

37TH ANNUAL REPORT 2016-17



SNL BEARINGS LIMITED

FIVE YEARS FINANCIAL HIGHLIGHTS

Financial Highlights	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Year Ended	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
Sales (Net)					
Domestic	2193.19	2250.13	2584.89	2985.73	3319.32
Exports	106.53	53.83	63.40	20.94	33.46
Sales Total	2299.72	2303.96	2648.29	3006.67	3352.78
Operating Profit (EBITDA)	684.47	610.02	789.97	941.52	1075.42
Profit Before Tax	611.05	496.05	673.47	850.83	991.71
Tax (Net)	215.28	157.20	218.51	283.07	332.76
Profit After Tax	395.77	338.85	454.96	567.76	658.95
Retained Earnings	325.57	268.65	177.19	372.89	527.83
Dividend	60.00	60.00	230.56	162.14	108.94
Tax on dividend	10.20	10.20	47.21	32.73	22.18
Earnings per share (FV Rs.10)	10.29	8.90	12.37	15.61	18.23
Dividend /Interim Dividend%	0	0.00	0.00	20.00	30.00
Shareholders' Funds	1044.5	1113.15	1140.34	1488.23	1991.06
Funds Employed	1121.73	1414.52	1407.03	1734.97	2156.16
Fixed Assets (Gross)	1821.71	2159.86	2312.79	2162.98	2063.52
Fixed Assets (Net)	512.16	832.45	925.19	887.71	944.55
Fixed Asset Turnover (times)	4.49	2.77	2.86	3.39	3.55
Net Current Assets	499.20	560.27	446.92	835.10	1102.96
Working Capital Turnover (times)	4.61	4.11	5.93	3.60	3.04
Shareholder Nos	4269	4235	4286	4070	4516
Employee Nos	145	145	143	148	153

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 (Deceased on 12th January,2017)
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 TRANSER 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



CONTENTS

Particulars	Page No.
Notice	03
Board's Report	09
Annual Report on CSR activities	15
Extract of Annual Return	16
Secretarial Audit Report.....	32
Management Discussion & Analysis	34
Corporate Governance	37
Independent Auditor's Certificate on Corporate Governance.....	46
Shareholders' Information	47
Auditors' Report	53
Balance Sheet	58
Profit and Loss Account	59
Cash Flow Statement	60
Notes 1 to 25(n).....	62
Attendance Slip / Proxy Form.....	



AGM NOTICE

To,
The Members
SNL BEARINGS LIMITED

NOTICE is given that the Thirty Seventh 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 Friday July 21st , 2017 at 12.00 noon to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors and the auditors thereon.
2. To confirm the payment of interim dividend as final dividend on Equity Shares for the year ended 31st March, 2017.
3. To appoint a Director in place of Ms. H S Zaveri (DIN.00003948) who retires by rotation and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modifications, the following resolution as an

Ordinary Resolution :

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

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

Special Business

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

Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 197(1) and other applicable provisions, if any, of the Companies Act, 2013, and Article 68(i)(a) of the Articles of Association of the Company, consent of the Company be and is hereby accorded for payment of a yearly commission (to be divided amongst them in such manner as the Board of Directors may from time to time determine) of such amount as may be determined by the Board of Directors, not exceeding Rs.2 lakhs p.a. per Director and not exceeding an amount equal to 1.0% of the net profits of the company to the Non- Executive Directors and that the net profits of the company



shall be computed in the manner prescribed under Section 198(1) of the Companies Act, 2013 for each year commencing from the financial years 2016-17 to 2020-21.

By order of the Board

H S Zaveri

Chairman

Dated: May 26, 2017

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 17th July, 2017 to 21st July, 2017 (both days inclusive).

4. E-voting facility to all members has been provided through the e-voting platform of CDSL and the Company has appointed Mr.Upendra Shukla, practicing Company Secretary, as Scrutiniser for the e-voting process. Instructions and manner of the process have been detailed in the para 7 below. The Scrutiniser will make a report to the Chairman of the Company, of the votes cast in favour and against and the results on the resolutions alongwith the scrutiniser's report will be available on the website of the Company within two working days of the same being passed.

5. The Board has not declared any final dividend and the interim dividend declared on 6th February,2017 has been considered as final dividend. The shareholders whose names appear in the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company on or before 16th July,2017 shall be entitled to participate in evoting/ballot at the AGM.

Members and all others concerned are requested to lodge transfer deeds, change of address communication, mandates (if any) with the Company's Share Transfer Agents Universal Capital Securities Pvt.Ltd.(Formerly known as M/s.Mondkar Computers Pvt.Ltd.) 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 093 on or before 16th July, 2017.

6. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend. SEBI has also mandated the submission of PAN by



every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to the DPs with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

7. PROCESS FOR MEMBERS OPTING FOR E-VOTING

(i) The voting period begins on Tuesday, July 18th, 2017 at (9.00 am IST) and ends on Thursday, July 20th, 2017 at (5.00 pm IST). 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 14th 2017, 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. (xviii) 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.
8. 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

May 26, 2017


EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
Item No.5

The Board Members of the Company at their meeting held on January 31, 2017, has approved and recommended for the payment of commission to Non-Executive Directors (NEDs) of the Company upto 1.0% per annum of the net profits of the Company subject to a cap of Rs.2 lacs per director, for a period of five years commencing from Financial year 2016-17 and ending with Financial year 2020-21 in addition to the sitting fees.

The compensation payable to the NEDs of companies should be adequate to attract independent professionals to take up these positions. Hence, in terms of Section 197 of the Companies Act, 2013, it is proposed to pay the commission to the NEDs of the Company for each of the five consecutive financial years commencing 2016-17 to 2020-21, not exceeding 1.0 percent per annum of the net profits of the Company computed in accordance with the provisions of the Act. The quantum of the commission payable to each of the NEDs may vary from year to year and shall be decided by the Board of Directors. All the Directors or their respective relatives, are concerned or interested, financial or otherwise, in this resolution. The Board recommends the resolution set forth for the approval of the Members.

