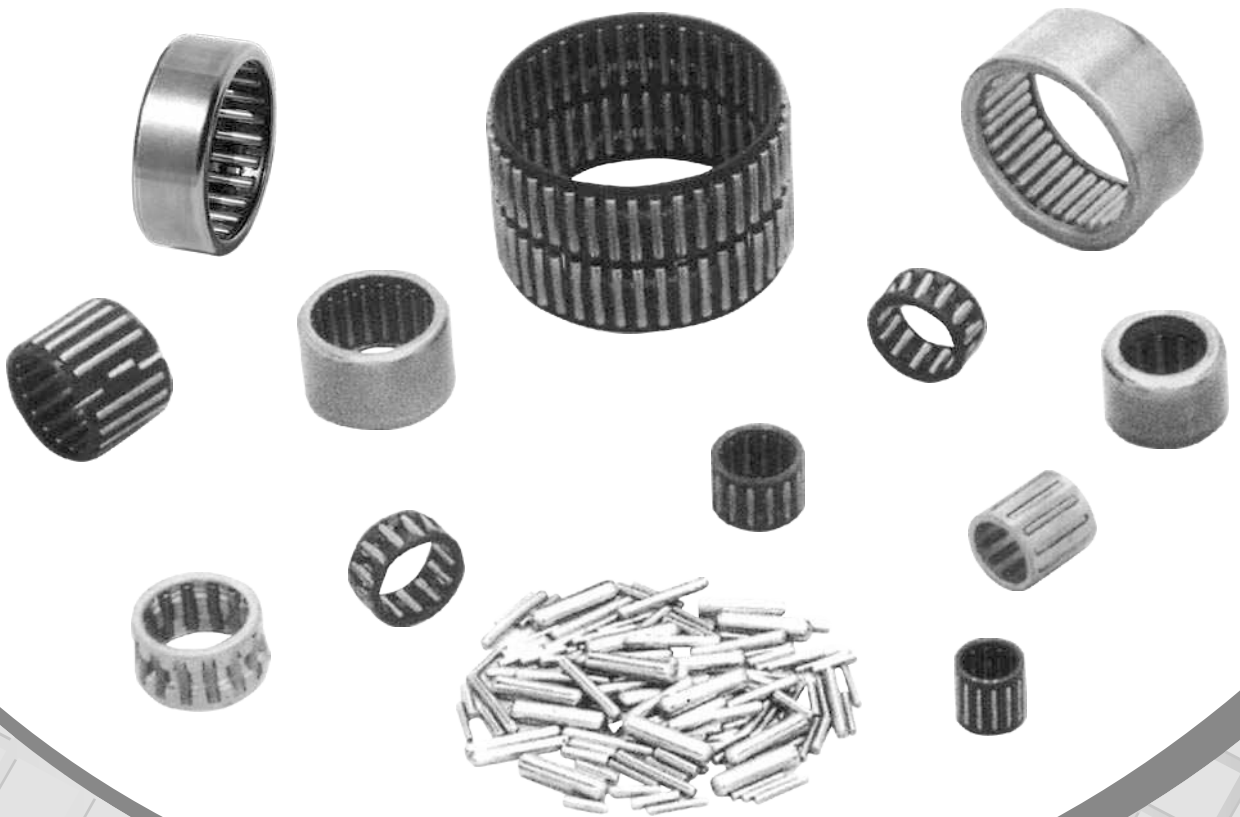




SNL BEARINGS LIMITED



36TH ANNUAL REPORT 2015 - 2016

FIVE YEARS FINANCIAL HIGHLIGHTS

Financial Highlights	Rs.in lacs	Rs.in lacs	Rs.in lacs	Rs.in lacs	Rs.in lacs
Year Ended	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16
Sales (Net)					
Domestic	1997.61	2193.19	2250.13	2584.89	2985.73
Exports	55.16	106.53	53.83	63.40	20.94
Sales Total	2052.77	2299.72	2303.96	2648.29	3006.67
Operating Profit (EBITDA)	691.36	684.47	610.02	789.97	941.52
Profit Before Tax	623.82	611.05	496.05	673.47	850.83
Tax (Net)	177.31	215.28	157.20	218.51	283.07
Profit After Tax	446.51	395.77	338.85	454.96	567.76
Retained Earnings	381.74	325.57	268.65	177.19	372.89
Dividend	55.73	60.00	60.00	230.56	162.14
Tax on dividend	9.04	10.20	10.20	47.21	32.73
Earnings per share (FV Rs.10)	11.12	10.29	8.90	12.37	15.61
Dividend %	0	0	0.00	0.00	20.00
Shareholders' Funds	918.93	1044.50	1113.15	1140.34	1488.23
Funds Employed	960.83	1121.73	1414.52	1407.03	1734.97
Fixed Assets (Gross)	1586.05	1821.71	2159.86	2312.79	2162.98
Fixed Assets (Net)	312.54	512.16	832.45	925.19	887.71
Fixed Asset Turnover (times)	6.57	4.49	2.77	2.86	3.39
Net Current Assets	558.37	499.20	560.27	446.92	818.74
Working Capital Turnover (times)	3.68	4.61	4.11	5.93	3.67
Shareholder Nos	4386	4269	4235	4286	4070
Employee Nos	126	145	145	143	148

Fixed Asset Turnover - Net sales/Net Fixed Assets at year end

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



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

KEY MANAGERIAL PERSONNEL

General Manager - Mr. KKP Sinha
Company Secretary - Mr. Bankim Purohit

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
Website: www.snlbearings.in

REGISTRAR & SHARE TRANSFER AGENT

Universal Capital Securities Pvt. Ltd.
(Formerly known as M/s. Mondkar Computers Pvt. Ltd.)
21, Shakil Niwas, Mahakali Caves Road
Andheri (East), Mumbai 400 093
Tel: 2836 6620, 2825 7641 Fax:2836 9704



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AGM NOTICE

To,
The Members
SNL BEARINGS LIMITED

NOTICE is given that the Thirty Sixth 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 Wednesday July 27, 2016 at 2.00 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, 2016 and the reports of the Board of Directors and the auditors thereon.
2. To declare dividend on Equity Share Capital for the year ended 31st March, 2016.
3. To appoint a Director in place of Mr. S C Rangani (DIN.00209069) who retires by rotation and being eligible offers himself 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, on such remuneration plus out-of-pocket expenses, as may be mutually agreed upon between the Board of Directors and the Auditors.”

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

Special Business

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

Appointment of Mr.V S Iyer as independent director.

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment and qualifications of directors) Rules 2014, Regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, Mr.V S Iyer, DIN 00333957 who was appointed as an Independent Director in the 34th Annual General Meeting for a term of two consecutive years, who qualifies for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. Iyer’s candidature, be and is hereby appointed as an Independent Director of the company, to



hold office for one more year for a term up to the conclusion of the 37th Annual General Meeting of the company in the calendar year 2017, 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

H S Zaveri

Chairman

Dated: April 29, 2016

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 OF THE COMPANY.**

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. The Register of Members of the Company and Transfer Books thereof will be closed from 20th July, 2016 to 27th July, 2016 (both days inclusive).
4. All Preference Dividend arrears on the 11% Redeemable Preference shares for the period 1st April, 2011 to 17th June, 2016 aggregating to Rs. 90.50 lacs is being cleared by the last date of redemption viz. 18th June, 2016.
5. E-voting facility to all members has been provided through the e-voting platform of CDSL and the Company has appointed Mr.Upendra Shukla, practicing Company Secretary, as Scrutiniser for the e-voting process. Instructions and manner of the process have been detailed in the para 8 below. The Scrutiniser will make a report to the Chairman of the Company, of the votes cast in favour and against and the results on the resolutions alongwith the scrutiniser’s report will be available on the website of the Company within two working days of the same being passed.
6. The dividend after declaration, will be paid to those shareholders whose names appear in the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company on or before 19th July,2016. In respect of shares held in electronic form, to those “Deemed Members” whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on 19th July,2016.

Members and all others concerned are requested to lodge transfer deeds, change of address communication, mandates (if any) with the Company’s Share Transfer Agents Universal Capital Securities Pvt. Ltd.(Formerly known as M/s. Mondkar Computers Pvt. Ltd.) 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 093 before 19th July, 2016.



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

8. PROCESS FOR MEMBERS OPTING FOR E-VOTING

(i) The voting period begins on Saturday, July 23rd, 2016 at (9.00 am IST) and ends on Tuesday, July 26th, 2016 at (5.00 pm IST) 2016. 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 19th 2016 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

In case of members receiving e-mail:

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

(iv) Click on "Shareholders" tab.

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

(vi) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

(viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(ix) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

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

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



- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. Please enter your sequence number as Sr.No. which is mentioned in the EVSN covering letter.

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

Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.
- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting.
- Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xix) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (C) 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.
9. Members/Proxies are requested to bring their attendance slip duly filled in and their copy of the Annual Report for the meeting.

By Order of the Board

H S Zaveri
Chairman

April 29, 2016



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

Item No.5

Appointment of Mr. V S Iyer as independent director for a term of one more year.

The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered with BSE Limited, appointed Mr. V S Iyer (DIN: 00333957), as an Independent Director, in compliance with the requirements of the clause. In order to give effect to the applicable provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time) and on recommendation of Nomination and Remuneration Committee and the Board of Directors, the members of the Company had appointed Mr. V S Iyer as an Independent Director in July 2014 for a term of 2 year, not liable to retire by rotation.

Mr. V S Iyer is 92 yrs. of his age but is still physically and mentally fit and alert and has been regular in his attendance and participation at the meeting of the Board/ Committees. Considering his long term association with the Company, adherence to the Code of Conduct and fulfillment of roles, duties and responsibilities in professional and faithful manner, his appointment as an independent director is justified and would benefit the Company.

The Company has received declaration from Mr. V S Iyer, confirming that he meets the criteria of independence as prescribed under the applicable provisions of Section 149 of the Act and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

The Board recommends re-appointment of Mr. V S Iyer, being eligible and seeking re-appointment, as an independent director for another term of 1 year upto the conclusion of the thirty seventh Annual General Meeting of the Company to be held in the calendar year 2017.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, his appointment as an Independent Director is now being placed before the Members for their approval. Additional information pursuant to Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 of Mr. V S Iyer seeking appointment/re-appointment as an Independent Director is furnished elsewhere and forms part of Corporate Governance Report annexed herewith.

Except Mr. V S Iyer, none of the Directors, key managerial personnel of the Company or his relatives are in any way, financially or otherwise concerned or interested in the said resolution except to the extent of their shareholding, if any. The proposed resolutions do not relate to or affect any other Company.

