A Gowariker	15,000
J D Diwan	27,500
Gross total	3,95,000

Board Committees

As per sections 177 & 178 of the Companies Act,2013 and the revised clause 49 of the Listing Agreement, the Board of Directors has reconstituted the committees in line with the new provisions and terms of reference required. The Committees operate as empowered agents of the Board as per their Charter/Terms of Reference. The Board of Directors and the Committees also take decisions by Circular Resolutions which are noted at the next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/ noting. The Board currently has four Committees-Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee. The role and composition of these Committees including the number of meetings held during the financial year and the related attendance are provided below.

2. Audit Committee

The Committee, in order to comply with the condition of clause 49 of the listing agreement relating to composition of such committee, consists of four Non-executive Directors and is headed by Mr. J S Maini. All the Members of the Committee have good knowledge of accounting/financial management. The statutory auditor and internal auditor's representatives are permanent invitees to all Audit Committee meetings. The Cost auditor and Secretarial Auditor are invited



to meetings whenever matters relating to cost/secretarial 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 committee held 4 meetings during the year. The major terms of reference of the Audit Committee as stipulated in Clause 49 of the Listing Agreement are as follows:

- 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.

**Attendance of Members
at the Meetings of the Audit Committee held during 2014-15**

Members	Meetings held	Meetings attended
Mr.J S Maini (Chairman)	4	4
Ms.H S Zaveri	4	4
Mr.V S Iyer	4	3
Ms.A A Gowariker	3	1
Mr.J D Diwan	1	1

Overall attendance: 81%

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



3. Stakeholders Relationship Committee

The Committee comprises of four Directors viz. Mr. V S Iyer (Chairman), Ms. H S Zaveri, Mr. S C Rangani and Mr.J D Diwan. The broad terms of reference of this Committee include review of complaints and queries from investors, review of work done by the share transfer agent. 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 eight meetings were held.

The shareholders of the Company are serviced by the share transfer agent- M/s.Universal Capital Securities Pvt.Ltd. As required by the Stock Exchanges, the Company has appointed Mr. S C Rangani, Director, as the 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 2014-15

Members	Meetings held during the tenure of the Director	Meetings attended
Mr.V S Iyer (Chairman)	8	8
Ms.H S Zaveri	8	7
Mr.S C Rangani	8	8
Mr.J D Diwan	2	1

Overall attendance : 92%

4. Nomination & Remuneration Committee (NRC)

The Board constituted the Committee at its meeting held on 29th July,2014 with Mr.J S Maini (Chairman), Ms.A A Gowariker and Ms.H S Zaveri as members. Ms.Gowariker resigned from the Board in January 2015 and Mr.J D Diwan has been made a member of the Committee.

Terms of Reference of the Committee are as under:

1. The NRC shall identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of the Board.
2. The NRC shall formulate the criteria for determining, qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
3. The NRC shall while formulating the policy under (2) above, ensure that the level in compensation of remuneration is reasonable and sufficient to attract and retain directors/employees, remuneration is linked to performance and involves a balance between fixed and incentive pay appropriate to the working of the company and its goals.
4. The NRC shall lay down the evaluation criteria for performance evaluation of the Directors and the Board.
5. While determining remuneration, the NRC shall ensure that all pecuniary relationship 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.



Sitting fee is payable to the Non Executive Directors. As the duties and responsibilities of the independent directors has been increased under the new Companies Act, 2013. The same was revised by the Board at their meeting held on 30th October, 2014:

Board meetings	₹ 10,000
Audit committee	₹ 10,000
Stakeholders committee	₹ 7,500
Nomination & remuneration committee	₹ 7,500 (proposed and approved w.e.f. 29th April, 2015)
CSR committee	₹ 7,500 (proposed and approved w.e.f. 29th April, 2015)
Risk committee	₹ 7,500 (proposed and approved w.e.f. 29th April, 2015)

No commission is payable to the directors. All independent directors have confirmed that they do not have any material pecuniary relationships or transactions with the company or its promoters which may affect their independence.

During the year the Committee held two meetings.

5. Corporate Social Responsibility (CSR) Committee

The Board constituted the CSR committee at its meeting held on 29th January, 2015. The Chairman of the committee is Ms. H S Zaveri and the other members are Mr. S C Rangani and Mr. J D Diwan (Independent Director). The terms of reference of the CSR committee in line with the requirements of section 135 of the Companies Act, 2013 and the rules framed thereunder are as below:

1. Formulate and recommend to the Board the CSR policy indicating the activities to be undertaken by the company including the modalities of execution of such programmes and the implementation schedule.
2. Recommend the amount of expenditure to be incurred to the activities referred to above.
3. Monitor the implementation of the projects or activities undertaken by the company.

The Board shall approve the CSR policy recommended by the CSR committee and decide whether to undertake these activities directly or through a registered trust or whether it would like to collaborate with other companies for undertaking the CSR activities in such manner that they are implemented in accordance with the rules. The committee shall give preference for implementing programmes in the areas around where it operates.

6. General Body Meetings

The last 3 Annual General Meetings of the Company were held as below:

34th Annual General Meeting on 29th July, 2014 at 3.00 p.m

Conference Room, Dhannur, 15 Sir P M Road, Mumbai 400 001

33rd Annual General Meeting on 6th August, 2013 at 3.00 p.m.

Conference Room, Dhannur, 15 Sir P M Road, Mumbai 400 001

32nd Annual General Meeting on 27th July, 2012 at 3.00 p.m.

Conference Room, Dhannur, 15 Sir P M Road, Mumbai 400 001

2 special resolutions were approved at last AGM and e-voting facility provided.

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



7. Disclosures

a. Related Party Transactions (RPT)

The Company has not entered into any transaction of material nature that may have a potential conflict with interests of the Company, with any of the Directors or their relatives during the year 2014-15. The disclosure in respect of RPT is given in the schedules of the notes to the accounts. All contracts with affiliates are carried out on arms length basis at fair market value. All RPT during the year, whether in the ordinary course of business or not, were placed before the audit committee and to the board on quarterly basis. The policy on RPTs is also placed on the company's website. There are no subsidiary companies.

b. Compliances

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.

c. Code of Conduct/Prevention of insider trading

The Board of Directors in its meeting held on 29th April, 2015 has adopted draft Codes of fair disclosure and conduct, as prescribed by SEBI (Prohibition of Insider Trading) Regulation, 2015. The draft code shall become effective w.e.f. 15/05/2015. The same has been placed on the Company's website.

No director holds shares in the company other than Ms.H S Zaveri whose shareholding was 25459 shares as on 31.3.2015.

d. Vigil mechanism policy

The company has a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The same has been disclosed on the company's website. During the year under review no concern of any nature other than the allegation mentioned hereafter, was reported under this policy.