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

Name of Director	Ms. H S Zaveri
DIN	00003948
Date of Birth	01.03.1960
Nationality	Indian
Date of appointment on Board	1.6.2000
Qualification	AB, USA
List of Directorships held in other Companies (excluding foreign, private and section 8 companies)	NRB Bearings Ltd NRB Industrial Bearings Ltd Karam Chand Thapar & Bros (Coal Sales) Ltd
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees across public companies	NRB Bearings Ltd-Member of Audit Committee and Stakeholders Relationship Committee
No. of Shares held	33911
Relationship between Directors - interse	Nil

By Order of the Board

H S Zaveri
Chairman

May 26, 2017



BOARD'S REPORT

To,
The Members
SNL Bearings Limited

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

1. Financial Results

	Year ended 31st March, 2017 ₹ in lakhs	Year ended 31st March, 2016 ₹ in lakhs
Profit before providing for interest & depreciation	1075.42	935.52
Less : Finance costs	12.94	33.28
Less: Depreciation	70.77	51.41
	-----	-----
Profit Before Tax	991.71	850.83
Tax expenses	332.76	283.07
	-----	-----
Profit After Tax	658.95	567.76
Add/Less: Balance brought forward from previous year	112.05	(235.84)
Less: Proposed dividend on Preference Shares	(0.59)	(89.91)
Less: Additional Income tax on dividend on Preference Shares	(0.12)	(18.03)
Less: Final dividend on Equity Shares	--	(72.23)
Less: Interim Dividend on Equity Shares	(108.35)	--
Less: Additional Income tax on dividend on Equity Shares	(22.06)	(14.70)
Less: Transfer to capital redemption reserve	(25.00)	(25.00)
Closing balance of surplus in statement of Profit and loss	614.88 =====	112.05 =====

2. Operations

Net revenues during the year at Rs. 3352.78 lakhs (previous year Rs. 3006.67 lakhs) are higher by 11.51%. Despite the challenging environment in the Indian economy post-demonetization and implementation of new BIS-IV emission control norms, your Company has achieved sales growth. Manufacturing and industrial activity was affected during the second half of the year. However, demand forecasts for FY 2017-18 by most customers are encouraging.

Profit before tax (PBT) has increased by 16.56% from Rs.850.83 lakhs (Previous year) to Rs.991.71 lakhs on account of higher volumes helped by global decline in commodity prices. Your Company



is confident of further capitalizing on growth opportunities during the current year and enhancing its relationships with its customers placing emphasis on improving quality and productivity.

3. **Dividend**

On 6th February'2017, Directors have declared interim dividend of Rs.3/-per equity share of Rs.10/- (Rs.2/- per share for previous year) payable to members/beneficial owners as per the Register of Members as applicable aggregating Rs. 130.41 lacs. The Directors have not recommended any final dividend and decided that the interim dividend be treated as final.

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 31.3.2017 an amount of Rs.13.50 lakhs 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 31.3.2017 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. 25 (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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report. Details of Board meetings held during the year under review and the composition of the various committees are included therein.

The Code of Conduct for directors and Senior Management personnel of the Company, as approved by the Board, has been affirmed on an annual basis by all the directors, Company Secretary and the General Manager 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 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. During the year, your Company has upgraded its ERP system for better internal finance controls. The Report of the internal Auditors are placed before the Audit Committee, and recommendations have been included in the ERP upgrade implementation to further improve efficiencies. 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. All complaints received are reviewed and investigated by management and wherever required suitable corrective actions are taken.

12. **Directors and Key Managerial Personnel**

Retirement by Rotation

In accordance with the provisions of Section 152, Ms. H S Zaveri (DIN 00003948) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment. Her 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.

Mr. V S Iyer, Director of the Company passed away on 12th January, 2017. The Board records its appreciation of the valuable contribution made by Mr. Iyer to the Board/ committee proceedings during his tenure.

The independent directors have also met separately on 29th March 2017.

Key Managerial Personnel

Pursuant to the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the following are the Key Managerial Personnel:

Mr S C Rangani, Director (with financial knowledge & experience), oversees the Finance operations & functions and has certified certain matters as Chief Financial Officer,

Mr. Bankim Purohit - Company Secretary and Compliance Officer,

Mr. KKP Sinha - GM & Plant Head CEO

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 judgments 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, 2017 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 '**CRISIL A2**' for the Short-term Bank facility and the Company's long-term facilities have been re-affirmed as '**CRISIL BBB+ /STABLE**' as on April, 2016.

During the year under review, the Company has not advanced any loans, given guarantees. Certain investments of temporary surplus funds in Mutual Funds has been done with Board's approval.



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

During the year, Energy Audit was conducted by CII Team of the plant of your Company and the findings reported potential savings are likely to be achieved based on the recommendations made by CII team. The company is making all efforts for conservation of energy on a continuous basis and some major improvements during the FY16-17 are noted as below:

Sl. No	Actions taken	Annual Saving (Rs. in Lakhs)
1	Power factor improved from 0.85 to 0.96. This has resulted in energy saving and thereby cost saving.	2.86
2	Replaced 10 H.P. Submersible pump with 3 H.P. Submersible pump.	2.30
3	Solenoid valve fitted in Air line of ST 1 to ST6 & WB2 machine. Seal changed in MOCF1/2, KF1, SF6 & SD4 machines.	6.50
4	Air buster fitted in Aida Press which resulted in overall reduction in pressure setting of compressor from 7.5 BAR to 5 Bar due to this there is energy saving of 2kg/cm air and reduction of power -12.30%	3.24
	Total	14.90

b. Technology absorption

With the objective of improving productivity as well as quality, during the year the Company has continued its efforts on improvements in process parameters and reduction in cycle times. Improvements made on press machines for manufacturing cage bearings by reduction in set-up time and resetting time. As a result average production quantity has increased.

c. Foreign exchange earnings & outgo

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



18. **Auditors**

Statutory Auditors

Appointment of M/s.Deloitte Haskins & Sells, Chartered Accountants as Auditors was approved till 31st March' 2017. The Audit Committee and the Board of Directors recommends the appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants as statutory auditors in place of M/s. Deloitte Haskins & Sells, retiring Auditors and suitable resolution for the same has been included in the AGM notice annexed. A certificate from the incoming 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 2016-17. 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