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



Additional Information / Details of the Directors seeking appointment/ re-appointment at the Annual General Meeting :

Name of Directors seeking appointment/ re-appointment	Mr. S C Rangani	Mr. V S Iyer
Age	67 years	92 years
Qualification	B.Com (Bombay University), Masters in Management Studies, ACS	MA, LLB (Bombay University), FCS
Expertise/Experience	He has over 45 yrs. experience in management positions in various industries including 23 years with the holding Company with responsibilities for Finance, IT, Legal and Secretarial.	65 years of work experience. Starting his career in solicitor firms he branched out on his own as a practicing Company Secretary and has been adviser to the Remi Group. He has extensive experience in company law matters.
Director Since	01/06/2000	29/07/2014
List of other Indian Public companies in which Directorship is held	NRB Bearings Limited	RMG Alloys Steels Limited
Chairman/Member of Committees in other public companies in which he is a Director	-	
No.of shares held	250	-
Relationship between Directors - interse	Nil	Nil

By Order of the Board

H S Zaveri
Chairman

April 29, 2016



BOARD'S REPORT

To,
The Members
SNL Bearings Limited

Your Directors have pleasure in presenting their Thirty Sixth Annual Report together with Audited Accounts for the year ended 31st March, 2016.

1. Financial Results

	Year ended 31st March, 2016 ₹ in lakhs	Year ended 31st March, 2015 ₹ in lakhs
Profit before providing for interest & depreciation	935.52	789.97
Less : Finance costs	33.28	56.31
Less: Depreciation	51.41	60.19
	-----	-----
Profit Before Tax	850.83	673.47
Tax expenses	283.07	218.51
	-----	-----
Profit After Tax	567.76	454.96
Less: Balance brought forward from previous year	(235.84)	(263.03)
Less: Proposed dividend on Preference Shares	(89.91)	(230.56)
Less: Additional Income tax on dividend on Preference Shares	(18.03)	(47.21)
Less: Proposed dividend on Equity Shares	(72.23)	--
Less: Additional Income tax on dividend on Equity Shares	(14.70)	--
Less: Transfer to capital redemption reserve	(25.00)	(150.00)
Closing balance of surplus in statement of Profit and loss	112.05 =====	(235.84) =====

2. Operations

Net sales during the year at Rs. 3006.67 lakhs (previous year Rs.2648.29 lakhs) are higher by 13.53%. Despite the challenging environment in the Indian economy, your Company has achieved sales growth. 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 26.33% from Rs.673.47 lakhs (Previous year) to Rs.850.83 lakhs on account of higher volumes helped by global decline in prices of crude oil and other commodities. Your Company is confident of further capitalizing on growth opportunities during the current year and widening its ability to serve customers with emphasis on improving quality and productivity.

**3. Dividend**

Directors are pleased to recommend a maiden equity dividend @ Rs.2/- per share of Rs. 10/- each involving an outgo of Rs.86.93 lacs and payable to members/beneficial owners as per the Register of Members as on 19th July, 2016.

All Preference Dividend arrears on the 11% Redeemable Preference shares for the period 1st April, 2011 to 17th June, 2016 aggregating to Rs. 90.50 lacs is being cleared by the last date of redemption viz. 18th June, 2016.

4. Corporate Social Responsibility activities (CSR)

The CSR Committee has defined the areas which will be the preferred activities for the Company. For the year ended 31.3.2016 an amount of Rs.12.00 lacs has been contributed to Pratham Education and Sankalp – A pledge to Change, organizations who have been doing commendable work for the under privileged sections of society, particularly in the state of Jharkhand where Company's activities are located. The details of the same are available on the Company's website. Detailed report on CSR activities including amount spent is given in **Annexure I**.

5. 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).

Work force is trained at regular intervals in preventive aspects of safety and prevention of work related accidents.

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.

6. Public Deposits

During the year, the Company has not accepted any deposits from the public/ Members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. As on 31.3.2016 there are no fixed deposits with the Company.

7. Extract of Annual Return:

The details forming part of the extract of the Annual Return as required under the Companies Act, 2013 is given in **Annexure II**.

8. Related Party transactions

Transactions between the Holding Company, NRB Bearings Ltd and co-subsiary, NRB Bearings (Thailand) Ltd have taken place in the ordinary course of business. All transactions entered with the related parties have been at arms length and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. The individual transactions have been regularly placed before the audit committee and the Board of Directors on a quarterly basis 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. 24 (c) to the Annual Accounts. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website.



The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013 in Form AOC-2 pursuant to Section 134 (3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure-III** to this Report.

9. Corporate Governance

Pursuant to clause 27 of the listing Regulations 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. Details of Board meetings held during the year under review and the composition of the various committees are included therein.

The Code of Conduct for directors and Senior Management personnel of the Company, as approved by the Board, has been affirmed on an annual basis by all the directors and the 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 Regulation 17 (8) of SEBI (LODR) Regulations, 2015 has been done by the Assistant General Manager/Plant Head as (CEO) and a Director of the Company as (CFO).

10. Internal Control System

There are adequate internal financial controls in place with reference to the financial statements. Your Company has implemented ERP system for better internal finance controls. The Report of the internal Auditors is placed before the Audit Committee, and its recommendations are implemented to further improve the efficiency. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls. This formalized system of internal control facilitates effective compliance of Section 138 of the Companies Act, 2013 and the Listing Regulations.

Your Company's Statutory Auditors have, in their report, confirmed the adequacy of the internal control procedures.

11. Vigil Mechanism

The Company has formulated and implemented the whistle Blower Policy/vigil mechanism. This has provided a mechanism for Directors and employees of the Company, and other persons dealing with the Company to report to the Chairman of the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. More details about this Policy are given in the Corporate Governance Report, which forms part of this Annual Report. The Whistle Blower Policy is available on the Company website. Some complaints on anonymous basis, received have been reviewed and investigated by management and found to have no substantial basis.

12. Directors and Key Managerial Personnel

Retirement by Rotation

In accordance with the provisions of Section 152, Mr. S C Rangani (DIN 00209069) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment. His brief profile is the part of the Corporate Governance Report annexed to this report.



Independent Directors Declaration

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and the provisions of Listing Regulations, stating that they meet the criteria of independence provided therein. The profile of the Independent Directors forms part of the Corporate Governance Report.

The independent directors have also met separately in March 2016.

Key Managerial Personnel

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee appointed Mr. Bankim Purohit as the Company Secretary of the Company w.e.f. 24th April, 2015.

13. Directors' Responsibility Statement

Pursuant to the requirements under Section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- i. in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any, have been furnished;
- ii. The accounting policies have been selected and these have been applied consistently and judgements and estimates made thereon are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for that period;
- iii. proper and sufficient care for the maintenance of adequate accounting records accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting 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 being followed by the Company and that 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. Particulars of Loans, Guarantees or Investments:

Your Company has been rated '**CRI SI L A2**' for the Short-term Bank facility and the Company's long-term facilities have been re-affirmed as '**CRI SI L BBB+ / STABLE**' as on April, 2015.

During the year under review, the Company has not advanced any loans, given guarantees and made investments.

15. Orders passed by the Regulators or the Courts or the Tribunals

There are no material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company's operation.

16. Particulars of Employees

In terms of the provisions of Section 197(12) of the Act, there are no employees of the Company drawing remuneration in excess of the limits set out in the said provision.

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report at **Annexure IV**.



17. **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) Improved power factor from 0.85 to 0.965, with resultant cost saving of Rs. 2.85 lacs on Energy bills.

ii) Saving by replacing 250 Watts M.V. Lamps with CFL lights is Rs. 0.52 lacs.

The resultant cost savings as a result of these measures are Rs.3.38 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. **24(g) and 24(h)** respectively of the audited accounts of the Company.

18. **Auditors**

Statutory Auditors

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.

Secretarial Auditors

The Board had appointed Mr. Upendra Shukla, Company Secretary in whole-time practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2015-16. The report of the Secretarial Auditor is annexed to this report as **Annexure V**.

Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 the products manufactured by the Company and based on the criteria laid down under the aforesaid rules, your Company is not covered for Cost Audit or maintenance of Cost Records.



Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the auditor’s reports

There have been no disqualifications, reservations, adverse remarks or disclaimers in the auditor’s reports, requiring explanation or comments by the Board

19. 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

(Ms.) H S ZAVERI
Chairman

Mumbai: April 29, 2016

Annexure I

Corporate Social Responsibility (CSR)

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

Annual Report on CSR activities to be included in the Board’s Report.

Sr. No.	Particulars	Remark
1	A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Promotion of education, Employment enhancing vocational skills. Promoting social business projects, Contribution to funds set up by Central/ State Government’s for social economic development and relief.
2	The Composition of the CSR Committee.	1) Ms. H S Zaveri – Chairman, (NE/NID) 2) Mr. J D Diwan – Member (NE/ID) 3) Mr. S C Rangani – Member (NE/NID)
3	Average net profit of the company for last three financial years	₹ 593.52 lacs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 11.87 lacs
5	Details of CSR spent during the financial year. (a) Total amount to be spent for the financial year; (b) Amount unspent, if any; (c) Manner in which the amount spent during the financial year is detailed below.	₹ 11.87 lacs Nil



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub –heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency*
1	Pratham Educational Foundation	Providing education for economically backward children and young women across India	The Co's plant is located in Ranchi, Jharkhand and the CSR project programs were conducted in Jharkhand	₹ 7.00 lacs	₹ 7.00 lacs	₹ 7.00 lacs	Pratham Educational Foundation
2	Sankalp – A pledge to change	Provides free education to underprivileged children in slums & villages, free medical camps	The Co's plant is located in Ranchi, Jharkhand and the CSR project programs were conducted in Dhanbad, Jharkhand	₹ 5.00 lacs	₹ 5.00 lacs	₹ 12.00 lacs	Sankalp – A pledge to change
	Total			₹ 11.87 lacs	₹ 12.00 lacs	₹ 12.00 lacs	

*Give details of implementing agency

- In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. – **Not Applicable**
- A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

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

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2016

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : 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 / Indian Non - Government Company.
- v) Address of the Registered office and contact details :
Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra
Email i.d. : bankim@snlbearings.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	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	25459	--	25459	0.70	33911	--	33911	0.94	0.24
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	2652762	--	2652762	73.45	2652762	--	2652762	73.45	--
e) Banks/ FI	--	--	--	--	--	--	--	--	--
f) Any other..	--	--	--	--	--	--	--	--	--
Sub-total (A) (1)	2678221	--	2678221	74.15	2686673	--	2686673	74.39	0.24
(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)(1)+(A)(2)	2678221	--	2678221	74.15	2686673	--	2686673	74.39	0.24