During the year an ex-union leader has been highlighting alleged discrepancies in the recruitment of apprentices and non settlement of dues payable to ex-workmen whose services have been terminated by management. These cases were investigated by management and no mal practices have been noted.

e. Risk Management

The company has a Risk Management framework in place to manage risks inherent in various aspects of business. These risks are identified through active involvement of plant head, departmental managers and the board members. These are periodically reviewed by the audit committee/board.

f. Familiarisation Programme for Independent Director

In the case of Independent Director Mr. J. D. Diwan who has joined during the year, the nature and scope of business, nature of industry in which company operates, profitability and future scope has been covered in his familiarization programme and a plant visit to evaluate the operations has been organised.



g. **Board evaluation**

The board has carried out an annual performance evaluation of its own performance, its committees and the Directors individually. The manner in which the evaluation has been carried out has been explained in the write up on the web site.

The independent directors have also met separately in March 2015.

h. **Remuneration policy**

The Board has on the recommendation of the Nomination & Remuneration Committee, decided that considering the size of the company and its operations at a single plant., directors shall be remunerated only by way of sitting fees at the scale disclosed in the corporate governance report. No commission is payable.

8. **Means of Communication**

Information like Quarterly Financial Results and Press Releases on significant developments in the Company is hosted on the company's web site www.snlbearings.in and have 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.

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. **Auditor's Certificate on corporate Governance**

The Auditor's Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.

11. **Non mandatory recommendations**

a. **Chairman of the Board – Re:Non-executive Chairman**

The Company's non-executive Chairman has not expressed any desire for a separate office.

b. **Half yearly results to shareholders**

The company has circulated the Chairman's speech at the AGM and the half yearly results to all the shareholders. The quarterly financial results are also available on the company's web site www.snlbearings.in.

c. **Audit qualifications**

The financial statements are unqualified.

d. **Separate posts of Chairman and CEO**

The company has separate person for the post of Chairman and CEO.

e. **Reporting of Internal Auditor**

The internal auditor reports directly to the Audit Committee.



Auditors' certificate to the members of SNL Bearings Limited on compliance of the conditions of corporate governance for the year ended 31st March, 2015 under clause 49 of the listing agreement with relevant stock exchanges.

We have examined the compliance of the conditions of corporate governance by SNL Bearings Limited, for the year ended on 31st March, 2015, as stipulated in clause 49 of the listing agreements of the said Company with relevant stock exchanges (hereinafter referred to as clause 49).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, except that in the absence of any designated Chief Executive Officer (CEO) and Chief Financial Officer (CFO), the relevant certification on the various matters specified under paragraph IX of clause 49 has been done by the AGM (Plant head) and a Director of the Company.

We certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49.

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

Place: Mumbai
Date: April 29, 2015



SHAREHOLDERS' INFORMATION

1. Annual General Meeting

Date and Time	:	July 28, 2015 at 3.00 p.m.
Venue	:	Conference Hall, Dhannur 15 Sir P.M.Road, Fort Mumbai 400 001

2. Financial Calendar

Financial reporting for the quarter ending June 30, 2015	:	July 28 , 2015
Financial reporting for the quarter ending September 30, 2015	:	Last week October, 2015
Financial reporting for the quarter ending December 31, 2015	:	Last week January, 2016
Financial reporting for the year ending March 31, 2016	:	End April, 2016
Annual General Meeting for the year ending March 31, 2016	:	July/August, 2016

3. **Book Closure Date** : 17th July, 2015 to 28th July, 2015
(both days inclusive)

4. **Preference Dividend Payment Date** : August 3, 2015

5. **Registered Office** : Dhannur, 15 Sir P.M.Road
Fort, Mumbai 400 001
(Tel) 22664160/4998
(Fax) 22660412

Plant : Ranchi : Ratu, Ranchi 834 001
(Tel) 0651-2521876
(Fax) 0651-2521920

6. Unclaimed Dividends

No unclaimed dividends remaining unclaimed for 7 years from the date of declaration.

7. 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.



8. Distribution of Shareholding as on 31st March :

No. of Equity Shares	2015				2014			
	No. of share holders	% of share holders	No. of shares held	% of share holding	No. of share holders	% of share holders	No. of shares held	% share holding
Upto 500	4050	94.50	339538	9.401	3974	93.84	344609	9.542
501-1000	120	2.80	97991	2.713	133	3.14	109170	3.023
1001-2000	62	1.45	95997	2.658	69	1.63	105481	2.921
2001-3000	25	0.58	64743	1.793	29	0.69	73331	2.030
3001-4000	4	0.09	15002	0.415	5	0.12	17647	0.489
4001-5000	6	0.14	28481	0.789	7	0.17	31660	0.877
5001-10000	8	0.18	67350	1.865	7	0.17	58679	1.625
10001 & above	11	0.26	2902438	80.366	11	0.26	2870963	79.494
TOTAL	4286	100.00	3611540	100.00	4235	100.00	3611540	100.00

As on 31st March, 2015, 3462621 no. of shares constituting 95.88% of the share capital has been dematerialised.

The company has entered into agreements with NSDL during the year 2002-03 and has been allotted ISIN No. INE 568F 01017. The company has also entered into agreements with CDSL during the year 2009-10.



9. Categories of shareholdings as on 31st March :

Category	2015				2014			
	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								
Promoter group	1	0.02	25459	0.70	1	0.02	9643	0.27
Public	4193	97.84	828970	22.95	4150	97.99	819600	22.69
Corporate Bodies								
Promoter group	1	0.02	2652762	73.45	1	0.02	2652762	73.45
Others	67	1.56	93880	2.61	66	1.56	121599	3.37
Foreign Collaborator	-	-	-	-	-	-	-	-
NRI/OCBs	23	0.54	10419	0.29	16	0.38	7886	0.22
FI/FII/Banks	1	0.02	50	-	1	0.02	50	-
Mutual Funds/UTI	-	-	-	-	-	-	-	-
TOTAL	4286	100.00	3611540	100.00	4235	100.00	3611540	100.00

10. Share Transfer System

The Stakeholders Relationship Committee comprising of four directors is authorized to approve transfer of shares and the said Committee approves transfer of shares. The Committee meets every quarter or earlier in case there are any requests for share transfers in physical form or requests for remat/issue of duplicate share certificate.

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.