H S ZAVERI
Chairman

Mumbai: May 26, 2017

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	₹ 673.45 lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 13.47 lakhs
5	Details of CSR spent during the financial year. (a) Total amount to be spent for the financial year; (b) Amount unspent, if any; (c) Manner in which the amount spent during the financial year is detailed below.	₹ 13.47 lakhs 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	₹ 8.00 lakhs	₹ 8.00 lakhs	₹ 8.00 lakhs	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	₹ 5.50 lakhs	₹ 5.50 lakhs	₹ 13.50 lakhs	Sankalp – A pledge to change
	Total			₹ 13.50 lakhs	₹ 13.50 lakhs	₹ 13.50 lakhs	

*Give details of implementing agency

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

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)

Annexure II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2017

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : 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	33911	--	33911	0.94	33911	--	33911	0.94	--
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)	2686673	--	2686673	74.39	2686673	--	2686673	74.39	--



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	
(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)	2686673	--	2686673	74.39	2686673	--	2686673	74.39	--
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



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	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	80065	2975	83040	2.30	53035	2975	56010	1.55	(0.75)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal sharecapital upto Rs.1 Lakh	450738	141419	592157	16.40	484865	138543	623408	17.26	0.86
ii) Individual Shareholders holding nominal sharecapital in excess of Rs.1 Lakh	229270	--	229270	6.35	211845	--	211845	5.87	(0.48)
c) Any Other									
i) NRI's/ OCBs	15983	600	16583	0.46	21817	600	22417	0.62	0.16
ii) Clearing Members	3767	0	3767	0.10	11137	0	11137	0.31	0.21
Sub-total (B) (2)	779823	144994	924817	25.61	782699	142118	924817	25.61	--
Total Public Shareholding (B) = (B)(1) + (B) (2)	779823	145044	924867	25.61	782699	142168	924867	25.61	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	3462621	148919	3611540	100	3469372	142168	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	33911	0.94	0	33911	0.94	0	0
2	NRB Bearings Ltd.	2652762	73.45	0	2652762	73.45	0	0
	Total	2686673	74.39	0	2686673	74.39	0	0

**(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	33911	0.94		
	Date wise increase/ decrease	Nil	Nil	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	45000	1.25		
	26/08/2016 Sell	-23000	-0.64	22000	0.61
	23/09/2016 Sell	-1500	-0.04	20500	0.57
	30/09/2016 Sell	-100	0.00	20400	0.56
	At the end of the year			20400	0.56
2	Ritu Garg				
	At the beginning of the year	23550	0.65		
	28/10/2016 Sell	-1699	-0.05	21851	0.61
	04/11/2016 Sell	-851	-0.02	21000	0.58
	06/01/2017 Sell	-250	-0.01	20750	0.57
	03/02/2017 Sell	-1250	-0.03	19500	0.54
	10/02/2017 Sell	-250	-0.01	19250	0.53
	At the end of the year			19250	0.53
3	Madhu Mansharamani				
	At the beginning of the year	39268	1.09		
	29/07/2016 Sell	-5950	-0.16	33318	0.92
	05/08/2016 Sell	-965	-0.03	32353	0.90
	12/08/2016 Sell	-3190	-0.09	29163	0.81
	26/08/2016 Sell	-6089	-0.17	23074	0.64
	02/09/2016 Sell	-11288	-0.31	11786	0.33
	30/09/2016 Sell	-4947	-0.14	6839	0.19
	21/10/2016 Sell	-4800	-0.13	2039	0.06
	At the end of the year			2039	0.06



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
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	12253	0.34		
	Date wise increase/ decrease	Nil	Nil	12253	0.34
	At the end of the year			12253	0.34
6	Lalit Kumar Poddar				
	At the beginning of the year	15350	0.43		
	20/05/2016 Sell	-101	0.00	15249	0.42
	23/09/2016 Sell	-749	-0.02	14500	0.40
	20/01/2017 Sell	-55	0.00	14445	0.40
	27/01/2017 Sell	-1500	-0.01	12945	0.36
	03/02/2017 Sell	-2000	-0.06	10945	0.30
	10/02/2017 Sell	-445	-0.01	10500	0.29
	At the end of the year			10500	0.29
7	Ayyalusamy Kanagalakshmi				
	At the beginning of the year	3469	0.10		
	15/04/2016 Sell	-883	-0.02	2586	0.08
	22/04/2016 Sell	-382	-0.01	2204	0.06
	29/04/2016 Sell	-1190	-0.03	1014	0.03
	20/05/2016 Sell	-440	-0.01	574	0.02
	22/07/2016 Sell	-574	-0.02	0	0.00
	At the end of the year			0	0.00
8	Anil Kumar Bajaj				
	At the beginning of the year	9025	0.25		
	23/09/2016 Sell	-1500	0.04	7525	0.21
	At the end of the year			7525	0.21
9	Surendra Patel				
	21/10/2016 Sell	2000	0.06	12399	0.34
	10/02/2017 Sell	-968	-0.03	11431	0.32
	17/02/2017 Sell	-3000	-0.08	8431	0.23
	24/02/2017 Sell	-2500	-0.07	5931	0.16
	At the end of the year			5931	0.16