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 Corporate									
i) Indian	90905	2975	93880	2.60	80065	2975	83040	2.30	(0.30)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal sharecapital upto Rs.1 Lakh	499117	145294	644411	17.84	450738	141419	592157	16.40	(1.44)
ii) Individual Shareholders holding nominal sharecapital in excess of Rs.1 Lakh	177967	--	177967	4.93	229270	--	229270	6.35	1.42
c) Any Other									
i) NRI's/ OCBs	9819	600	10419	0.29	15983	600	16583	0.46	0.17
ii) Clearing Members	6592	--	6592	0.18	3767	0	3767	0.10	(0.08)
Sub-total (B) (2)	784400	148869	933269	25.84	779823	144994	924817	25.61	(0.23)
Total Public Shareholding (B) = (B)(1) + (B) (2)	784400	148919	933319	25.84	779823	145044	924867	25.61	(0.23)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	3462621	148919	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			% change in shareholding during 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	
1	Ms. Harshbeena S. Zaveri	25459	0.70	0	33911	0.94	0	0.24
2	NRB Bearings Ltd.	2652762	73.45	0	2652762	73.45	0	0
	Total	2678221	74.15	0	2686673	74.39	0	0.24

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Ms. Harshbeena S. Zaveri				
	At the beginning of the year	25459	0.70		
	05 /11/2015 Purchase	1050	0.03	26509	0.73
	18/11/ 2015 Purchase	751	0.02	27260	0.76
	19 /11/2015 Purchase	947	0.03	28207	0.78
	20/11/2015 Purchase	1881	0.05	30088	0.81
	23/11/2015 Puchase	350	0.01	30438	0.86
	04/02/2016 Purchase	2298	0.06	32736	0.87
	05/02/2016 Purchase	640	0.02	33376	0.93
	08/02/2016 Sell	(2298)	(0.06)	31078	0.95
	09/02/ 2016 Purchase	850	0.02	31928	0.89
	11/02/2016 Purchase	1150	0.03	33078	0.91
	12/02/2016 Purchase	633	0.02	33711	0.94
	29/02/2016 Purchase	200	0.00	33911	0.94
	At the End of the year			33911	0.94
2.	NRB Bearings Limited				
	At the beginning of the Year	2652762	73.45		
	Date wise increase/ decrease	Nil	Nil	2652762	73.45
	At the End of the Year			2652762	73.45


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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Saharsh Yarn Pvt. Ltd.				
	At the beginning of the year	46250	1.28		
	30/10/2015 Sell	-1250	0.03	45000	1.25
	At the end of the year			45000	1.25
2	Ritu Garg	40300	1.12		
	At the beginning of the year				
	08/05/2015 Purchase	200	0.01	40500	1.12
	22/05/2015 Purchase	6153	0.17	46653	1.29
	29/05/2015 Purchase	847	0.02	47500	1.32
	05/06/2015 Purchase	2007	0.06	49507	1.37
	12/06/2015 Sell	-29007	-0.80	20500	0.57
	30/09/2015 Purchase	1008	0.03	21508	0.60
	02/10/2015 Purchase	230	0.01	21738	0.60
	09/10/2015 Purchase	500	0.01	22238	0.62
	16/10/2015 Purchase	926	0.03	23164	0.64
	23/10/2015 Purchase	345	0.01	23509	0.65
	06/11/2015 Purchase	41	0.00	23550	0.65
	At the end of the year			23550	0.65
3	Madhu Mansharamani				
	At the beginning of the year	39786	1.10		
	14/08/2015 Sell	-518	-0.01	39268	
	At the end of the year			39268	1.09
4	Anil Kumar Bajaj				
	At the beginning of the year	24000	0.66		
	Date wise increase/ decrease	Nil	Nil	24000	0.66
	At the end of the year			24000	0.66
5	Kirit Ratilal Mehta				
	At the beginning of the year	23457	0.65		
	24/04/2015 Sell	-1500	-0.04	21957	0.61
	26/06/2015 Sell	-5204	-0.14	16753	0.46
	03/07/2015 Sell	-3500	-0.10	13253	0.37
	17/07/2015 Sell	-1000	-0.03	12253	0.34
	At the end of the year			12253	0.34



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6	Lalit Kumar Poddar				
	At the beginning of the year	15000	0.41		
	26/02/2016 Purchase	100	0.00	15100	0.42
	11/03/2016 Purchase	250	0.01	15350	0.43
	At the end of the year			15350	0.43
7	Ayyalusamy Kanagalakshmi				
	At the beginning of the year	14500	0.40		
	08/05/2015 Sell	-1000	-0.03	13500	0.37
	23/10/2015 Sell	-1463	-0.04	12037	0.33
	06/11/2015 Sell	-3731	-0.10	8306	0.23
	04/12/2015 Sell	-857	-0.02	7449	0.21
	15/01/2016 Sell	-3200	-0.09	4249	0.12
	11/03/2016 Sell	-125	0.00	4124	0.11
	18/03/2016 Sell	-655	-0.02	3469	0.10
	At the end of the year			3469	0.10
8	Anil Kumar Bajaj				
	At the beginning of the year	10525	0.29		
	18/09/2015 Sell	-1500	-0.04	9025	0.25
	At the end of the year			9025	0.25
9	Surendra Patel				
	At the beginning of the year	10399	0.29		
	Date wise increase/ decrease	Nil	Nil	10399	0.29
	At the end of the year			10399	0.29
10	Rasiklal Keshavlal Desai				
	At the beginning of the year	10000	0.28		
	31/10/2015 Sell	-10000	-0.28	0	0.00
	At the end of the year			0	0.00



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
11	Mustafa Mazahir Khedwala				
	At the beginning of the year	0	0.00		
	08/05/2015 Purchase	1434	0.04	1434	0.04
	29/05/2015 Purchase	198	0.01	1632	0.05
	05/06/2015 Purchase	3368	0.09	5000	0.14
	12/06/2015 Purchase	9093	0.25	14093	0.39
	19/06/2015 Purchase	7267	0.20	21360	0.59
	26/06/2015 Purchase	7640	0.21	29000	0.80
	30/06/2015 Purchase	68	0.00	29068	0.80
	03/07/2015 Purchase	6476	0.18	35544	0.98
	10/07/2015 Purchase	700	0.02	36244	1.00
	17/07/2015 Purchase	150	0.00	36394	1.01
	07/08/2015 Purchase	1606	0.04	38000	1.05
	14/08/2015 Purchase	2000	0.06	40000	1.11
	18/12/2015 Purchase	35	0.00	40035	1.11
	26/02/2016 Purchase	965	0.03	41000	1.14
	At the end of the year			41000	1.14
12	Keshav Garg				
	At the beginning of the year	1	0.00		
	12/06/2015 Purchase	12500	0.35	12501	0.35
	21/08/2015 Purchase	598	0.02	13099	0.36
	28/08/2015 Purchase	674	0.02	13773	0.38
	04/09/2015 Purchase	27	0.00	13800	0.38
	11/09/2015 Purchase	797	0.02	14597	0.40
	18/09/2015 Purchase	1293	0.04	15890	0.44
	25/09/2015 Purchase	545	0.02	16435	0.46
	06/11/2015 Purchase	165	0.00	16600	0.46
	18/03/2015 Purchase	1360	0.04	17960	0.50
	25/03/2016 Purchase	1490	0.04	19450	0.54
	At the end of the year			19450	0.54



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
13	Rajiv Garg				
	At the beginning of the year	2815	0.07		
	10/04/2015 Purchase	1325	0.04	4140	0.11
	24/04/2015 Purchase	60	0.00	4200	0.12
	08/05/2015 Purchase	300	0.01	4500	0.12
	12/06/2015 Purchase	12500	0.35	17000	0.47
	07/08/2015 Purchase	500	0.01	17500	0.48
	28/08/2015 Purchase	305	0.01	17805	0.49
	04/09/2015 Purchase	95	0.00	17900	0.50
	11/09/2015 Purchase	475	0.01	18375	0.51
	06/11/2015 Purchase	75	0.00	18450	0.51
	11/03/2016 Purchase	350	0.01	18800	0.52
	18/03/2016 Purchase	200	0.01	19000	0.53
	At the end of the year			19000	0.53
14	Sana Ayub Khan				
	At the beginning of the year	0	0		
	08/05/2015 Purchase	250	0.01	250	0.01
	15/05/2015 Purchase	350	0.01	600	0.02
	24/07/2015 Purchase	1891	0.05	2491	0.07
	31/07/2015 Purchase	3610	0.10	6101	0.17
	07/08/2015 Purchase	2000	0.06	8101	0.22
	14/08/2015 Purchase	1900	0.05	10001	0.28
	28/08/2015 Purchase	160	0.00	10161	0.28
	25/09/2015 Purchase	1	0.00	10162	0.28
	13/11/2015 Purchase	416	0.01	10578	0.29
	15/01/2016 Purchase	422	0.01	11000	0.30
	22/01/2016 Purchase	200	0.01	11200	0.31
	05/02/2016 Purchase	300	0.01	11500	0.32
	19/02/2016 Purchase	100	0.00	11600	0.32
	26/02/2016 Purchase	400	0.01	12000	0.33
	04/03/2016 Purchase	1000	0.03	13000	0.36
	At the end of the year			13000	0.36
15	Anandi Bhupendra Vekaria				
	At the beginning of the year	0	0.00		
	27/11/2015 Purchase	5000	0.14	5000	0.14
	31/12/2015 Purchase	1000	0.03	6000	0.17
	15/01/2016 Purchase	6000	0.17	12000	0.33
	At the end of the year			12000	0.33

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Ms. Harshbeena S. Zaveri				
	At the beginning of the year	25459	0.70		
	05/11/2015 Purchase	1050	0.03	26509	
	18/11/ 2015 Purchase	751	0.02	27260	
	19/11/2015 Purchase	947	0.03	28207	
	20/11/2015 Purchase	1881	0.05	30088	
	23/11/2015 Puchase	350	0.01	30438	
	04/02/2016 Purchase	2298	0.06	32736	
	05/02/2016 Purchase	640	0.02	33376	
	08/02/2016 Sell	(2298)	(0.06)	31078	
	09/02/2016 Purchase	850	0.02	31928	
	11/02/2016 Purchase	1150	0.03	33078	
	12/02/2016 Purchase	633	0.02	33711	
	29/02/2016 Purchase	200	0.00	33911	
	At the End of the year			33911	0.94
2	Mr. S C Rangani				
	At the beginning of the year	Nil	Nil		
	18/01/2016 Purchase			250	0.007
	At the End of the year			250	0.007
3	Mr. J S Maini				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil
4	Mr. V S Iyer				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil
5	Mr. J D Diwan				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil
	Key Managerial Personnel				
6	Mr. Bankim Purohit				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil
7	Mr. KKP Sinha				
	At the beginning of the year	50	0.00		
	At the End of the year			50	0.00



VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (₹ in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	410.36	0	0	410.36
ii) Interest due but not paid		0	0	
iii) Interest accrued but not due	2.12	0	0	2.12
Total (i+ ii+ iii)	412.48	0	0	412.48
Change in Indebtedness during the financial year				
• Addition	28.16	0	0	28.16
• Reduction	257.34	0	0	257.34
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	181.56	0	0	181.56
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1.74	0	0	1.74
Total (i+ ii+ iii)	183.30	0	0	183.30

VII. Remuneration of Directors and Key Managerial Personnel

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager (₹ in lakhs)		Total Amount (₹ in lakhs)
		Mrs. Harshbeena S. Zaveri	Mr. S.C. Rangani	
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.)	1.20	1.08	2.28
	Total (A)	1.20	1.08	2.28
	Ceiling as per the Act	--	--	--



B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors (₹ in lakhs)			Total Amount (₹ in lakhs)
		Mr. J. S. Maini	Mr.V. S. Iyer	Mr. J. D. Diwan	
	3. Independent Directors				
	• Fee for attending board / committee meetings	0.40	1.10	1.48	2.98
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
	Total (1)	0.40	1.10	1.48	2.98
	4. Other Non-Executive Directors	--	--	--	--
	• Fee for attending board / committee meetings	--	--	--	--
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	0.40	1.10	1.48	2.98
	Total Managerial Remuneration	0.40	1.10	1.48	2.98
	Overall Ceiling as per the Act	--	--	--	8.51

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

Sr. No.	Particulars of Remuneration	Name of Company Secretary	Name of Manager	Total Amount (₹ in lakhs)
		Mr.Bankim Purohit	Mr.K K P Sinha	
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	7.50	20.58	28.08
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission _ as % of profit _ others, specify...	--	--	--
5.	Others, please specify	--	--	--
	Total (A)	7.50	20.58	28.08



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	--	--	--	--	--

**Form No. AOC-2**

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

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

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

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

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

- (a) Name(s) of the related party and nature of relationship:**
- | | | |
|-----|-----------------------------------|-------------------|
| i) | NRB Bearings Limited – | Holding Company |
| ii) | NRB Bearings (Thailand) Limited – | Fellow Subsidiary |
- (b) Nature of contracts/ arrangements/ transactions:**
- | | | |
|-----|-----------------------------------|--|
| i) | NRB Bearings Limited - | Sale of Finished Goods;
Purchase of Raw Materials;
Redemption of Preference Shares;
Dividend; |
| ii) | NRB Bearings (Thailand) Limited - | Sale of Finished Goods;
Sales Commission; |
- (c) Duration of the contracts / arrangements/ transactions:**
Ongoing Related Party Transactions.



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

1) **Salient terms of Contract/ arrangements/ transaction:**

As mentioned below:

Sr. No.	Name of the Related Parties	Nature of Contract/ arrangements/ transactions	Salient Terms of Contract/ arrangements/ transactions
1	NRB Bearings Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products.
2.	NRB Bearings Limited	Redemption of Preference Shares	As per terms and conditions of issue of Preference Shares
3.	NRB Bearings Limited	Dividend on Preference Shares	As per terms and conditions of issue of Preference Shares
4.	NRB Bearings (Thailand) Limited	Sale of Finished Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products.
5	NRB Bearings (Thailand) Limited	Sales Commission	As per Inter Company Agreement made between the Company and NRB Bearings (Thailand) Limited to promote the sale of the products manufactured by the Company in Asian Countries.

2) **Value of the transactions with the related parties:**

As mentioned below:

(₹ in lacs)

i)	NRB Bearings Limited –	Sale of Finished Goods	1832.08
		Purchase of Raw Materials	29.29
		Redemption of Preference Shares	25.00
		Dividend (Proposed)	89.91
ii)	NRB Bearings (Thailand) Limited	Sale of Finished Goods	3.01
		Sales Commission	Nil

(e) **Date(s) of approval by the Board, if any:**

i) 29th April, 2015

ii) 28th July, 2015

iii) 2nd November, 2015

iv) 2nd February, 2016

(f) **Amount paid as advances, if any: Not Applicable**

For and on behalf of the Board of Directors

SNL Bearings Limited

H S Zaveri

Director

Dated: April 29, 2016



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

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

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16

Name of Directors	Remuneration (₹ In lacs)	Median Remuneration (₹ In Lacs)	Ratio
Ms. H S Zaveri, * Non-Executive, Non-Independent Director	Nil	N.A.	N.A.
Mr. S C Rangani, * Non-Executive, Non-Independent Director	Nil	N.A.	N.A.
Mr. J S Maini * Non-Executive, Independent Director	Nil	N.A.	N.A.
Mr. V S Iyer * Non-Executive, Independent Director	Nil	N.A.	N.A.
Mr. J D Diwan * Non-Executive, Independent Director	Nil	N.A.	N.A.

* No remuneration is paid except Sitting fees.

- b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2015-16;

Name of Directors	Percentage increase in remuneration in the Financial year.
Ms. H S Zaveri, Non-Executive, Non-Independent Director	Nil
Mr. S C Rangani, Non-Executive, Non-Independent Director	Nil
Mr. J S Maini Non-Executive, Independent Director	Nil
Mr. V S Iyer Non-Executive, Independent Director	Nil
Mr. J D Diwan Non-Executive, Independent Director	Nil
Mr. Bankim Purohit, Company Secretary	Nil
Mr. KKP Sinha, Plant Head	10%



- c. The percentage increase in the median remuneration of employees in the financial year ;
The median remuneration of employees of the Company was increased by 23% during the Financial year 2015-16. (from ₹ 2.80 lacs to ₹ 3.45 lacs p.a.). Out of the above increase, 13% is the increase on account of settlement with workmens for a period of 3 years.
- d. the Company has 148 number of permanent employees on the rolls of company as on 31 March, 2016;
- e. The explanation on the relationship between average increase in remuneration and company performance;

Net revenue of the Company for the financial year ended 31 March 2016 was ₹ 3006.74 lacs as compared to ₹ 2681.02 lacs in previous financial year 31 March 2015. The total employee cost during the financial year 2015-16 was ₹ 612.42 lacs. The overall performance of the Company was higher inspite of challenging economic conditions and slow progress in the Auto Industries.

The benefit of the settlement with workmens will continue for 3 years till 31/03/2019.

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

Aggregate remuneration of KMP in Financial year 2016 (₹ In lakhs)	28.16
Total Revenue (₹ In lakhs)	3006.74
Remuneration of KMP (as % of Total Revenue)	0.94%
Profit before Tax (₹ In lakhs)	₹ 850.83
Remuneration of KMP (as % of profit before tax)	3.31%

- g. variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies,

Sr. No.	Description	Amount
1.	Market Capitalisation variation (₹ In crores)	
	Market Cap at 31st March, 2016 (₹ In crores)	54.39
	Market Cap at 31st March, 2015 (₹ In crores)	36.12
2.	Price-to-earnings ratio	
	PE as at 31st March, 2016 (Mkt Price/ EPS)	9.65
	PE as at 31st March, 2015 (Mkt Price/ Eps)	8.08
3.	% increase / Decrease from last Public Offer	
	IPO price per share (open offer made by NRB Bearings Ltd in 2001 consequent upon change of management control from SRF group)	8.00
	Market Price as at 31st March 2016	150.60

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



Average percentile increase in the salaries of employees other than Managerial Personnel is 23% (includes 13% towards 3 years settlement cost) while increase in the Managerial Remuneration is 13%. Average increase in the remuneration of the employees other than the Managerial Personnel and that of the Managerial Personnel is in line with the industry practice and is within the normal range.

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

Sr. No.	Particulars of Remuneration	KMP	
		Mr. KKP Sinha	Mr. Bankim Purohit
1	Remuneration in FY 2015-16 (₹ In lacs)	20.58	7.50
2	Total Revenue (₹ In lacs)	3006.74	
3	Remuneration (as a % of Revenue)	0.68%	0.25%
4	Profit before tax (₹ In lacs)	850.83	
5	Remuneration (as a % of profit before tax)	2.42%	0.89%

- j. Key parameters for any variable component of remuneration availed by the directors;
Remuneration to Non-Executive Directors involve sitting fees for attending meetings of the Board/Committees as may be recommended by the Nomination & Remuneration Committee and approved by the Board.
- k. the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;
Not Applicable since no remuneration is paid to Directors except sitting fees.
- l. The remuneration is as per the remuneration policy of the company.

**For and on behalf of the Board of Directors
SNL Bearings Limited**

**H S Zaveri
Director**

Dated: April 29, 2016



**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

[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, 2016 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, 2016 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 – not applicable since the Company does not have any FDI, ODI or ECB;
- (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 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effect from 15th May, 2015).

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

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



- e) The Securities and Exchange Board of India (Employees Stock Option Scheme and employees Stock Purchase Scheme) Guidelines, 1999 and/or SEBI (Share Based Employee Benefits) Regulations, 2014.
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
- (vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

- a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India (effective from 1st July, 2015); and
- b) Listing Agreement entered into by the Company with the Stock Exchanges in India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015) (except publication of notice of the Board Meeting held for approval of unaudited results for the quarter ended 31/12/2015 and 31/03/2016).

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

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. Based on the information and records provided by the Company, there was no change in the composition of the Board of Directors during the year under review.
- 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 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 / Company Secretary, which are reviewed by the Director and taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

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

I further report that during the audit period there was no other specific event/action in pursuance of the above referred laws, rules, regulations, standard and guidelines, etc. referred to above, having major bearing on the Company's affairs.

Place: Mumbai

Date : April 27, 2016

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



MANAGEMENT DISCUSSION & ANALYSIS

Industry structure and development

Your company operates in the Antifriction bearing industry and the major user industries of antifriction bearings are automobiles, general engineering, railways, electrical equipment etc. Your company manufactures needle bearing products and operates in the following market segments:

1. Automotive OEM
2. After Market
3. Exports

The market segmentation of demand is approximately 90% from original equipment manufacturers (OEM) and the balance coming from the replacement market/exports. The demand for roller bearings has grown in single digits during the last years reflecting overall sluggishness in industrial activity.

The automotive industry is the largest consumer of bearing products. Market segment wise, demand from the Automotive industry remains subdued with only Medium and Heavy Commercial Vehicles showing a recovery (over 25% growth) and Passenger cars (including Utility vehicles) modest growth of 6%.