11. Investor queries

Nature of queries/complaints	2014-15 Nos.
Transfers (including stop transfer), Transmissions	1
Duplicate share certificates	1
Signature verification	0
Non receipt of share certificates	0
Deletion of name	0
Power of Attorney	0
Revalidation of dividend warrants	0
Non-receipt of dividend warrants	0
Change in bank details	0
Change of address	8
Change of address undelivered	0
Non receipt of AGM reports	0
Total	10



- a. Legal proceedings on share transfer, if any : There are no major legal proceedings relating to transfer of shares.
 - b. Number of shareholders' complaints received during the year : Nil
 - c. All the complaints have been resolved.
 - d. There are no pending share transfers as at the year end.
12. **Listing on Stock Exchange at** : Equity shares
- BSE Ltd
P.J.Towers, Dalal Street
Mumbai 400 023
- The Calcutta Stock Exchange Association Ltd.
7 Lyons Range
Calcutta 700 001

Note : Listing fees for the year 2015-16 have been paid to The BSE Ltd. The company's application for voluntary delisting from the Calcutta Stock Exchange has been submitted on 2nd September, 2005 and is pending for action by them and hence the listing fee from the year 2007-08 has not been paid.

13. **Stock Codes**

BSE 505827
ISIN No. **INE 568F 01017**

14. **Stock Market Data**

BSE, Mumbai

Monthly high and low quotations and volume of shares traded.

2014-15	Mumbai Stock Exchange		
Month	High	Low	Volume
April'14	25.00	16.20	28980
May'14	29.95	22.50	31477
June'14	40.55	27.25	107339
July'14	53.45	40.10	77893
August'14	64.60	45.15	119094
September'14	80.00	58.00	120715
October'14	100.95	67.15	174435
November'14	152.70	99.00	355285
December'14	133.30	84.35	80891
January'15	138.50	100.25	84813
February'15	119.90	95.00	56207
March'15	114.00	95.20	115835
Total			1352964



15. **Registrars and Transfer Agents** : M/s.Universal Capital Securities Pvt.Ltd.
(Share transfer and communication (Formerly MondkarComputers P.Ltd.)
Regarding share certificates, dividends and 21, Shakil Niwas,Mahakali Caves Road
change of address) Andheri (East), Mumbai 400 093
(Registered with SEBI as Share
Transfer Agent-Category I)
16. **Investor correspondence** : The Director
SNL Bearings Limited
Dhannur, 15 Sir P.M.Road
Fort, Mumbai 400 001
Tel : 022-22664160/4998
Fax:022-22660412
E-mail:investorcare@snlbearings.co.in
Website:www.snlbearings.in
17. **Details on use of public funds obtained in the last three years :**
No funds have been raised from public in the last three years.
18. **Outstanding GDR/Warrants and convertible bonds, conversion date and likely impact on Equity :**
The company has no outstanding GDR/Warrants and/or convertible bonds.



CEO/CFO CERTIFICATION

The Board of Directors

SNL Bearing Ltd.

We hereby certify 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. There are, to the best of our knowledge and belief, 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) 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 SNL Bearings Ltd.

K.K.P. Sinha
AGM & PLANT HEAD

S C Rangani
DIRECTOR

Mumbai : April 29, 2015

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. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2015.

For SNL Bearings Ltd.

S C RANGANI
DIRECTOR & COMPLIANCE OFFICER

Mumbai : April 29, 2015



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

Report on the Financial Statements

We have audited the accompanying financial statements of **SNL BEARINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and



give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2015, 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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 25 (a) to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Saira Nainar
(Partner)
(Membership No. 040081)

MUMBAI, 29 April, 2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of SNL Bearings Limited for the year ended 31 March, 2015)

- (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 31 March, 2013. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) 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.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods. There are no sales of services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 and 76 or any other relevant provisions of the Act.
- (vi) According to the information and explanations given to us, the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been 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 with 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 31 March, 2015 for a period of more than six months from the date they became payable.

- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31 March, 2015 on account of disputes.
- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (viii) The accumulated loss of the Company at the end of the financial year is less than fifty per cent of its net worth and the Company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

Saira Nainar
(Partner)
(Membership No. 040081)

MUMBAI : 29 April, 2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

₹ in lakhs

Particulars		Note No.	As at 31st March, 2015	As at 31st March, 2014
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	411.15	561.15
	(b) Reserves and surplus	4	729.19	552.00
2	Non-current liabilities			
	(a) Long-term borrowings	5	143.36	196.28
	(b) Deferred tax liabilities (net)	6	94.12	80.70
	(c) Long-term provisions	7	29.21	24.39
3	Current liabilities			
	(a) Short-term borrowings	8	214.07	411.73
	(b) Trade payables	9	211.23	144.54
	(c) Other current liabilities	10	105.49	92.73
	(d) Short-term provisions	11	297.67	80.30
	TOTAL		2,235.49	2,143.82
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets	12		
	(i) Tangible assets		896.87	830.53
	(ii) Intangible assets		0.26	1.92
	(iii) Capital work-in-progress		28.06	-
	(b) Long-term loans and advances	13	34.92	32.10
2	Current assets			
	(a) Inventories	14	701.85	641.88
	(b) Trade receivables	15	511.75	575.02
	(c) Cash and cash equivalents	16	29.57	6.73
	(d) Short-term loans and advances	17	32.21	55.64
	TOTAL		2,235.49	2,143.82
	See accompanying note forming part of the financial statements.			

In terms of our report attached
For DELOITTE HASKINS & SELLS

Chartered Accountants

Saira Nainar
Partner

Mumbai : 29 April 2015

For and on behalf of the Board of Directors

S. C. Rangani

J. S. Maini

J. D. Diwan

V. S. Iyer

Directors

Mumbai : 29 April 2015



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

₹ in lakhs

Particulars		Note No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
I.	Revenue			
	(a) Revenue from operations (gross)	18	2,927.35	2,576.21
	Less : Excise duty		279.06	272.25
	Revenue from operations (net)		2,648.29	2,303.96
II.	Other income	19	32.73	53.27
III.	Total Revenue (I + II)		2,681.02	2,357.23
IV.	Expenses			
	(a) Cost of materials consumed	20	753.58	635.89
	(b) Changes in inventories of finished goods and work-in-progress	21	(60.03)	37.11
	(c) Employee benefits expenses	22	565.18	510.61
	(d) Finance costs	23	56.31	70.65
	(e) Depreciation and amortization expenses	12	60.19	43.32
	(f) Other expenses	24	632.32	563.60
	Total Expenses (IV)		2,007.55	1,861.18
V.	Profit before tax (III-IV)		673.47	496.05
VI.	Tax Expense:			
	(a) Current tax		205.09	122.64
	(b) Deferred tax		13.42	34.56
	Net Tax Expense (VI)		218.51	157.20
VII.	Profit after tax (V-VI)		454.96	338.85
VIII.	Earnings per equity share (of Rs. 10 each)			
	Basic and Diluted	25 (d)	Rs. 12.37	Rs. 8.90
	See accompanying note forming part of the financial statements.			