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10	Mustafa Mazahir Khedwala				
	At the beginning of the year	41000	1.14		
	06/05/2016 Purchase	1	0.00	41001	1.14
	12/08/2016 Purchase	1000	0.03	42001	1.16
	18/11/2016 Purchase	1750	0.05	43751	1.21
	06/01/2017 Purchase	249	0.01	44000	1.22
	At the end of the year			44000	1.22
11	Keshav Garg				
	At the beginning of the year	19450	0.54		
	06/01/2017 Sell	-300	-0.01	19150	0.53
	03/02/2017 Sell	-375	-0.01	18775	0.52
	At the end of the year			18775	0.52
12	Rajiv Garg				
	At the beginning of the year	19000	0.53		
	28/10/2016 Sell	-1070	-0.03	17930	0.50
	04/11/2016 Sell	-110	0.00	17820	0.49
	03/02/2017 Sell	-1070	-0.03	16750	0.46
	10/02/2017 Sell	-500	-0.01	16250	0.45
	At the end of the year			16250	0.45
13	Sana Ayub Khan				
	At the beginning of the year	13000	0.36		
	24/06/2016 Purchase	2000	0.06	15000	0.42
	15/07/2016 Purchase	1000	0.03	16000	0.44
	05/08/2016 Purchase	1000	0.03	17000	0.47
	12/08/2016 Purchase	500	0.01	17500	0.48
	At the end of the year			17500	0.48
14	Anandi Bhupendra Vekaria				
	At the beginning of the year	12000	0.33		
	20/05/2016 Sell	-1000	-0.03	11000	0.30
	03/06/2016 Sell	-1345	-0.04	9655	0.27
	26/06/2016 Sell	-3655	-0.10	6000	0.17
	22/07/2016 Sell	-1600	-0.04	4400	0.12
	12/08/2016 Sell	-3600	-0.10	800	0.02
	19/08/2016 Sell	-800	-0.02	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
15	Mazahir Husaini Khedwala				
	At the beginning of the year	9200	0.26		
	24/06/2016 Purchase	800	0.02	10000	0.28
	06/01/2017 Purchase	2500	0.07	12500	0.35
	At the end of the year			12500	0.35
16	Rashida Mazahir Khedwala				
	At the beginning of the year	7000	0.19		
	24/06/2016 Purchase	2000	0.06	9000	0.25
	05/08/2016 Purchase	1000	0.03	10000	0.28
	07/10/2016 Purchase	500	0.01	10500	0.29
	At the end of the year			10500	0.29
17	Safir Anand				
	At the beginning of the year	0	0.00		
	26/08/2016 Purchase	4174	0.12	4174	0.12
	02/09/2016 Purchase	3826	0.11	8000	0.22
	16/09/2016 Purchase	1390	0.04	9390	0.26
	23/09/2016 Purchase	1110	0.03	10500	0.29
	14/10/2016 Purchase	174	0.00	10674	0.30
	21/10/2016 Purchase	1728	0.05	12402	0.34
	04/11/2016 Purchase	1956	0.05	14358	0.40
	11/11/2016 Purchase	1000	0.03	15358	0.43
	18/11/2016 Purchase	1020	0.03	16378	0.45
	25/11/2016 Purchase	333	0.01	16711	0.46
	10/03/2017 Sell	-735	-0.02	15976	0.44
	At the end of the year			15976	0.44

(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	33911	0.94		
	Date wise increase/ decrease	Nil	Nil	33911	0.94
	At the End of the year			33911	0.94
2	Mr. S C Rangani				
	At the beginning of the year	250	0.007		
	Date wise increase/ decrease	Nil	Nil	250	0.007
	At the End of the year			250	0.007



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3	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 Indebtness (₹ in lakhs)
Indebtedness at the beginning 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
Change in Indebtedness during the financial year				
• Addition	80.95	0	6.11*	87.06
• Reduction	(183.30)	0	0	183.30
Net Change	(102.35)	0	6.11	(96.24)
Indebtedness at the end of the financial year				
i) Principal Amount	80.95	0	6.11	87.06
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	80.95	0	6.11	87.06

* Security Deposits received from Customers.

**(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 Non-Executive/ Non-Independent Directors (₹ in lakhs)		Total Amount (₹ in lakhs)
		Ms. H.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.)	1.30	1.03	2.33
	Total (A)	1.30	1.03	2.33
	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 Deceased on 12.1.2017	Mr. J. D. Diwan	
3.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0.88	0.75	1.58	3.21
	Total (1)	0.88	0.75	1.58	3.21
4.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	0.88	0.75	1.58	3.21
	Total Managerial Remuneration	0.88	0.75	1.58	3.21
	Overall Ceiling as per the Act	--	--	--	6.30



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	8.42	22.84	31.26
2.	Stock Option	--		--
3.	Sweat Equity	--		--
4.	Commission _ as % of profit _ others, specify...	--		--
5.	Others, please specify	8.42	22.84	31.26
	Total (A)	8.42	22.84	31.26

(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 lakhs)

i)	NRB Bearings Limited –	Sale of Finished Goods	2001.08
		Purchase of Raw Materials	17.23
		Redemption of Preference Shares	25.00
		Dividend on Preference Shares	0.59
		Dividend on Equity Shares	80.60
ii)	NRB Bearings (Thailand) Limited	Sale of Finished Goods	7.20
		Sales Commission	Nil

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

- i) 29th April, 2016
- ii) 27th July, 2016
- iii) 24th October, 2016
- iv) 31st January, 2017

(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: May 26, 2017



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

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

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

Name of Directors	Remuneration (₹ 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 2016-17;

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	11%
Mr. KKP Sinha, Plant Head	11%



- 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 7% during the Financial year 2016-17 (from Rs.3.45 lakhs to Rs.3.68 lakhs p.a.).
- d. the Company has 153 number of permanent employees on the rolls of company as on 31 March, 2017;
- e. The explanation on the relationship between average increase in remuneration and company performance;

Net revenue of the Company for the financial year ended 31 March 2017 was Rs. 3352.78 lacs as compared to Rs. 3006.74 lakhs in previous financial year 31 March 2016, revenue growth of 11.5% as compared to financial year 31 March, 2016. The total employee cost during the financial year 2016-17 was Rs.604.06 lakhs, employee cost growth of 7% as compared to financial year 31 March, 2016. The overall performance of the Company was higher inspite of challenging economic conditions and slow progress in the Auto Industries

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

Aggregate remuneration of KMP in Financial year 2017 (₹ In lakhs)	31.26
Total Revenue (₹ In lakhs)	3352.78
Remuneration of KMP (as % of Total Revenue)	0.93%
Profit before Tax (₹ In lakhs)	991.71
Remuneration of KMP (as % of profit before tax)	3.15%