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

Developing economies showed continued growth deceleration amid subdued global trade and weak commodity prices. In India, economic performance was impacted by weak monsoon, slowdown in exports and delayed reform initiatives owing to the political situation. However, there is hope that the Indian economy will remain on recovery path helped by lower global fuel and commodity prices, well managed fiscal deficit and various positive policy actions of the government. Downside risks continue in the form of NPA's of the banking system and the drought and water crisis situation prevailing in most parts of the country.

Weak monsoon and low farm output impacted rural demand for 2/3 wheelers – a large and important market segment for your company, with overall demand flat during the year and farm equipment (including tractors) showing further de-growth of over 15% over the previous year. The growth in demand for commercial vehicles and the higher than expected growth of certain key customers helped your company register growth in sales.

With forecasts of a more bountiful monsoon and government initiatives to increase the spend on rural infrastructure and the "Make in India" drive to boost manufacturing in sectors such as defence, aerospace, etc. it is expected that industrial growth will revive. The automotive sector is also expected to benefit, particularly with a growing middle class and rapid urbanization which will drive the need for personal 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. 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 and inflationary pressures are expected to moderate during the course of the year along with containment of fuel prices which should enable bearing manufacturers to focus on cost reduction.

Your company will continue to focus on improved products to meet this expected growth in 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 will be driven by the aspirations of the rising middle class with improving purchasing power and disposable incomes. Rapid urbanization will drive the need for public transportation. As India addresses the twin challenges of inclusive growth and sustainability, even a normal monsoon, with improved availability of rural finance, will positively influence demand for motor cycles as well as agricultural tractors. The overall mobility sector is expected to benefit from continued growth in the longer term.

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. Slowing economic growth leading to flat user demand for the industry's products could cause idle investments and a higher burden of fixed costs.

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.567.76 lakhs as compared to Rs.454.96 lakhs in the previous accounting year. The net sales at Rs.3006.67 lakhs , show a growth of 13% as compared to net sales of the previous year Rs 2648.29 lacs.

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 which 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. 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, ball and roller bearings have been the primary business segment for the company.

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 Human Resource by providing employees a better working atmosphere and creating a culture which nurtures personal and organizational growth.

During the year under review, Wage Settlement for the workmen has been finalized on 15/04/2016 effective from Jan 2016. Previous wage settlement was done in Jan 2013. This settlement was done for Rs.2,900/- plus Rs.200/- as production allowance. The productivity rise agreed by the workmen is 18% i.e. OPPM 317 to 375. The total impact in FY15-16 will be Rs. 7 lacs and in FY 16-17 for full year impact would be Rs 40 lacs. The additional productivity will ensure that enhanced production of Rs 34.5 cr will be achieved with net addition of 34 Diploma Technician/ Trainees. Employee cost as % of net sales is expected to remain at par or lower than previous years.

Permanent employees directly employed by the company currently total 148 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. The brief profiles of the other director including chairman is mentioned below

Ms.H S Zaveri (56 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 20 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 (67 yrs) is a graduate in commerce with post graduate qualifications in



Management Studies and professional qualifications as a Company Secretary. He has over 45 yrs. experience in management positions in various industries including 23 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 (74 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 he is in his own business of marketing bearings and automotive products.

Mr.V S Iyer (92 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.Jayavardhan Dhar Diwan (51 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 31.3.2016	No.of Committees in which Chairman/ Member (other than SNL) as on 31.3.2016
H S Zaveri	00003948	NE/NID	3	2
S C Rangani	00209069	NE/NID	1	-
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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Membership of Audit and Stakeholders' Relationship Committee has only been considered.



b. Attendance of Directors:

The overall attendance of Directors was 85%.

Attendance of Directors

At the Board Meetings held during 2015-16 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 (28th July, 2015)
1	Ms.H S Zaveri	4	3	Yes
2	Mr.S C Rangani	4	4	Yes
3	Mr.J S Maini	4	2	Yes
4	Mr.V S Iyer	4	4	Yes
5	Mr.J D Diwan	4	4	Yes

Overall attendance in the Board Meetings: 85%

AGM: 100%

c. Board Meetings:

The Board of the Company, as also the various specialized committees constituted by the Board, held as many as 18 meetings including 4 meetings of the Board during 2015-16.

The Board held its meetings on 29th April, 2015, 28th July, 2015, 2nd November, 2015 and 2nd February, 2016. The maximum interval between any two meetings did not exceed 120 days.

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 Karam Chand Thapar & Bros (Coal Sales) Ltd.	Member-Stakeholder Relationship Committee Chairman-CSR Committee Member-Audit Committee Nil Nil
2	Mr.S C Rangani	NRB Bearings Ltd	Member-CSR 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 or a Chairman of more than 5 Committees of Boards as per clause 49 of the Listing Agreement or Regulation 26 (1) of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 across all the Public Companies, in which he/ she is a Director. The necessary disclosure regarding the committee position & other Directorship has been made by all the Directors.



No Director is related to any other Directors on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

f. Details of Directors being appointed/ reappointed:

Mr.S C Rangani retires by rotation and is eligible to offer himself for re-appointment. The particulars of Mr. S C Rangani is furnished elsewhere. The Board recommends re-appointment of Mr. V S Iyer as an Independent Director for one more year till conclusion of the 37th Annual General Meeting to be held in the calendar year 2017. The particulars of Mr. V. S. Iyer is furnished elsewhere.

g. Directors Shareholding in the Company

No Director holds shares in the Company other than Ms.H S Zaveri whose shareholding was 33911 shares and Mr. S C Rangani who holds 250 shares as on 31.03.2016.

h. Code of Conduct/ Prevention of insider trading

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

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

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

i. Familiarisation Programme for Independent Director

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



j. **Board evaluation**

During the year, for Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. In case of evaluation of the individual Directors, one to one meeting of each Director with the Chairman of the Board and the Chairman of the Nomination & Remuneration Committee was held.

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

The independent directors have also met separately in March 2016.

2. **Audit Committee**

The Committee, in order to comply with the condition of clause 49 of the listing agreement and Regulation 18 SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 relating to composition of such committee, consists of four Non-executive Directors and is headed by Mr. J S Maini as Chairman and Ms. H S Zaveri, Mr. V S Iyer and Mr. J D Diwan being the Members of the Committee. All the Members of the Committee have good knowledge of accounting/financial management. The statutory auditor and the internal auditor are permanent invitees to all Audit Committee meetings. The Secretarial Auditor is invited to meetings whenever matters relating to 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 major terms of reference of the Audit Committee as stipulated in Clause 49 of the Listing Agreement and as stipulated in Schedule II of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 read with Section 177 of the Companies Act, 2013 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.

The Committee held its meetings on 29th April, 2015, 28th July, 2015, 2nd November, 2015 and 2nd February, 2016. The maximum interval between any two meetings did not exceed 120 days.

**Attendance of Members
at the Meetings of the Audit Committee held during 2015-16**

Members	Meetings held	Meetings attended
Mr.J S Maini (Chairman)	4	2
Ms.H S Zaveri	4	3
Mr.V S Iyer	4	4
Mr.J D Diwan	4	4

Overall attendance: 81%

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

3. Nomination & Remuneration Committee (NRC)

The Board had constituted the Committee with Mr.J S Maini (Chairman), Mr. J D Diwan and Ms.H S Zaveri as members.

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. 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 one meeting on 15th June,2015. All the committee members were present during the meeting.

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 Board has also 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. No commission is payable.

4. 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 (Amt in ₹)
H S Zaveri	1,27,500
S C Rangani	1,07,500
J S Maini	47,500
V S Iyer	1,10,000
J D Diwan	1,55,000
Gross total	5,47,500

5. 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. Mr. Bankim Purohit, Company Secretary is designated as a Compliance Officer as required under the SEBI (LODR) Regulations, 2015. 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. Bankim Purohit, Company Secretary, as the Compliance Officer to monitor the share transfer process and liaison with the regulatory authorities.

During the year under review, the Company had received two complaints only and both were solved to the satisfaction of the shareholders. As on 31.03.2016 no complaints were pending.



**Attendance of the Members at the Meetings of the
Stakeholders Relationship Committee of Directors held during 2015-16**

Members	Meetings held during the tenure of the Director	Meetings attended
Mr.V S Iyer (Chairman)	8	4
Ms.H S Zaveri	8	7
Mr.S C Rangani	8	8
Mr.J D Diwan	8	8

Overall attendance : 85%

6. General Body Meetings

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

35th Annual General Meeting on 28th July, 2015 at 3.00 p.m

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

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

No Special resolutions were required to be approved at last AGM. During the year under review Company was not required to pass any special resolutions by way of postal ballots.

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

7. 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.

During the year under review there were no such material events reported which were required to be displayed on official news releases nor the Company had made any presentations to Institutional investors or to the analysts.

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

8. 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.



9. 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 2015-16. 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. 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 some complaints on anonymous basis, received have been reviewed and investigated by management and found to have no substantial basis.

d. 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.

10. Auditor's Certificate on corporate Governance

The Auditor's Certificate on Compliance of Clause 49 of the Listing Agreement and the relevant regulations of SEBI (Listing Obligations and Disclosures Requirement), Regulation 2015, as applicable to the Company, 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 (Planhead).

e. Reporting of Internal Auditor

The internal auditor reports directly to the Audit Committee.



I N D E P E N D E N T A U D I T O R ' S C E R T I F I C A T E

**TO THE MEMBERS OF
SNL BEARINGS LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **SNL BEARINGS LIMITED** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, April 29, 2016.



SHAREHOLDERS' INFORMATION

1. Annual General Meeting

Date and Time	:	July 27, 2016 at 2.00 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, 2016	:	July 27, 2016
Financial reporting for the quarter ending September 30, 2016	:	Last week October, 2016
Financial reporting for the quarter ending December 31, 2016	:	Last week January, 2017
Financial reporting for the year ending March 31, 2017	:	End April, 2017
Annual General Meeting for the year ending March 31, 2017	:	July/August, 2017

3. **Book Closure Date** : 20th July, 2015 to 27th July, 2016
(both days inclusive)

4. **Equity Dividend Payment Date** : 5th August, 2016
Preference Dividend Payment Date : 17th June, 2016
(final redemption date)

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. **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 2016-17 have been paid to 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 onwards has not been paid.

9. Stock Codes

Bombay Stock Exchange 505827
ISIN No. **INE 568F 01017**

10. **Stock Market Data** The Stock Exchange, Mumbai

Monthly high and low quotations and volume of shares traded.