In terms of our report attached
For DELOITTE HASKINS & SELLS

Chartered Accountants

Saira Nainar

Partner

Mumbai : 29 April 2015

For and on behalf of the Board of Directors

S. C. Rangani**J. S. Maini****J. D. Diwan****V. S. Iyer**

Directors

Mumbai : 29 April 2015



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

	Year ended 31.03.2015	₹ in lakhs Year ended 31.03.2014
A. Cash flow from operating activities		
Net Profit before tax	673.47	496.05
Adjustments for :		
Depreciation and amortization	60.19	43.32
Interest expense	56.31	70.74
Net loss on sale of fixed assets	-	0.30
Provision for doubtful debt	-	2.15
Unrealised Foreign Exchange Gain	(2.57)	(0.26)
	<u>113.93</u>	<u>116.25</u>
Operating Profit before working capital changes	<u>787.40</u>	<u>612.30</u>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
- Inventories	(140.37)	38.86
- Trade receivables	63.00	(150.26)
- Short-term loans and advances	23.43	(1.10)
- Long-term loans and advances	-	87.16
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	69.53	(56.43)
- Other current liabilities	0.11	5.04
- Long-term provisions	4.82	2.27
- Short-term provisions	9.80	(0.88)
	<u>30.32</u>	<u>(75.34)</u>
Cash generated from operations	<u>817.72</u>	<u>536.96</u>
Net income tax (paid)	(210.00)	(126.00)
Net cash flow from operating activities (A)	<u>607.72</u>	<u>410.96</u>
B. Cash flow from investing activities		
Purchase of fixed assets	(70.44)	(333.70)
Sale of fixed assets	-	0.99
Net cash flow used in investing activities (B)	<u>(70.44)</u>	<u>(332.71)</u>



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

₹ in lakhs

	Year ended 31.03.2015	Year ended 31.03.2014
C. Cash flow from financing activities		
Repayment of borrowings	(39.87)	(1.08)
Long term borrowings	-	232.88
Net increase/(decrease) in cash credit	(197.66)	31.43
Repayment of preference share	(150.00)	(200.00)
Finance cost	(56.71)	(68.22)
Dividends paid on Preference shares	(60.00)	(60.00)
Dividend Distribution Tax on Preference share dividends	(10.20)	(10.20)
Net cash flow used in financing activities (C)	(514.44)	(75.19)
Net increase in Cash and cash equivalents (A+B+C)	22.84	3.06
Cash and cash equivalent at the commencement of the financial year components being:		
Cash on hand	0.18	0.30
Balances with banks on current accounts	6.55	3.37
	6.73	3.67
Cash and cash equivalent at the end of the financial year components being:		
Cash on hand	0.16	0.18
Balances with banks on current accounts	29.41	6.55
	29.57	6.73
Net increase as disclosed above	22.84	3.06

Notes:

(a) See accompanying note forming part of the financial statements.

In terms of our report attached For DELOITTE HASKINS & SELLS

Chartered Accountants

Saira Nainar
Partner

Mumbai : 29 April 2015

For and on behalf of the Board of Directors

S. C. Rangani

J. S. Maini

J. D. Diwan

V. S. Iyer

Directors

Mumbai : 29 April 2015



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1 Corporate information :

SNL Bearings Limited, established in 1983, is engaged in the manufacture and marketing of antifriction bearing products. The holding Company NRB Bearings Limited acquired the Company on 1st June, 2000.

2 Significant accounting policies :

2.1 Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

2.2 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.

2.3 Fixed assets, depreciation and amortization :

- (a) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible 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 technical expertise along with historical and industry trends for arriving the economic life on an asset.

Asset	Revised useful life based on SLM (Range)
Buildings on leasehold land	15 - 50 Years
Plant and equipment	4 - 40 Years
Furniture and fixtures	6 Years
Vehicles	6 - 8 Years
Office Equipments	3 -10 Years
Electrical Installations	15 Years
Computer software	3 Years

- (b) Tangible assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (c) Intangible assets - Computer software acquired is amortised over a period of three years on a straight line basis.

2.4 Foreign currency transactions and translations :

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rate of exchange. Exchange differences arising thereon and on realization/payment of foreign exchange are accounted for in the relevant year as income or expense in the statement of Profit and loss account.

2.5 Inventories :

Inventories comprising of raw materials, stores and spare parts, tools, bought out components & packing materials, manufactured components, work-in-progress and finished goods are valued at the lower of cost and net realisable value. Material costs included in the valuation of inventories are determined on the basis of weighted average method. 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.

2.6 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 Plan :

Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Regional Provident Fund Commissioner or Provident Fund Trust and the Central Provident Fund under the State Pension Scheme. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to the statement of profit and loss as incurred.

- (ii) Defined Benefit Plan :

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 obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC. The Company makes provision for gratuity based on an actuarial valuation by actuary.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2 Compensated absences :

The Company provides for the 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 Company makes provision for compensated absences based on an actuarial valuation by actuary.

3 Actuarial gains and losses are recognised in the statement of profit and loss.

2.7 Impairment of assets :

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. 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 the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impaired loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

2.8 Revenue :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company. Revenue is recognized only when no significant uncertainties exist regarding the amount of consideration and it is reasonably certain that ultimate collection will be made.

"Net Sales" excludes amounts recovered towards excise duty, sales tax, octroi and freight and are net of sales returns.

2.9 Taxation :

- (a) Income taxes are accounted for in accordance with Accounting Standard (AS)-22 "Accounting for taxes on income". Income tax comprises both current and deferred tax.
- (b) 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.
- (c) The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as at the Balance Sheet date.
- (d) 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.

2.10 Lease :

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.11 Provisions and contingencies :

- (a) 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.
- (b) Contingent liabilities are disclosed as notes when the Company has a possible of present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

2.12 Segment Reporting :

In accordance with Accounting Standard 17 on Segment reporting, the Company has manufacturing of bearings and special purpose machines as the reportable business Segments and is geographically located primarily in India.

2.13 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.

2.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit 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.

2.15 Borrowing costs

Borrowing costs that are attributable in the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.16 Earnings per Share

"Basic earnings per share is computed by dividing the Profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the Profit after tax attributable to equity shareholders 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."