- 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, 2017 (₹ In crores)	84.80
	Market Cap at 31st March, 2016 (₹ In crores)	54.39
2.	Price-to-earnings ratio	
	PE as at 31st March, 2017 (Mkt Price/ EPS)	12.88
	PE as at 31st March, 2016 (Mkt Price/ Eps)	9.65
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 2017	234.80

- 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 6% while increase in the Managerial Remuneration is 10%. 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 2016-17 (₹ In lakhs)	22.84	8.42
2	Total Revenue (₹ In lakhs)	3352.78	
3	Remuneration (as a % of Revenue)	0.68%	0.25%
4	Profit before tax (₹ In lakhs)	991.71	
5	Remuneration (as a % of profit before tax)	2.30%	0.85%

- 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: May 26, 2017



**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2017**

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

To,
The Members,
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, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the SNL Bearings Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing – 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, 2015I 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; and
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairperson, 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 specific event/action in pursuance to the above referred laws, rules, regulations, standard and guidelines, etc. referred to above, having major bearing on the Company's affairs.

Place: Mumbai

Date : 25/05/2017

(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

For your company, the demand is approximately 90% from original equipment manufacturers (OEM) and the balance is for supplies to 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 and your company supplies to the 2/3 wheeler, passenger cars, commercial vehicles and farm equipment segments. Overall demand from the Automotive industry remains subdued at a single digit rate of 8% but your Company has grown by 11.5% with strong growth in the 2/3 wheeler and commercial vehicles.

Roller bearings have wide ranging applications and are critical to industrial progress. Market growth in the Indian mobility industry for both people and goods has a very large potential given the geographical spread and size of population- an aspirational young population spurs personal mobility while the need to establish strong supply chains between producers and markets drives growth for goods mobility. Also new vehicle models are being constantly introduced, there is expansion of the public transport systems, dedicated freight corridors for movement of farm produce. With enhanced manufacturing capacity, your Company is now in a position to offer a wider range of products to its customers -bearing solutions that are efficient and support productivity.

Economic Environment

During the year, global environment has been subdued, being affected by uncertainties in the global financial markets, slowdown in investments arising from setbacks such as Brexit and the weaker growth in China.

In India, economic performance has been impacted by a one-time purge of "black" money, but domestic savings rate increases and improved tax collections v/s GDP, foreign institutions gaining confidence arising from the bold reforms, are going to turn to be positive for the economy with the Indian financial sector witnessing a paradigm shift in business operations. There is hope that the Indian economy will witness a strong recovery path helped by lower global fuel and commodity prices and well managed fiscal and monetary policies of the government. Downside risks continue in the form of NPA's of the banking system and the post demonization effects in most sectors of the economy.

Currency demonetization affected demand during Q3 and the implementation of BS IV emission norms led to above normal sales recovery in Q4, particularly for Commercial Vehicles and the 2/3 wheeler segments. The unsold inventories could affect normal demand during the beginning of the current financial year. Fortunately, the normal monsoons, lower global fuel and commodity prices and the policy actions of the government positively impacted rural demand for passenger vehicles and farm equipment (including tractors) segments enabled your company register growth in sales.

With forecasts of a more bountiful monsoon and government spending in the economy mainly in the areas of Power (Renewables and T & D), Transportation (Roads, Railways and metro projects)and Defence (mainly towards indigenization under the "Make in India" drive) and the GST implementation around the corner, structurally the economy is expected to be benefitted and industrial growth boosted with the likely shift in consumption from unorganized to organized players. With overall GDP growth estimated at 7% and inflation controlled within 5%, 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.

Lower interest rates (arising out of high liquidity with banks) and inflationary pressures under close watch, along with expectations of crude oil remaining soft, should enable bearing manufacturers to benefit from a smooth demand led recovery during the year.

Your Company will continue to focus on manufacturing efficiencies and leverage its competitive strength to meet customer growth plans and increase market share.

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. The problem continues owing to the slow legal process, in spite of industry wide efforts to thwart the unscrupulous suppliers.
- 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. Supply chain readiness and a stronger focus on reducing costs will help counter the same.
- c. Regulatory demands on emission levels, improved safety norms and higher expectations for improved reliability of the vehicles may result in need for investments in newer technology, R & D investments. This could cause 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.658.95 lakhs as compared to Rs.567.76 lakhs in the previous accounting year. The net revenues at Rs.3352.78 lakhs, show a growth of 11.51% as compared to net revenues of the previous year Rs 3006.67 lakhs.

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

Risks and risk mitigation

To sustain long term competitive advantage for the company, 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 and currency risks, government's inability to build and expand critical infrastructure and the "Make in India" drive not getting full support, 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\$ 200 billion (12% of GDP) by 2026 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. During the year, the company has implemented an upgrade of the ERP system (NAV 5 to NAV 16) which helps the company to implement latest world class processes, simultaneously making it more analytical and enabling identification of processes which need improvements.

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 have been reviewed in the light of the ERP upgrade to ensure tighter controls. 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.

Permanent employees directly employed by the company currently total 153 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 four 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 directors including the chairman is mentioned below:

Ms.H S Zaveri (57 yrs) is the Chairman of the Board of Directors. Since October 2016, she is the Vice Chairman & Managing Director 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.

In 2001, 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 (68 yrs) is a graduate in commerce with post graduate qualifications in Management Studies and professional qualifications as a Company Secretary. He has over 46 yrs. experience in management positions in various industries including 24 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 (75 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.Jayavardhan Dhar Diwan (52 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 31.3.2017	No.of Committees in which Chairman/ Member (other than SNL) as on 31.3.2017
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	N.A.	N.A.
J D Diwan	01565319	NE/ID	-	-

NE and NID – Non Executive and Non Independent Director

NE and ID - Non Executive and Independent Director

* Deceased on 12th January, 2017

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 92%.

Attendance of Directors

At the Board Meetings held during 2016-17 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 (27th July, 2016)
1	Ms.H S Zaveri	5	4	Yes
2	Mr.S C Rangani	5	5	Yes
3	Mr.J S Maini	5	4	Yes
4	Mr.V S Iyer*	3	3	Yes
5	Mr.J D Diwan	5	5	Yes

* Deceased on 12th January, 2017.