2015-16	Mumbai Stock Exchange		
Month	High	Low	Volume
April'15	129.70	90.00	89540
May'15	105.00	81.30	36688
June'15	113.70	82.70	83082
July'15	125.50	105.30	66785
August'15	144.40	108.00	68874
September'15	119.90	100.00	22385
October'15	133.10	105.00	20919
November'15	159.90	113.00	132029
December'15	165.00	132.40	47760
January'16	172.30	135.00	64400
February'16	164.00	130.30	42535
March'16	163.90	136.10	22643
Total			697640

11. **Registrars and Transfer Agents** : M/s.Universal Capital Securities Pvt.ltd.
(Share transfer and communication
Regarding share certificates,
dividends and change of address)
21, Shakil Niwas, Mahakali Caves Road
Andheri (East), Mumbai 400 093
(Registered with SEBI as Share
Transfer Agent-Category I)



12. 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 re-issuance 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.

13. Distribution of Shareholding as on 31st March :

No. of Equity Shares	2016				2015			
	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	3849	94.57	303668	8.408	4050	94.50	339538	9.401
501-1000	107	2.63	82274	2.278	120	2.80	97991	2.713
1001-2000	55	1.35	83739	2.319	62	1.45	95997	2.658
2001-3000	20	0.49	52795	1.462	25	0.58	64743	1.793
3001-4000	7	0.17	24192	0.670	4	0.09	15002	0.415
4001-5000	10	0.25	45711	1.266	6	0.14	28481	0.789
5001-10000	7	0.17	58218	1.612	8	0.18	67350	1.865
10001 & above	15	0.37	2960943	81.986	11	0.26	2902438	80.366
TOTAL	4070	100.00	3611540	100.00	4286	100.00	3611540	100.00

As on 31st March, 2016, 3466496 no. of shares constituting 95.98% of the share capital has been dematerialised.

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

14. Categories of shareholdings as on 31st March :

Category	2016				2015			
	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
Individuals								
Promoter group	1	0.02	33911	0.94	1	0.02	25459	0.70
Public	3957	97.22	821427	22.74	4193	97.84	828970	22.95
Corporate Bodies								
Promoter group	1	0.02	2652762	73.45	1	0.02	2652762	73.45
Others	75	1.85	86807	2.40	67	1.56	93880	2.61
Foreign Collaborator	-	-	-	-	-	-	-	-
NRI/OCBs	35	0.87	16583	0.47	23	0.54	10419	0.29
FI/FII/Banks	1	0.02	50	-	1	0.02	50	-
Mutual Funds/UTI	-	-	-	-	-	-	-	-
TOTAL	4070	100.00	3611540	100.00	4286	100.00	3611540	100.00



15. Investor queries

Nature of queries/ complaints	2015-16 Nos.
Duplicate share certificates	3
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	6
Change of address undelivered	0
Stop Transfer	3
Non receipt of AGM reports	0
Total	12

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

b. Number of shareholders' queries received during the year : 12

c. All the complaints have been resolved.

d. There are no pending share transfers as at the year end.

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

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

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

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

18. Investor correspondence : The Company Secretary
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

**COMPLIANCE CERTIFICATION BY PLANTHEAD AND DIRECTOR**

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 such 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 they 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
GM & PLANT HEAD (CEO)

S C RANGANI
DIRECTOR (CFO)

April 29, 2016

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, 2016.

For SNL BEARINGS LTD

S C RANGANI
DIRECTOR

April 29, 2016

**I N D E P E N D E N T A U D I T O R ' S R E P O R T T O T H E M E M B E R S O F S N L B E A R I N G S L I M I T E D****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, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 24 (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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("CARO 2016 Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Saira Nainar
(Partner)
(Membership No. 040081)

MUMBAI, 29 April, 2016



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions



are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

Saira Nainar
(Partner)
(Membership No. 040081)

MUMBAI, 29 April, 2016



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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 3 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 the fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and based on the examination of the relevant document provided to us, we report that, the building on the leasehold land that has been disclosed as fixed asset in the financial statements is held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals except for the inventories which are lying at third party location for which confirmation has been obtained by the Management and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of Sections 73 and 76 or any other relevant provisions of the Act.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 Order is not applicable.
- (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, 2016 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, 2016 on account of disputes.



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loan has been applied by the Company during the year for the purpose for which it was raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided managerial remuneration and hence reporting under clause (xi) of the CARO 2016 Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

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

Saira Nainar
(Partner)
(Membership No. 040081)

MUMBAI, 29 April, 2016

**BALANCE SHEET AS AT 31ST MARCH, 2016**

₹ in lakhs

Particulars		Note No.	As at 31st March, 2016	As at 31st March, 2015
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	386.15	411.15
	(b) Reserves and surplus	4	1,102.08	729.19
2	Non-current liabilities			
	(a) Long-term borrowings	5	104.61	143.36
	(b) Deferred tax liabilities (net)	6	106.73	94.12
	(c) Long-term provisions	7	35.40	29.21
3	Current liabilities			
	(a) Short-term borrowings	8	16.36	214.07
	(b) Trade payables			
	(i) Total outstanding dues of micro and small enterprises		3.70	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		208.16	211.23
	(c) Other current liabilities	9	84.17	105.49
	(d) Short-term provisions	10	218.13	297.67
	TOTAL		2,265.49	2,235.49
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets	11		
	(i) Tangible assets		880.91	896.87
	(ii) Intangible assets		4.20	0.26
	(iii) Capital work-in-progress		2.60	28.06
	(b) Long-term loans and advances	12	28.52	34.92
2	Current assets			
	(a) Inventories	13	612.77	701.85
	(b) Trade receivables	14	645.64	511.75
	(c) Cash and cash equivalents	15	64.40	29.57
	(d) Short-term loans and advances	16	26.45	32.21
	TOTAL		2,265.49	2,235.49
	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: April 29, 2016

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini

V. S. Iyer J. D. Diwan

Directors

B. D. Purohit
Company Secretary

Mumbai: April 29, 2016



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

₹ in lakhs

Particulars		Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
I.	Revenue			
	(a) Revenue from operations (gross)	17	3,383.12	2,927.35
	Less : Excise duty		376.45	279.06
	Revenue from operations (net)		3,006.67	2,648.29
II.	Other income	18	0.07	32.73
III.	Total Revenue (I + II)		3,006.74	2,681.02
IV.	Expenses			
	(a) Cost of materials consumed	19	750.54	753.58
	(b) Changes in inventories of finished goods and work-in-progress	20	31.44	(60.03)
	(c) Employee benefits expenses	21	612.42	565.18
	(d) Finance costs	22	33.28	56.31
	(e) Depreciation and amortization expenses	11	57.41	60.19
	(f) Other expenses	23	670.82	632.32
	Total Expenses (IV)		2,155.91	2,007.55
V.	Profit before tax (III-IV)		850.83	673.47
VI.	Tax Expense:			
	(a) Current tax		270.46	205.09
	(b) Deferred tax		12.61	13.42
	Net Tax Expense (VI)		283.07	218.51
VII.	Profit after tax (V-VI)		567.76	454.96
VIII.	Earnings per equity share (of Rs. 10 each)			
	Basic and Diluted	24 (d)	₹ 15.61	₹ 12.37
	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: April 29, 2016

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini

V. S. Iyer J. D. Diwan

Directors

B. D. Purohit
Company Secretary

Mumbai: April 29, 2016



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

₹ in lakhs

	Particulars	Year ended 31.03.16	Year ended 31.03.2015
A.	Cash flow from operating activities		
	Net Profit before tax	850.83	673.47
	Adjustments for :		
	Depreciation and amortization	57.41	60.19
	Interest expense	33.28	56.31
	Interest Income	(0.07)	(0.18)
	Net loss on sale of fixed assets	6.71	-
	Bad debt written off	3.19	-
	Unrealised Foreign Exchange Gain	0.06	(2.57)
		100.58	113.75
	Operating Profit before working capital changes	951.41	787.22
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	89.08	(140.37)
	Trade receivables	(137.41)	63.00
	Short-term loans and advances	5.76	23.43
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	0.90	69.53
	Other current liabilities	2.32	0.11
	Long-term provisions	6.19	4.82
	Short-term provisions	7.03	9.80
		(26.13)	30.32
	Cash generated from operations	925.28	817.54
	Net income tax (paid)	(268.00)	(210.00)
	Net cash flow from operating activities (A)	657.28	607.54
B.	Cash flow from investing activities		
	Purchase of fixed assets	(60.49)	(70.44)
	Interest Income	0.07	0.18
	Sale of fixed assets	2.65	-
	Net cash flow used in investing activities (B)	(57.77)	(70.26)



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

₹ in lakhs

Particulars	Year ended 31.03.16	Year ended 31.03.2015
C. Cash flow from financing activities		
Repayment of borrowings	(58.97)	(39.87)
Proceeds from Long term borrowings	28.16	-
Net increase/(decrease) in cash credit	(197.71)	(197.66)
Repayment of preference share	(25.00)	(150.00)
Finance cost	(33.66)	(56.71)
Dividends paid on Preference shares	(230.56)	(60.00)
Dividend Distribution Tax on Preference share dividends	(46.94)	(10.20)
Net cash flow used in financing activities (C)	(564.68)	(514.44)
Net increase in Cash and cash equivalents (A+ B+ C)	34.83	22.84
Cash and cash equivalent at the commencement 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
Cash and cash equivalent at the end of the financial year components being:		
Cash on hand	0.16	0.16
Balances with banks on current accounts	64.24	29.41
	64.40	29.57
Net increase as disclosed above	34.83	22.84
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: April 29, 2016

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini
V. S. Iyer J. D. Diwan
Directors
B. D. Purohit
Company Secretary

Mumbai: April 29, 2016



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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 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	Useful life based on SLM (Range)
Buildings on leasehold land	15 - 50 Years
Plant and equipment	4 - 30 Years
Furniture and fixtures	6 Years
Vehicles	6 - 8 Years
Office equipment	3 -10 Years
Electrical installations	15 Years
Computer software	3 Years

- (b) Fixed 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, 2016****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, 2016**

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 as 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 to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

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, 2016****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, 2016

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, 2016		As at 31st March, 2015	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised				
Equity Shares of Rs. 10 each	6,000,000	600.00	6,000,000	600.00
11% Cumulative Redeemable preference shares of Rs. 100 each	1,000,000	1,000.00	1,000,000	1,000.00
	7,000,000	1,600.00	7,000,000	1,600.00
Issued				
Equity Shares of Rs. 10 each	4,054,376	405.44	4,054,376	405.44
11% Cumulative Redeemable preference shares of Rs. 100 each	1,000,000	1,000.00	1,000,000	1,000.00
	5,054,376	1,405.44	5,054,376	1,405.44
Subscribed & Paid up				
Equity Shares of Rs. 10 each*	3,611,540	361.15	3,611,540	361.15
11% Cumulative Redeemable preference shares of Rs. 100 each	1,000,000	25.00	1,000,000	50.00
Total	4,611,540	386.15	4,611,540	411.15

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 :

- (i) Right to receive dividend as may be approved by the Board / Annual General Meeting.
- (ii) 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.
- (iii) 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



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

onwards and the repayment terms extended to 12 years repayable @ Rs. 20 per year (face value 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 was to 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. As per the revised terms Company repaid Rs 25 Lakh on 18th June 2015 and will redeem balance Rs 25 lakhs on 18th June, 2016. Also pursuant to section 55 of the Companies Act, 2013, the Company has transferred Rs. 25 lakhs from current year profits (Rs. 150 lakhs in previous year) to Capital Redemption Reserve.