2.17 Other income

Interest income is accounted on accrual basis.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.18 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 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. Share Capital :

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised				
Equity Shares of Rs. 10 each	60,00,000	600.00	60,00,000	600.00
11% Cumulative Redeemable preference shares of Rs. 100 each	10,00,000	1,000.00	10,00,000	1,000.00
	70,00,000	1,600.00	70,00,000	1,600.00
Issued				
Equity Shares of Rs. 10 each	40,54,376	405.44	40,54,376	405.44
11% Cumulative Redeemable preference shares of Rs. 100 each	10,00,000	1,000.00	10,00,000	1,000.00
	50,54,376	1,405.44	50,54,376	1,405.44
Subscribed & Paid up				
Equity Shares of Rs. 10 each*	36,11,540	361.15	36,11,540	361.15
11% Cumulative Redeemable preference shares of Rs. 100 each	10,00,000	50.00	10,00,000	200.00
Total	46,11,540	411.15	46,11,540	561.15

Note * : Out of 4,054,376 number of issued equity shares of Rs. 10 each, calls are not made on 442,836 number of shares.

(a) Rights attached to equity shares :

- Right to receive dividend as may be approved by the Board / Annual General Meeting.
- The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provision of the Companies Act, 2013.
- 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.

(b) Terms of redemption of 11% cumulative redeemable preference share of Rs. 100:

In the year ended 31st March, 2008 the Company had re-negotiated the coupon rate from 9% to 2% with effect from 18th Sept, 2002 to 31st March, 2005 and at 6% from 1st April, 2005 onwards and the repayment terms extended to 12 years repayable @ Rs. 20 per year (face value



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Rs.100 each) at the end of 8th, 9th, 10th, 11th and 12th year or such earlier years as the Company may deem fit. Till the completion of 12th year, the Company repaid Rs. 950 lakhs and re-negotiated the redemption terms of the Preference Shares. As per the revised terms, balance of Rs 50 lakhs will be 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. Also pursuant to section 55 of the Companies Act, 2013, the Company has transferred Rs. 150 lakhs from current year profits (Rs. 200 lakhs in previous year) to Capital Redemption Reserve.

Considering the improved financial results the board has decided to pay dividend in arrears on 11% cumulative redeemable preference shares @ 6% for the period from 1st April, 2007 to 31st March, 2011 aggregating Rs. 230.56 lakhs. (Previous year : for the period 1st April, 2006 to 31st March 2007 @ 6% aggregating Rs. 60.00 Lakhs). After considering the effect of dividend, as stated above, arrears of cumulative dividends on the 11% Cumulative Redeemable preference Shares, considering the revised coupon rates is Rs. 86.57 lakhs (as at 31.03.2014 : Rs. 310.25 lakhs)

c) **Reconciliation of the number of shares outstanding as at beginning and end of the year:**

Particulars	Equity Shares As at 31st March, 2015		Preference Shares As at 31st March, 2015	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Shares outstanding at the beginning of the year	36,11,540	361.15	10,00,000	200.00
Partial Redemption of preference shares during the year	-	-	-	150.00
Shares outstanding at the end of the year	36,11,540	361.15	10,00,000	50.00

d) **Details of shareholder holding more than 5% shares :**

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares NRB BEARINGS LIMITED, HOLDING COMPANY	26,52,762	73.45	26,52,762	73.45
Preference Shares: NRB BEARINGS LIMITED	10,00,000	100.00	10,00,000	100.00



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

4. Reserves and Surplus :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
a. Capital Reserves	15.03	15.03
b. Capital Redemption Reserve		
Opening balance	800.00	600.00
Add: Transfer from statement of profit and loss	150.00	200.00
Closing balance	950.00	800.00
c. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(263.03)	(331.68)
Add: Net Profit for the current year	454.96	338.85
Less: Proposed dividend on preference shares	(230.56)	(60.00)
Less: Additional income-tax on dividend on preference shares	(47.21)	(10.20)
Less: Transfer to Capital Redemption Reserve	(150.00)	(200.00)
Closing balance	(235.84)	(263.03)
Total	729.19	552.00

5. Long Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Car Loan from a Bank (Secured)*	1.11	2.31
Term Loan (Secured)* #	142.25	193.97
Total	143.36	196.28

* Secured against fixed assets purchased out of the borrowings.

The term loan carries an Interest rate of 12.75% per annum. The loan amount is repayable in monthly instalments up to December 2018.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

6. Deferred Tax Liabilities (Net) :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
a. Tax effect of items constituting deferred tax liability		
Depreciation	116.24	98.12
	116.24	98.12
b. Tax effect of items constituting deferred tax assets		
Provision for gratuity	(2.42)	-
Provision for compensated absences	(11.39)	(9.11)
Provision for doubtful debts	(8.31)	(8.31)
	(22.12)	(17.42)
Total	94.12	80.70

7. Long Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for compensated absences	29.21	24.39
Total	29.21	24.39

8. Short Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Secured		
Cash Credit*	214.07	411.73
Total	214.07	411.73

9. Trade Payables :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Due to micro and small enterprises (see note 25 (b))	-	-
Others	211.23	144.54
Total	211.23	144.54



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

10. Other Current Liabilities :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest Accrued but not due on Borrowings	2.12	2.52
Current Maturities of Long Term Debt (Refer Footnotes of Note 5)	52.93	39.88
Security Deposits from Customers	6.11	6.11
Other Payables		
- Statutory Dues (Contributions to PF and ESIC, TDS, VAT, Service tax)	12.98	11.67
- Capital payables	31.20	31.20
- Advance from Customers	0.15	1.35
Total	105.49	92.73

11. Short Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for compensated absences	5.90	3.70
Gratuity (Funded)	7.60	-
Proposed dividend on preference shares	230.56	60.00
Additional income-tax on preference shares	47.21	10.20
Provision for Income tax less advance tax there against [net of advance tax Rs 295.3 lakhs (As at 31st March, 2014 Rs 295.3 lakhs)]	6.40	6.40
Total	297.67	80.30



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

12. Fixed Assets :

₹ in lakhs

Particular	Gross Block (At Cost)			Accumulated Depreciation				Net Block	
	Balance as at 1st April, 2014	Additions	Disposals	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depre- ciation / Amor- tization for the year	On dis- posals	Balance as at 31st March, 2015	Balance as at 31st March, 2014
Tangible Assets									
Buildings on leasehold land	184.48 (184.48)	-	-	184.48 (184.48)	89.37 (84.53)	4.12 (4.84)	-	90.99 (95.11)	(95.11)
Plant and equipment*	1806.53 (1471.72)	124.72 (361.56)	- (26.75)	1,931.25 (1806.53)	1,104.09 (1097.87)	35.54 (31.68)	- (25.46)	791.62 (702.44)	(702.44)
Furniture and fixtures	12.61 (12.61)	-	-	12.61 (12.61)	10.17 (9.89)	1.65 (0.28)	-	0.79 (2.44)	(2.44)
Vehicles	7.90 (7.90)	-	-	7.90 (7.90)	2.00 (1.26)	1.07 (0.74)	-	4.83 (5.90)	(5.90)
Office Equipments	47.28 (44.26)	0.15 (3.02)	-	47.43 (47.28)	35.46 (33.25)	6.95 (2.21)	-	50.2 (11.82)	(11.82)
Electrical installations	72.51 (72.51)	-	-	72.51 (72.51)	59.69 (56.62)	9.20 (3.07)	-	3.62 (12.82)	(12.82)
Total	2,131.31	124.87	-	2,256.18	1,300.78	58.53	-	896.87	(830.53)
Intangible Assets									
Computer software	28.55 (28.23)	- (0.32)	-	28.55 (28.53)	26.63 (26.13)	1.66 (0.50)	-	0.26 (1.92)	(1.92)
Total	28.55	-	-	28.55	26.63	1.66	-	0.26	(1.92)
Capital WIP**	-	28.06	-	28.06	-	-	-	28.06	-
Grand Total	2,159.86 (1821.71)	152.93 (364.90)	- (26.75)	2,312.79 (2159.86)	1,327.41 (1309.55)	60.19 (43.32)	- (25.46)	925.19 (832.45)	(832.45)
Previous year									