Overall attendance in the Board Meetings: 92%

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 5 meetings of the Board during 2016-17.

The Board held its meetings on 29th April, 2016, 27th July, 2016, 24th October, 2016, 31st January, 2017 and 6th February, 2017. 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#	N.A.	N.A.
5	Mr.J D Diwan	NIL	NIL

*excluding private limited companies and companies incorporated outside India

Deceased on 12th January, 2017.

e. Membership of Board committees:

None of the Directors holds membership of more than 10 Committees of Boards nor is any Director a Chairman of more than 5 Committees of Boards as per 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:

Ms.H S Zaveri retires by rotation and is eligible to offer herself for re-appointment. The particulars of Ms. H S Zaveri 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 31.03.2017.

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 & the 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 GM & 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, his/ her peers have completed the evaluation.



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

The independent directors have also met separately on 29th March 2017.

2. **Audit Committee**

The Committee, in order to comply with the condition of 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 (deceased on 12th January, 2017) and Mr. J D Diwan being the Members of the Committee. After the death of Mr. V S Iyer, presently the committee comprises of three members, all being non-executive Directors. All the present 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 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,2016, 27th July,2016, 24th October,2016 and 31st Januray, 2017. The maximum interval between any two meetings did not exceed 120 days.



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

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

* Deceased on 12th January 2017.

Overall attendance: 93.75%

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 two meetings on 29th April,2016 and 21st September, 2016. 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. The Board has now recommended commission be approved to incentivize the Board members and a suitable resolution for the same has been included in AGM notice.

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	1,30,000
S C Rangani	1,02,500
J S Maini	87,500
V S Iyer*	75,000
J D Diwan	1,57,500
Gross total	5,52,500

* Deceased on 12th January, 2017.

5. Stakeholders Relationship Committee

The Committee comprises of four Directors viz. Mr. V S Iyer (Chairman) deceased on 12th January, 2017, Mr. J D Diwan (Chairman consequent upon death of Mr. V S Iyer). Ms. H S Zaveri and Mr. S C Rangani. Mr. Bankim Purohit, Company Secretary is designated as a Compliance Officer as required under the SEBI (LODR) Regulations, 2015. After the death of Mr. V S Iyer, presently the committee comprises of three members, all being non-executive Directors. 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 six 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, no complaints were received by the Company from any of the shareholders. As on 31.03.2017 no complaints were pending.



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

Members	Meetings held during the tenure of the Director	Meetings attended
Mr.V S Iyer (Chairman)* Upto 12th January,2017	3	2
Ms.H S Zaveri	6	5
Mr.S C Rangani	6	6
Mr.J D Diwan (Chairman) w.e.f. 13th January, 2017	6	6

* Deceased on 12th January,2017.

Overall attendance : 87.50%

6. General Body Meetings

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

36th Annual General Meeting on 27th July, 2016 at 2.00 p.m
Conference Room, Dhannur, 15 Sir P M Road, Mumbai 400 001

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

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 2016-17. 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 no complaints have been received.

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 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 (designated GM and Planthead).

e. **Reporting of Internal Auditor**

The internal auditor reports directly to the Audit Committee.



INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**TO THE MEMBERS OF
SNL BEARINGS LIMITED**

1. This Certificate is issued in accordance with the terms of our engagement letter dated 04 October, 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the statutory auditors of **SNL BEARINGS LIMITED** ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

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

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company

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

Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, 26 May, 2017.



SHAREHOLDERS' INFORMATION

1. **Annual General Meeting**
 - Date and Time : July 21, 2017 at 12.00 noon
 - Venue : Conference Hall, Dhannur
15, Sir P.M.Road, Fort
Mumbai 400 001
2. **Financial Calendar**
 - Results for the quarter ending 30.06.2017 : July 2017
 - Results for the quarter ending 30.09.2017 : October/ November, 2017
 - Results for the quarter ending 31.12.2017 : January/ February, 2018
 - Results for the quarter ending 31.03.2018 : April/ May, 2018
 - AGM for the year ending 31.03.2018 : July/August, 2018
3. **Book Closure Date** : 17th July, 2017 to 21th July, 2017
(both days inclusive)
 - Interim Dividend record date** : 17th February, 2017
4. **Equity Dividend Payment Date** : 5th August, 2016
Equity Interim Dividend Payment Date : 27th February, 2017
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**

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

Financial Years	Date of Declaration at AGM/BM	Due for transfer (30 days after expiry of 7 years)	No. of warrants unclaimed	% to No. of warrants issued	Unclaimed/ Unpaid dividend amount Rs.	% to amount of dividend declared
2015-16	27.07.2016	01.09.2023	1505	35.89	1,91,594	2.65
2016-17- Interim Dividend	06.02.2017	14.03.2024	1432	32.32	3,26,880	3.02
			2937	34.06	5,18,834	2.87

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



7. 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, The Calcutta Stock Exchange Association Ltd.
 P.J.Towers, Dalal Street 7 Lyons Range,
 Mumbai 400 023 Calcutta 700 001

Note : Listing fees for the year 2017-18 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

- BSE Ltd, 505827
 ISIN No. **INE 568F 01017**

10. Stock Market Data :

2016-17	BSE Ltd, Mumbai		
Month	High	Low	Volume
April'16	189.90	145.00	35085
May'16	208.90	163.20	38781
June'16	200.00	170.00	29742
July'16	199.00	165.00	48854
August'16	192.40	163.30	117747
September'16	258.00	177.20	120130
October'16	233.00	198.00	47791
November'16	234.00	115.00	59737
December'16	190.00	165.50	13581
January'17	228.95	166.25	88075
February'17	244.00	211.60	92294
March'17	243.00	231.00	34089
Total			725906