Considering the improved financial results the board has decided to accrue current years dividend (18th June 2015 to 31st March 2016 amounting Rs 2.16 lakhs) on 11% cumulative redeemable preference shares and pay arrears on 11% cumulative redeemable preference shares @ 6% for the period from 1st April, 2011 to 17th June, 2014 and @ 11% from 18th June 2014 to 17th June 2015 aggregating Rs. 87.75 lakhs.(Previous year : for the period 1st April, 2007 to 31st March 2011 @ 6% aggregating Rs. 230.56 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. Nil lakhs (as at 31.03.2015 : Rs. 86.57 lakhs)

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

Particulars	Equity Shares As at 31st March, 2016		Equity 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	36,11,540	361.15
Shares outstanding at the end of the year	36,11,540	361.15	36,11,540	361.15

Particulars	Preference Shares As at 31st March, 2016		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	1,000,000	50.00	1,000,000	200.00
Partial Redemption of preference shares during the year	-	25.00	-	150.00
Shares outstanding at the end of the year	1,000,000	25.00	1,000,000	50.00



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

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

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	% of Holding	No. of Shares held	% of Holding
Equity Shares NRB BEARINGS LIMITED, HOLDING COMPANY	2,652,762	73.45	2,652,762	73.45
Preference Shares: NRB BEARINGS LIMITED	1,000,000	100.00	1,000,000	100.00

4. **Reserves and Surplus :**

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Capital Reserves	15.03	15.03
b. Capital Redemption Reserve		
Opening balance	950.00	800.00
Add: Transfer from statement of profit and loss	25.00	150.00
Closing balance	975.00	950.00
c. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(235.84)	(263.03)
Add: Net Profit for the current year	567.76	454.96
Less: Proposed dividend on preference shares	(89.91)	(230.56)
Less: Additional income-tax on dividend on preference shares	(18.03)	(47.21)
Less: Proposed dividend on equity shares	(72.23)	-
Less: Additional income-tax on dividend on Equity shares	(14.70)	-
Less: Transfer to Capital Redemption Reserve	(25.00)	(150.00)
Closing balance	112.05	(235.84)
Total	1,102.08	729.19



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

5. Long Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Car Loan from a Bank (Secured)* Term Loan (Secured)*#	- 104.61	1.11 142.25
Total	104.61	143.36

* Secured against fixed assets purchased out of the borrowings.

The term loan carries an Interest rate of 12.25% per annum. The loan amount is repayable in monthly instalments up to December 2018.

6. Deferred Tax Liabilities (Net) :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Tax effect of items constituting deferred tax liability		
Depreciation & amortization	128.47	116.24
	128.47	116.24
b. Tax effect of items constituting deferred tax assets		
Provision for gratuity	(4.43)	-
Provision for compensated absences	(14.06)	(2.42)
Provision for doubtful debts	(3.25)	(11.39)
	(21.74)	(8.31)
Total	106.73	94.12

7. Long Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for compensated absences	35.40	29.21
Total	35.40	29.21

8. Short Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Secured Cash Credit*	16.36	214.07
Total	16.36	214.07

* Secured by a pari passu charge on current assets.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

9. Other Current Liabilities :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Interest Accrued but not due on Borrowings	1.74	2.12
Current Maturities of Long Term Debt (Refer Footnotes of Note 5)	60.87	52.93
Security Deposits from Customers	6.11	6.11
Other Payables		
- Statutory Dues (Contributions to PF and ESIC, TDS, TCS, VAT, Professional Tax)	13.91	12.98
- Capital payables	-	31.20
- Advance from Customers	1.54	0.15
Total	84.17	105.49

10. Short Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for compensated absences	7.13	5.90
Gratuity (Funded)	13.40	7.60
Proposed dividend on preference shares	89.91	230.56
Additional income-tax on preference shares	18.30	47.21
Proposed dividend on equity shares	72.23	-
Additional income-tax on equity shares	14.70	-
Provision for Income tax less advance tax there against [net of advance tax Rs 268.00 lakhs (As at 31st March, 2015 Rs 295.3 lakhs)]	2.46	6.40
Total	218.13	297.67



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

1.1. Fixed Assets :

₹ in lakhs

Particular	Gross Block (At Cost)			Accumulated Depreciation & amortization			Net Block	
	Balance as at 1st April, 2015	Additions	Deductions	Balance as at 1st April, 2015	Depreciation / Amortization for the year	On deductions	Balance as at 31st March, 2016	Balance as at 31st March, 2015
Tangible Assets								
Buildings on leasehold land	184.48 (184.48)	- (-)	2.87 (-)	93.49 (89.37)	2.74 (4.12)	2.87 (-)	88.25 (90.99)	(90.99)
Plant and equipment *	1,931.25 (1,806.53)	45.64 (124.72)	148.07 (-)	1,139.63 (1,104.09)	49.92 (35.54)	138.71 (-)	777.98 (791.62)	(791.62)
Furniture and fixtures	12.61 (12.61)	- (-)	7.80 (-)	11.82 (10.17)	0.32 (1.65)	7.80 (-)	0.47 (0.79)	(0.79)
Vehicles	7.90 (7.90)	- (-)	0.17 (-)	3.07 (2.00)	1.06 (1.07)	0.17 (-)	3.77 (4.83)	(4.83)
Office	47.43 (47.28)	4.79 (0.15)	20.19 (-)	42.41 (35.46)	2.99 (6.95)	20.19 (-)	6.82 (5.02)	(5.02)
Equipment								
Electrical installations	72.51 (72.51)	- (-)	- (-)	68.89 (59.69)	- (9.20)	- (-)	3.62 (3.62)	(3.62)
Total	2,256.18 (2,131.31)	50.43 (124.87)	179.10 (-)	1,359.31 (1,300.78)	57.03 (58.53)	169.74 (-)	880.91 (896.87)	(896.87)
Previous year								



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

₹ in lakhs

Particular	Gross Block (At Cost)			Accumulated Depreciation & amortization			Net Block	
	Balance as at 1st April, 2015	Additions	Deductions	Balance as at 1st April, 2015	Depreciation / Amortization for the year	On deductions	Balance as at 31st March, 2016	Balance as at 31st March, 2015
Intangible Assets								
Computer software	28.55 (28.55)	4.32 (-)	- (-)	28.29 (26.63)	0.38 (1.66)	- (-)	4.20 (0.26)	(0.26)
Total	28.55 (28.55)	4.32 (-)	- (-)	28.29 (26.63)	0.38 (1.66)	- (-)	4.20 (0.26)	(0.26)
Previous year								
Capital WIP								
Capital WIP	28.06 (-)	- (28.06)	25.46 (-)	- (-)	- (-)	- (-)	2.60 (28.06)	(28.06)
Total	28.06 (-)	- (28.06)	25.46 (-)	- (-)	- (-)	- (-)	2.60 (28.06)	(28.06)
Previous year								
Grand total	2,312.79 (2,159.86)	54.75 (152.93)	204.56 (-)	1,387.60 (1,327.41)	57.41 (60.19)	169.74 (-)	887.71 (925.19)	(925.19)
Previous year								

Figures in brackets are Previous year figures

* During the year the Company has done componentization and reassessment of useful life of some of its Plant and Machinery. The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 17.63 lakhs consequent to the componentization and change in the useful life.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

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

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Security Deposits	25.82	25.82
Advance Income Tax [net of provision for tax Rs 207.30 lakhs (As at 31st March, 2015 Rs 506 lakhs)]	2.70	9.10
Total	28.52	34.92

13. Inventories :

(at lower of cost and net realisable value)

₹ in lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
a. Raw Materials, Components and Packing Material				
Raw Materials	172.07		237.08	
Components	12.57		9.28	
Packing Materials	6.41	191.05	9.55	255.91
b. Work-in-progress				
Work-in-progress - Bearings	153.48		120.87	
Work-in-progress - Special Purpose Machine	-	153.48	19.73	140.60
c. Finished goods				
		159.34		203.66
d. Stores and spares				
		108.90		101.68
Total		612.77		701.85

14. Trade Receivables :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered doubtful	9.82	25.61
Less: Provision for doubtful debts	(9.82)	(25.61)
Other Trade Receivables		
Unsecured, considered good	645.64	511.75
Total	645.64	511.75



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

15. Cash and Cash equivalents :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Balances with banks In current accounts	64.24	29.41
b. Cash on hand	0.16	0.16
Total	64.40	29.57

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

64.40 29.57

16. Short-term Loans and Advances :

₹ in lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Prepaid expenses	1.83	0.90
Advance to suppliers	4.86	9.48
Balance with Government authorities (cenvat credit receivable and Vat credit receivable)	16.32	19.02
Loans and advances to employees	3.44	2.81
Total	26.45	32.21

17. Revenue from operations :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Sale of products	3,343.41	2,885.97
Other operating revenue	39.71	41.38
Less: Excise duty	(376.45)	(279.06)
Total	3,006.67	2,648.29

a. Sale of products comprises		
Bearings	3,268.08	2,885.97
Special Purpose Machines	75.33	-
	3,343.41	2,885.97
b. Other operating revenue		
Sale of scrap	38.46	40.32
Duty drawback and export incentives	1.25	1.06
Total	39.71	41.38



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

18. Other Income :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest Income	0.07	0.18
Net gain on foreign currency	-	16.11
Refund of Service Tax*	-	16.44
Total	0.07	32.73

* Company had received a refund of Rs 19.39 lakhs during year ended 31st March 2015 with respect to a disputed Service tax liability paid under protest; Rs 2.95 lakhs was towards tax receivable and balance Rs 16.44 lakhs has been accounted for as other income.