* Addition includes Special Purpose Machine capitalised during the year from Inventory Rs 75.5 lakhs (31st March, 2014 - Rs NIL)

** Includes Special Purpose Machine of Rs 28.06 lakhs transferred from Inventory.

Figures in brackets are Previous year figures.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

13. Long Term Loans and Advances : (Unsecured, considered good)

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advances	-	2.09
Security Deposits	25.82	25.82
Advance Income Tax [net of provision for tax Rs 506 lakhs (As at 31st March, 2014 Rs 301.8 lakhs)]	9.10	4.19
Total	34.92	32.10

14. Inventories :

(at lower of cost and net realisable value)

₹ in lakhs

Particulars	As at 31st March, 2015		As at 31st March, 2014	
a. Raw Materials, Components and Packing Material				
Raw Materials	237.08		149.75	
Components	9.28		9.62	
Packing Materials	9.55	255.91	7.41	166.78
b. Work-in-progress				
Work-in-progress - Bearings	120.87		125.29	
Work-in-progress - Special Purpose Machine	19.73	140.60	80.40	205.69
c. Finished goods		203.66		158.94
d. Stores and spares		101.68		110.47
Total		701.85		641.88

15. Trade Receivables :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered doubtful	25.61	25.61
Less: Provision for doubtful debts	(25.61)	(25.61)
Other Trade Receivables	-	-
Unsecured, considered good	511.75	575.02
Total	511.75	575.02



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

16. Cash and Cash equivalents :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
a. Balances with banks		
- In current accounts	29.41	6.55
b. Cash on hand	0.16	0.18
Total	29.57	6.73

Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is

29.57 6.73

17. Short-term Loans and Advances :

₹ in lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Unsecured, considered good		
Prepaid expenses	0.90	1.46
Advance to suppliers	9.48	1.94
Balance with Government authorities (cenvat credit receivable and Vat credit receivable)	19.02	47.67
Loans and advances to employees	2.81	4.57
Total	32.21	55.64

18. Revenue from operations :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Sale of products	2,885.97	2,525.06
Other operating revenue	41.38	51.15
Less: Excise duty	(279.06)	(272.25)
Total	2,648.29	2,303.96

a. Sale of products comprises		
Bearings	2,885.97	2,501.46
Special Purpose Machines	-	23.60
Total	2,885.97	2,525.06
b. Other operating revenue		
Sale of scrap	40.32	49.24
Duty drawback and export incentives	1.06	1.91
Total	41.38	51.15



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

19. Other Income :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Interest Income	0.18	5.33
Net gain on foreign currency	16.11	1.49
Cenvat Credit	-	46.45
Refund of Service Tax*	16.44	-
Total	32.73	53.27

*Company has received a refund of ₹ 19.39 lakhs with respect to a disputed Service tax liability paid under protest; ₹ 2.95 lakhs was towards tax receivable and balance Rs 16.44 lakhs has been accounted for as other income.

20. Cost of materials consumed :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Opening Stock	166.78	110.02
Add : Purchases	842.71	692.65
	1,009.49	802.67
Less : Closing Stock	255.91	166.78
Total	753.58	635.89

Details of Material Consumed:		
Steel Wires	103.70	96.15
Steel Stripes	379.46	308.83
Steel Tubes	190.57	149.33
Packing Material	35.40	27.78
For Components	24.72	13.15
For Special Purpose Machine (Net of transfer to Fixed Assets & CWIP ₹ 23.16 lakhs (31st March, 2014 - Rs NIL))	19.73	40.65
Total	753.58	635.89



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

21. Changes in inventories of finished goods and work-in-progress :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Opening stocks:		
Work - in - progress	205.69	182.32
Finished goods	158.94	219.42
	364.63	401.74
Closing stocks:		
Work - in - progress	140.60	205.69
Finished goods	203.66	158.94
	344.26	364.63
Total	20.37	37.11
Add: Adjustment with respect to the transfer of Special Purpose Machine from Inventory to Fixed Assets & CWIP	(80.40)	-
Total	(60.03)	37.11

22. Employee Benefits Expense :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Salaries and incentives	465.32	418.25
Contributions to Provident fund (see Note 25. I (i))	26.56	24.78
Gratuity fund Contributions (see Note 25. I (ii))	28.54	23.62
Staff welfare expenses	44.76	43.96
Total	565.18	510.61

23. Finance Cost :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Interest		
On fixed loans	28.41	28.49
On others	27.90	42.16
Total	56.31	70.65



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

24. Other expenses :

₹ in lakhs

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Consumption of stores and spare parts	192.59	161.61
Processing charges	40.72	30.84
Power and fuel	185.92	169.23
Repair and maintenance -		
Buildings	4.66	6.5
Plant and machinery	54.91	68.61
Others	2.25	2.42
	61.82	77.53
Printing and stationery	4.59	3.19
Rent (see note 25 (e))	4.34	4.34
Rates and taxes	2.59	2.90
Legal and professional fees	15.31	15.02
Directors' sitting fees	3.95	3.00
Commission on sales	7.98	8.63
Sales discount	2.26	3.38
Travelling and conveyance	30.50	33.37
Postage and telephone	2.19	2.99
Expenditure on Corporate Social Responsibility	11.54	-
Security Charges	16.07	14.54
Forwarding charges	15.22	13.02
Excise duty on closing stock	7.08	(10.78)
Payment to Auditors (See note below)	7.86	6.34
Miscellaneous expenses	19.79	24.45
Total	632.32	563.60
Detail of Auditors Payment (Net of service tax input credit, where applicable)		
- Auditors - Statutory Audit	3.00	2.60
- For taxation matters	1.25	1.00
- For other services	3.50	2.65
- For reimbursement of expenses	0.11	0.09
Total	7.86	6.34



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

25. Additional information to the financial statements:

(a) Contingent liabilities not provided for :

The Company 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. 122.20 lakhs and Rs. 69.64 lakhs respectively as at 31st March, 2014 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.