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

12. Share Transfer System

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



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

13. Distribution of Shareholding as on 31st March :

No. of Equity Shares	2017				2016			
	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	4267	94.49	336071	9.31	3849	94.57	303668	8.408
501-1000	124	2.75	97687	2.71	107	2.63	82274	2.278
1001-2000	70	1.55	101381	2.81	55	1.35	83739	2.319
2001-3000	15	0.33	37519	1.04	20	0.49	52795	1.462
3001-4000	6	0.13	20473	0.56	7	0.17	24192	0.670
4001-5000	9	0.20	40654	1.12	10	0.25	45711	1.266
5001-10000	12	0.26	85154	2.35	7	0.17	58218	1.612
10001 & above	13	0.29	2892601	80.10	15	0.37	2960943	81.986
TOTAL	4516	100.00	3611540	100.00	4070	100.00	3611540	100.00

As on 31st March, 2017, 3469372 no. of shares constituting 96.06% 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	2017				2016			
	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	33911	0.94
Public	4412	97.70	846390	23.43	3957	97.22	821487	22.74
Corporate Bodies								
Promoter group	1	0.02	2562762	73.45	1	0.02	2652762	73.45
Others	52	1.15	56010	1.55	75	1.85	86807	2.40
Foreign Collaborator	-	-	-	-	-	-	-	-
NRI/OCBs	49	1.09	22417	0.63	35	0.87	16583	0.47
FI/FII/Banks	1	0.02	50	-	1	0.02	50	-
Mutual Funds/UTI	-	-	-	-	-	-	-	-
TOTAL	4516	100.00	3611540	100.00	4070	100.00	3611540	100.00

15. **Investor queries**

Nature of queries/complaints	2016-17 / Nos.
Transfers (including stop transfer), Transmissions	01
Duplicate share certificates	01
Signature verification	00
Non receipt of share certificates	00
Deletion of name	04
Power of Attorney	00
Reissue of dividend warrants	14
Non-receipt of dividend warrants	00
Change in bank details	00
Change of address	12
Change of address undelivered	00
Non receipt of AGM reports	04
Total	36

There are no major legal proceedings relating to transfer of shares. All the complaints have been resolved. 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 PLANT HEAD 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)

May 26, 2017

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

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

For SNL BEARINGS LTD

S C RANGANI
DIRECTOR

May 26, 2017

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF
SNL BEARINGS LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **SNL BEARINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, 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.

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.

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

We conducted our audit of the 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 obtained by us 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, 2017, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143 (3) of the Act we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 25 (a) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Saira Nainar
Partner
(Membership No. 040081)



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, 2017 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Saira Nainar
(Partner)
(Membership No. 040081)

Mumbai, 26 May, 2017



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a programme of verification of fixed assets to cover all the items once in every 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 ended 31 March, 2016. 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 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) of the 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, 2017 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on 31 March, 2017 on account of disputes. Details of Sales tax and



Value added tax which have not been deposited as on 31 March, 2017 on account of dispute is given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Amount unpaid (Rs. in Lakhs)
The Central Sales Tax Act, 1956	Sales tax and Value added tax.	Deputy Commissioner Sales tax - Ranchi	FY 2011-12 FY 2012-13	15.04

- (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 term loan availed by the Company has been applied during the year for the purpose for which it was raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided managerial remuneration and hence reporting under clause (xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the 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 the 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, 26 May, 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

₹ in lakhs

Particulars		Note No.	As at 31st March, 2017	As at 31st March, 2016
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	361.15	386.15
	(b) Reserves and surplus	4	1,629.91	1102.08
2	Non-current liabilities			
	(a) Long-term borrowings	5	-	104.61
	(b) Deferred tax liabilities (net)	6	126.79	106.73
	(c) Long-term provisions	7	38.31	35.40
3	Current liabilities			
	(a) Short-term borrowings	8	80.95	16.36
	(b) Trade payables			
	(i) Total outstanding dues of micro and small enterprises	25 (b)	1.39	3.70
	(ii) Total outstanding dues of creditors other than micro and small enterprises		238.56	208.16
	(c) Other current liabilities	9	53.47	97.57
	(d) Short-term provisions	10	7.22	204.73
	TOTAL		2,537.75	2,265.49
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets	11		
	(i) Tangible assets		921.33	880.91
	(ii) Intangible assets		14.86	4.20
	(iii) Capital work-in-progress		8.36	2.60
	(b) Long-term loans and advances	12	29.40	28.52
2	Current assets			
	(a) Current Investments	13	106.73	-
	(b) Inventories	14	716.10	612.77
	(c) Trade receivables	15	684.57	645.64
	(d) Cash and cash equivalents	16	15.89	64.40
	(e) Short-term loans and advances	17	40.51	26.45
	TOTAL		2,537.75	2,265.49
	See accompanying note forming part of the financial statements.			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini J. D. Diwan
Directors

Saira Nainar
Partner

Bankim Purohit
Company Secretary

Mumbai: May 26, 2017

Mumbai: May 26, 2017



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

₹ in lakhs

Particulars		Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I.	Revenue			
	(a) Revenue from operations (gross)	18	3,770.38	3,383.12
	Less : Excise duty		417.60	376.45
	Revenue from operations (net)		3,352.78	3,006.67
II.	Other income	19	17.89	0.07
III.	Total Revenue (I + II)		3,370.67	3,006.74
IV.	Expenses			
	(a) Cost of materials consumed	20	839.67	750.54
	(b) Changes in inventories of finished goods and work-in-progress	21	(42.94)	31.44
	(c) Employee benefits expenses	22	693.12	612.42
	(d) Finance costs	23	12.94	33.28
	(e) Depreciation and amortization expenses	11	70.77	57.41
	(f) Other expenses	24	805.40	670.82
	Total Expenses (IV)		2,378.96	2,155.91
V.	Profit before tax (III-IV)		991.71	850.83
VI.	Tax Expense:			
	(a) Current tax		310.06	270.46
	(b) Current tax expense relating to prior years		2.64	-
	(c) Deferred tax	6	20.06	12.61
	Net Tax Expense (VI)		332.76	283.07
VII.	Profit after tax (V-VI)		658.95	567.76
VIII.	Earnings per equity share (of Rs. 10 each)			
	Basic and Diluted	25 (d)		
	See accompanying note forming part of the financial statements.		₹ 18.23	₹ 15.61