19. Cost of materials consumed :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Opening Stock	255.91	166.78
Add : Purchases	685.68	842.71
	941.59	1,009.49
Less : Closing Stock	191.05	255.91
Total	750.54	753.58

Details of Material Consumed:		
Steel Wires	114.72	103.70
Steel Stripes	360.70	379.46
Steel Tubes	193.64	190.57
Packing Material	40.69	35.40
For Components	23.57	24.72
For Special Purpose Machine	17.22	19.73
Total	750.54	753.58



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

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

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Opening stocks:		
Work - in - progress	140.60	205.69
Finished goods	203.66	158.94
	344.26	364.63
Closing stocks:		
Work - in - progress	153.48	140.60
Finished goods	159.34	203.66
	312.82	344.26
Total	31.44	20.37
Add: Adjustment with respect to the transfer of Special Purpose Machine from Inventory to Fixed Assets & CWIP	-	(80.40)
Total	31.44	(60.03)

21. Employee Benefits Expense :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Salaries and wages	523.89	465.32
Contributions to Provident fund (see Note 24. k (i))	27.80	26.56
Gratuity fund Contributions (see Note 24. k (ii))	16.44	28.54
Staff welfare expenses	44.29	44.76
Total	612.42	565.18

22. Finance Cost :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest		
On fixed loans	23.90	28.41
On others	9.38	27.90
Total	33.28	56.31


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**
23. Other expenses :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Consumption of stores and spare parts	201.25	192.59
Processing charges	43.05	40.72
Power and fuel	193.49	185.92
Repair and maintenance -		
Buildings	5.42	4.66
Plant and machinery	65.80	54.91
Others	1.55	2.25
	72.77	61.82
Printing and stationery	2.33	4.59
Rent	4.34	4.34
Rates and taxes	3.80	2.59
Legal and professional fees	17.96	15.31
Directors' sitting fees	5.48	3.95
Commission on sales	10.25	7.98
Sales discount	3.03	2.26
Travelling and conveyance	32.58	30.50
Postage and telephone	2.80	2.19
Expenditure on Corporate Social Responsibility	12.00	11.54
Security Charges	17.09	16.07
Forwarding charges	12.18	15.22
Bad debts written off	18.97	-
Provision for doubtful receivable no longer required	15.78	3.19
Excise duty on closing stock	(5.56)	7.08
Loss on exchange difference (net)	1.75	-
Loss on sale/discard of fixed assets	6.71	-
Payment to Auditors (See note below)	10.37	7.86
Miscellaneous expenses	19.96	19.79
Total	670.82	632.32
Detail of Auditors Payment (Net of service tax input credit, where applicable)		
- Auditors - Statutory Audit	5.60	3.00
- For taxation matters	1.50	1.25
- For other services	3.15	3.50
- For reimbursement of expenses	0.12	0.11
Total	10.37	7.86



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

24. Additional information to the financial statements :

(a) Contingent liabilities not provided for :

- (i) 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. 139.26 lakhs and Rs. 78.79 lakhs respectively as at 31st March, 2015 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) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 :

- (i) An amount of 3.70 lacs and Rs. Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- (ii) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
- (iii) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
- (iv) No interest was accrued and unpaid at the end of the accounting year.
- (v) No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(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
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(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, 2016	31st March, 2015	31st March, 2016	31st March, 2015
(i) Holding Company:				
NRB Bearings Limited				
Sale of finished goods	1,832.08	1,562.74		
Purchases of raw materials	29.29	38.84	395.02	292.71
Redemption of Preference Shares	25.00	150.00	-	-
Preference Shares outstanding	-	-	25.00	50.00
Proposed Dividend	89.91	230.56	-	-
Proposed Dividend on Equity share	53.06	-		
(ii) Fellow Subsidiary :				
NRB Bearings (Thailand) Limited				
Sale of finished goods	3.01	7.26	2.97	2.49
Sales Commission	-	2.24	-	-
(iii) Key Management Personnel:				
	Director's Sitting fees			
- Ms. H. S. Zaveri	1.28	1.10	-	-
- Mr. S. C. Rangani	1.07	0.82	-	-

(d) Earnings Per Share :

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Profit after tax	567.76	454.96
Less :		
Declared dividend on cumulative preference shares for the year	(3.34)	(6.89)
Additional income - tax on distributable profits	(0.68)	(1.41)
Profit after tax attributable to equity share holders	563.74	446.66
Number of Equity Shares	3,611,540	3,611,540
Basic and Diluted Earning per share	₹ 15.61	₹ 12.37



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

₹ in lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Raw materials & Components	216.61	356.94
Consumables	1.99	0.72
Total	218.60	357.66

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

₹ in lakhs

Particulars	For the year ended 31st March, 2016			For the year ended 31st March, 2015		
	Indigenous	Imported	Total	Indigenous	Imported	Total
Raw materials & Components	425.47	325.07	750.54	446.09	307.49	753.58
	56.69%	43.31%		59.20%	40.80%	

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

Particulars	Currency	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
		Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Raw materials & Components	Euro	331,341	239.20	339,366	258.75
Stores & spares	Euro	-	-	813	0.67
Total			239.20		259.42

(h) Earnings in foreign exchange :

₹ in lakh

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Export of goods	20.94	63.40

(i) Derivative Instruments :

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

₹ in lakhs

Particulars	As on 31st March, 2016		As on 31st March, 2015	
	Amount in		Amount in	
	Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Amount receivable:				
Euro	6,025	4.55	3,110	2.08
USD	4,106	2.72	9,998	6.23
Amount payable:				
Euro	18,404	13.89	74,986	50.22



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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(j) **Segment Reporting :**

₹ in lakhs

Figures in brackets are Previous year figures

Particulars	Bearings	Special Purpose Machines	Total Amount
A Segment Revenue			
Sales (net)	2939.71 (2648.29)	66.96 (-)	3006.67 (2648.29)
Total Segment Revenue	2939.71 (2648.29)	66.96 (-)	3006.67 (2648.29)
B Segment Results	929.84 (836.74)	19.97 (81.24)	949.81 (755.50)
Less: Unallocated corporate expenses			65.77 (58.45)
Less: Interest expenses			33.28 (56.31)
Add: Unallocated income			0.07 (32.73)
Profit before tax			850.83 (673.47)
Less: Provision for taxation			283.07 (218.51)
Profit after tax			567.76 (454.96)
C Segment Assets	2186.52 (2120.57)	24.00 (19.73)	2210.52 (2140.30)
Add: Unallocated corporate assets			54.97 (95.19)
Total Assets			2265.49 (2235.49)
D Segment Liabilities	124.71 (164.03)	0.80 (17.60)	125.51 (181.63)
Add: Unallocated corporate liabilities			652.05 (913.52)
Total Liabilities			777.56 (1095.15)
E Cost incurred during the period to acquire segment fixed assets	54.75 (152.93)	- (-)	54.75 (152.93)
F Depreciation / Amortization	57.41 (60.19)	- (-)	57.41 (60.19)



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

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

(i) **Defined Contribution Plan :**

Contribution to Defined Contribution Plan, recognized in the statement of profit and loss under employee cost in note 21 for the year are as under :

₹ in lakhs

Particulars	As At	
	31st March, 2016	31st March, 2015
Employer's Contribution to Provident Fund	10.25	13.16
Employer's Contribution to EPS	17.55	13.40

(ii) **Defined Benefit Plan :**

Gratuity - As per actuarial valuation as on March 31, 2016. (based on Projected Unit Benefit Method)

₹ in lakhs

Particulars	As At				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
I. Opening Net asset / (liability) recognized in Balance Sheet					
Present Value of Defined Benefit obligation	255.68	224.32	189.26	147.87	117.30
Fair value of plan assets	242.28	216.72	189.13	145.49	108.87
Net asset / (liability) recognized in Balance Sheet	(13.40)	(7.60)	(0.13)	(2.38)	(8.43)
Unfunded asset/(liability) remained to be recognized in Balance sheet	-	-	-	-	-



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

₹ in lakhs

Particulars	As At	
	31st March, 2016	31st March, 2015
II. Component of employer's expenses		
Current Service Cost	11.55	8.24
Past Service Cost	-	-
Interest Cost	17.94	17.58
Expected return on plan asset	(17.33)	(16.45)
Net Actuarial (Gain)/Loss	4.28	19.17
Total expenses recognized in the statement of profit and loss :	16.44	28.54
Actual return on plan assets	20.56	11.17
III. Reconciliation of fair value of plan assets		
Fair value of plan assets - Opening	216.72	189.13
Expected return on plan assets	17.33	16.45
Net Actuarial Gain / (Loss)	3.23	(5.28)
Employer's contribution	10.64	21.02
Benefits paid	(5.64)	(4.60)
Fair value of plan assets - Closing	242.28	216.72
IV. Reconciliation of opening and closing balances of Defined Benefit obligation		
Present value of Defined Benefit obligation - Opening	224.32	189.26
Interest Cost	17.94	17.58
Current Service Cost	11.55	8.24
Past Service Cost	-	-
Benefits paid	(5.64)	(4.60)
Net Actuarial (Gain)/Loss	7.51	13.84
Present Value of Defined Benefit obligation - Closing	255.68	224.32



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

₹ in lakhs

Particulars	As At	
	31st March, 2016	31st March, 2015
V. Present Value of Defined Benefit Obligation		
	255.68	224.32
Fair Value of Plan Assets	242.28	216.72
Experience Adjustment on Defined Benefit Obligation	(6.43)	0.01
Experience Adjustment on Fair Value of Plan Assets	3.23	(5.28)
VI. Contributions expected to be paid next year	57.50	17.12
VII. Actuarial assumptions		
Discount rate	7.90%	7.98%
Salary escalation	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.50%	7.98%
Mortality Table	Indian Assured Lives Mortality (2006-08) (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)

The estimate of future salary escalations considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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

VIII. Funds maintained with LIC	100%	100%
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The above information is certified by the actuary.

IX. Notes:

- Compensated absences recognized in the statement of profit and loss for the current year, under the employee cost in note 21, is Rs. 13.09 lakhs and for previous year was Rs. 12.27 lakhs.
- Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

H. S. Zaveri

S. C. Rangani

J. S. Maini

B. D. Purohit
Company Secretary

J. D. Diwan

V. S. Iyer

Directors

Mumbai : April 29, 2016



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 **36TH ANNUAL GENERAL MEETING** of the Company held on Wednesday, July 27,2016 at 2.00 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 **36th ANNUAL GENERAL MEETING** of the Company, to be held on Wednesday, July 27,2016 at 2.00 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 Equity Shares for the year ended March 31, 2016		
3. Reappointment of Ms. C S Rangani who retires by rotation		
4. Ratification of Appointment of Auditors and fixing their remuneration		
5. Appointment of Mr. V S Iyer as an Independent Director		

Affix
Revenue
Stamp

Signed this..... day of..... 2016

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.**
- 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.