- (b) There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. The auditors have relied on the representation made by the management.

(c) Related party disclosures:

- (i) Names of related parties and nature of relationship where control exists:

Holding Company	: - NRB Bearings Limited
Fellow Subsidiary	: - NRB Bearings (Thailand) Limited
Company over which relatives of KMP are able to exercise significant influence	: - NRB Industrial Bearings Limited
Key Management Personnel	: - Ms. H. S. Zaveri - Mr. S. C. Rangani



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

(ii) Transactions with related parties:

₹ in lakhs

Name of the related party and nature of transactions	Volume of transactions		Balances Receivable / (Payable)	
	For the year ended		As at	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
(i) Holding Company:				
NRB Bearings Limited				
Sale of finished goods	1,562.74	1,253.37	} 292.71	331.11
Purchases of raw materials	38.84	124.25		
Redemption of Preference Shares	150.00	200.00	-	-
Preference Shares outstanding	-	-	50.00	200.00
Proposed Dividend	230.56	60.00	-	-
(ii) Fellow Subsidiary :				
NRB Bearings (Thailand) Limited				
Sale of finished goods	7.26	10.83	2.49	1.73
Sales Commission	2.24	-		
(iii) Company over which relatives of KMP are able to exercise significant influence:				
NRB Industrial Bearings Limited				
Sale of finished goods	-	-	-	30.71
(iv) Key Management Personnel:	Director's Sitting fees			
- Ms. H. S. Zaveri	1.10	0.85	-	-
- Mr. S. C. Rangani	0.82	0.55	-	-



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(d) Earnings Per Share :

₹ in lakhs

Particulars	For the year ended 31st March, 2015 ₹ in lakhs	For the year ended 31st March, 2014 ₹ in lakhs
Profit after tax	454.96	338.85
Less :		
Declared dividend on cumulative preference shares for the year	(6.89)	(14.93)
Additional income - tax on distributable profits	(1.41)	(2.54)
Profit after tax attributable to equity share holders	446.66	321.38
Number of Equity Shares	36,11,540	36,11,540
Basic and Diluted Earning per share	₹ 12.37	₹ 8.90

(e) Details of leasing arrangements :

The Company has taken factory premises on lease. Lease payments for factory premises recognized in note 24 for the year ended 31st March 15 is ₹. 4.34 lakhs (for the year ended 31st March 14: ₹ 4.34 lakhs)

Particulars	For the year ended 31st March, 2015 ₹ in lakhs	For the year ended 31st March, 2014 ₹ in lakhs
(i) For a period not later than one year	2.52	2.52
(ii) For a period more than one year and not later than five year	5.58	7.38
(iii) For a period more than five year	44.25	44.97

(f) C.I.F. value of imports :

₹ in lakhs

Particulars	For the year ended 31st March, 2015 ₹ in lakhs	For the year ended 31st March, 2014 ₹ in lakhs
Raw materials & Components	356.94	177.66
Consumables	0.72	-
Total	357.66	177.66

(g) Details of consumption of imported and indigenous items :

₹ in lakhs

Particulars	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	Indigenous	Imported	Total	Indigenous	Imported	Total
Raw materials & Components	446.09 59.20%	307.49 40.80%	753.58	431.89 67.92%	204.00 32.08%	635.89



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

(h) Expenditure incurred in foreign currency (Cash Basis):

	Currency	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
		Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Raw materials & Components	Euro	3,39,366	258.75	2,46,308	197.90
Stores & spares	Euro	813	0.67	-	-
Total			259.42		197.90

(i) Earnings in foreign exchange :

₹ in lakhs

Particulars	For the year ended 31st March, 2015 ₹ in lakhs	For the year ended 31st March, 2014 ₹ in lakhs
Export of goods	63.40	53.83

(j) Derivative Instruments:

₹ in lakhs

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As on 31st March, 2015		As on 31st March, 2014	
	Amount in		Amount in	
	Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Amount receivable:				
Euro	3,110	2.08	2,162	1.79
USD	9,998	6.23	2,878	1.73
Amount payable:				
Euro	74,986	50.22	-	-



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015**

(k) Segment Reporting :

₹ in lakhs

Figures in brackets are Previous year figures

Particulars	Bearings	Special Purpose Machines	Total Amount
A Segment Revenue			
Sales (net)	2648.29 (2282.97)	- (20.99)	2648.29 (2303.96)
Total Segment Revenue	2648.29 (2282.97)	- (20.99)	2648.29 (2303.96)
B Segment Results	836.74 (552.19)	(81.24) (4.89)	755.50 (557.08)
Less: Unallocated corporate expenses			58.45 (43.65)
Less: Interest expenses			56.31 (70.65)
Add: Unallocated income			32.73 (53.27)
Profit before tax			673.47 (496.05)
Less: Provision for taxation			218.51 (157.20)
Profit after tax			454.96 (338.85)
C Segment Assets	2120.57 (1944.98)	19.73 (111.10)	2140.30 (2056.08)
Add: Unallocated corporate assets			95.19 (87.74)
Total Assets			2235.49 (2143.82)
D Segment Liabilities	164.03 (107.26)	17.60 (5.04)	181.63 (112.30)
Add: Unallocated corporate liabilities			913.52 (918.37)
Total Liabilities			1095.15 (1030.67)
E Cost incurred during the period to acquire segment fixed assets	152.93 (364.90)	- (-)	152.93 (364.90)
F Depreciation / Amortization	60.19 (43.32)	- (-)	60.19 (43.32)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(I) Disclosure required as per AS-15 is as under :

₹ in lakhs

(i) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized in the statement of profit and loss under employee cost in note 22 for the year are as under:

Particulars	As At				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
Employer's Contribution to Provident Fund	13.16	15.76	14.44	11.08	10.38
Employer's Contribution to EPS	13.40	9.02	8.47	7.78	7.94

(ii) Defined Benefit Plan :

₹ in lakhs

Gratuity – As per actuarial valuation as on March 31, 2015. (based on Projected Unit Benefit Method)

Particulars	As At				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
I. Reconciliation of opening and closing balances of Defined Benefit obligation					
Present value of Defined Benefit obligation - Opening	189.26	147.87	117.30	96.20	83.17
Interest Cost	17.58	11.83	9.97	7.97	6.64
Current Service Cost	8.24	7.25	5.29	4.68	4.37
Past Service Cost	-	-	-	1.27	1.26
Benefits paid	(4.60)	(0.84)	(6.35)	(8.52)	(9.16)
Net Actuarial (Gain)/Loss	13.84	23.15	21.66	15.70	9.92
Present Value of Defined Benefit obligation -Closing	224.32	189.26	147.87	117.30	96.20
II. Reconciliation of fair value of plan assets					
Fair value of plan assets - Opening	189.13	145.49	108.87	84.49	85.15
Expected return on plan assets	16.45	12.66	9.36	8.44	7.22
Net Actuarial Gain / (Loss)	(5.28)	5.82	10.36	(0.84)	(8.37)
Employer's contribution	21.02	26.00	23.25	25.30	9.65
Benefits paid	(4.60)	(0.84)	(6.35)	(8.52)	(9.16)
Fair value of plan assets - Closing	216.72	189.13	145.49	108.87	84.49



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As At				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
Funds maintained with LIC	100%	100%	100%	100%	100%
III. Opening Net asset / (liability) recognized in Balance Sheet					
Present Value of Defined Benefit obligation	224.32	189.26	147.87	117.30	96.20
Fair value of plan assets	216.72	189.13	145.49	108.87	84.49
Net asset / (liability) recognized in Balance Sheet	(7.60)	(0.13)	(2.38)	(8.43)	(11.71)
Unfunded asset/(liability) remained to be recognized in Balance sheet	-	-	-	-	-
IV. Component of employer's expenses					
Current Service Cost	8.24	7.25	5.29	4.68	4.37
Past Service Cost	-	-	-	1.27	1.26
Interest Cost	17.58	11.83	9.97	7.97	6.64
Expected return on plan asset	(16.45)	(12.66)	(9.36)	(8.44)	(7.22)
Net Actuarial (Gain)/Loss	19.17	17.33	11.29	16.54	18.28
Net Actuarial (Gain)/Loss					
Total expenses recognized in the statement of profit and loss :	28.54	23.75	17.19	22.02	23.35
Actual return on plan assets	11.17	18.48	19.72	7.60	(1.15)
V. Present Value of Defined Benefit Obligation	224.32	189.26	147.87	117.30	96.20
Fair Value of Plan Assets	216.72	189.13	145.49	108.87	84.49
Experience Adjustment on Defined Benefit Obligation	0.01	1.04	13.65	6.36	9.80
Experience Adjustment on Fair Value of Plan Assets	(5.28)	5.82	10.36	(0.84)	(8.37)
VI. Actuarial assumptions					
	Indian Assured Lives Mortality (2006-08) (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)	LIC (1994-96) (Ultimate)	LIC (1994-96) (Ultimate)	LIC (1994-96) (Ultimate)
Mortality Table	7.98%	9.29%	8.70%	8.50%	8.00%
Discount rate	8.00%	8.00%	7.00%	7.00%	3.00%
Salary escalation					

The above information is certified by the actuary.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

VII. Notes:

- a. The company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2015 is ₹ 17.12 lakhs and for previous year was ₹ 8.37 lakhs.
- b. Compensated absences recognized in the statement of profit and loss for the current year, under the employee cost in note 22, is ₹ 12.27 lakhs and for previous year was ₹ 2.63 lakhs.
- (m) With effect from April 1, 2014, the Company has revised the estimated useful life of its assets as assessed based on technical advice. The details of previously applied useful life are as follows:

Asset	Previous useful life	Revised useful life based on SLM (Range)
Buildings on leasehold land	30 and 61 Years	15 - 50 Years
Plant and equipment	20 Years	4 - 40 Years
Furniture and fixtures	16 Years	6 Years
Vehicles	11 Years	6 - 8 Years
Office Equipments	6 Years	3 - 10 Years
Electrical Installations	21 Years	15 Years

The depreciation expense in the Statement of Profit and Loss for the year is lower by ₹ 10.77 lakhs consequent to the change in the useful life of the assets.

- (n) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached For DELOITTE HASKINS & SELLS

Chartered Accountants

Saira Nainar
Partner

Mumbai : 29 April 2015

For and on behalf of the Board of Directors

S. C. Rangani

J. D. Diwan

J. S. Maini

V. S. Iyer

Directors

Mumbai : 29 April 2015



PROCESS FOR MEMBERS OPTING FOR E-VOTING :

(Refer Note No. 3 on page no. 4 of the Annual Report)

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "SNL Bearings" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.



- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If 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.
- 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. (xvii) above to cast vote.
- (B) The voting period begins on July 23, 2015 at (9.00 am IST) and ends on July 25, 2015 at 5.00 pm) 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 21 2015 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.
- (D) 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.



SNL BEARINGS LIMITED

Regd. Off. : Dhannur, 15, Sir P. M. Road, Fort, Mumbai - 400 001.

CIN: L99999MH1979PLC134191

ATTENDANCE SLIP

I hereby record my presence at the **35TH ANNUAL GENERAL MEETING** of the Company held on Tuesday, July 28, 2015 at 3.00 p.m. at the Conference Hall, Dhannur, 15 Sir P.M. Road, Fort, Mumbai 400 001.

Name of Shareholders _____	DP ID* : _____
Registered Address _____	CLIENT ID* : _____
_____	FOLIO NO : _____
_____	NO.OF SHARES: _____

Signature of Shareholder/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual Report to the meeting.

*Applicable for investors holding shares in electronic form.

TEAR HERE

TEAR HERE



SNL BEARINGS LIMITED

Regd. Off. : Dhannur, 15, Sir P. M. Road, Fort, Mumbai - 400 001.

CIN: L99999MH1979PLC134191

PROXY FORM

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

I/We being the members of _____ shares of SNL Bearings Limited, hereby appoint:

- 1) _____ of _____ (address) having e-mail ID _____ or failing him
- 2) _____ of _____ (address) having e-mail ID _____ or failing him
- 3) _____ of _____ (address) having e-mail ID _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **35th ANNUAL GENERAL MEETING** of the Company, to be held on Tuesday, July 28, 2015 at 3.00 p.m. at the Conference Hall, Dhannur, 15 Sir P.M.Road, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Name of Shareholders _____	DP ID* : _____
Registered Address _____	CLIENT ID*/ : _____
_____	FOLIO NO : _____
_____	Email Id : _____

TEAR HERE

TEAR HERE

Resolutions	For	Against
1. Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Preference Shares		
3. Reappointment of Ms. H S Zaveri who retires by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Appointment of Mr. J D Diwan as an Independent Director		

Affix
Revenue
Stamp

Signed this..... day of..... 2015

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 a proxy for any other person or shareholder.
- ** 4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, by names of all the jointholders should be stated.



SNL Factory Building at Ranchi

BOOK POST

If undelivered, please return to:

SNL Bearings Ltd.

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