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini J. D. Diwan
Directors

Saira Nainar
Partner
Mumbai: May 26, 2017

Bankim Purohit
Company Secretary

Mumbai: May 26, 2017



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

₹ in lakhs

Particulars	Year ended 31.03.17	Year ended 31.03.2016
A. Cash flow from operating activities		
Net Profit before tax	991.71	850.83
Adjustments for :		
Depreciation and amortization	70.77	57.41
Interest expense	12.94	33.28
Interest Income	(5.72)	(0.07)
Dividend income	(1.73)	-
Net loss on sale of fixed assets	12.04	6.71
Provision for doubtful receivable	2.82	-
Bad debt written off	-	3.19
Unrealised Foreign Exchange (Gain) / Loss	(2.67)	0.06
	88.45	100.58
Operating Profit before working capital changes	1080.16	951.41
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(103.33)	89.08
Trade receivables	(41.58)	(137.41)
Short-term loans and advances	(14.06)	5.76
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	30.59	0.90
Other current liabilities	(0.43)	15.72
Long-term provisions	2.91	6.19
Short-term provisions	0.09	(6.37)
	(125.81)	(26.13)
Cash generated from operations	954.35	925.28
Net income tax (paid)	(316.04)	(268.00)
Net cash flow from operating activities (A)	638.31	657.28
B. Cash flow from investing activities		
Purchase of fixed assets	(126.24)	(60.49)
Purchase of Investments	(106.73)	-
Interest Income	5.72	0.07
Dividend Income	1.73	-
Sale of fixed assets	0.35	2.65
Net cash flow used in investing activities (B)	(225.17)	(57.77)



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

₹ in lakhs

Particulars	Year ended 31.03.17	Year ended 31.03.2016
C. Cash flow from financing activities		
Repayment of borrowings	(165.48)	(58.97)
Proceeds from Long term borrowings	-	28.16
Net increase/(decrease) in cash credit	64.59	(197.71)
Repayment of preference share	(25.00)	(25.00)
Finance cost	(14.68)	(33.66)
Dividends paid on Equity shares	(180.58)	-
Income Tax on Equity share dividends	(36.76)	-
Dividends paid on Preference shares	(90.50)	(230.56)
Income Tax on Preference share dividends	(18.42)	(46.94)
Net cash flow used in financing activities (C)	(466.83)	(564.68)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(53.69)	34.83
Cash and cash equivalent at the commencement 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
Cash and cash equivalent at the end of the financial year components being:		
Cash on hand	0.49	0.16
Balances with banks on current accounts	10.22	64.24
	10.71	64.40
Net increase/(decrease) as disclosed above	(53.69)	34.83
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: May 26, 2017

For and on behalf of the Board of Directors

H. S. Zaveri S. C. Rangani J. S. Maini J. D. Diwan
Directors

Bankim Purohit
Company Secretary

Mumbai: May 26, 2017



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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, 2017****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.

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, 2017****2 Compensated absences :**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Company makes provision for compensated absences based on an actuarial valuation by actuary.

3 Actuarial gains and losses are recognised in the statement of profit and loss.**2.7 Impairment of assets :**

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

2.8 Revenue :

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

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

2.9 Taxation :

- (a) Income taxes are accounted for in accordance with Accounting Standard (AS)-22 "Accounting for taxes on income". Income tax comprises both current and deferred tax.
- (b) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- (c) The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as at the Balance Sheet date.
- (d) Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017****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.

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 Investment :

Current investments are stated at lower of cost or fair market value. Cost includes original cost of acquisition, including brokerage and stamp duty.

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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.17 Other income

Interest income is accounted on accrual basis. Dividend Income is accounted for when the right to receive is establish.

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, 2017		As at 31st March, 2016	
	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
	4,054,376	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
Total	3,611,540	361.15	4,611,540	386.15

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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

In the year ended 31st March, 2008 the Company had re-negotiated the coupon rate from 9% to 2% with effect from 18th Sept, 2002 to 31st March, 2005 and at 6% from 1st April, 2005 onwards and the repayment terms were 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 Rs 25 lakhs on 18th June, 2016. Also pursuant to section 55 of the Companies Act, 2013, the Company has transferred Rs. 25 lakhs (Year ended 31st March 2016 : Rs. 25 lakhs) from current year profits to Capital Redemption Reserve.

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

Particulars	Equity Shares As at 31st March, 2017		Equity Shares As at 31st March, 2016	
	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, 2017		Preference Shares As at 31st March, 2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Shares outstanding at the beginning of the year	1,000,000	25.00	1,000,000	50.00
Partial Redemption of preference shares during the year	1,000,000	25.00	-	25.00
Shares outstanding at the end of the year	-	-	1,000,000	25.00



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

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

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	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, HOLDING COMPANY	-	-	1,000,000	100.00

4. **Reserves and Surplus :**

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a. Capital Reserves	15.03	15.03
b. Capital Redemption Reserve		
Opening balance	975.00	950.00
Add: Transfer from statement of profit and loss	25.00	25.00
Closing balance	1000.00	975.00
c. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	112.05	(235.84)
Add: Net Profit for the current year	658.95	567.76
Less: Dividend on preference shares (proposed dividend in year ended 31st March 2016)	(0.59)	(89.91)
Less: Income tax on dividend on preference shares	(0.12)	(18.03)
Less: Proposed dividend on equity shares (Rs. Nil per share, Year ended 31st March 2016 : Rs. 2 per share)	-	(72.23)
Less: Income tax on dividend on Equity shares	-	(14.70)
Less: Interim dividend (Rs. 3 per share, Year ended 31st March 2016 : Rs. Nil per share)	(108.35)	-
Less: Income tax on interim dividend on equity share	(22.06)	-
Less: Transfer to Capital Redemption Reserve	(25.00)	(25.00)
Closing balance	614.88	112.05
Total	1,629.91	1,102.08



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

5. Long Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Term Loan (Secured)*#	-	104.61
Total	-	104.61

* Secured against the car and Safed Furnace purchased out of the borrowings.

The term loan taken for Safed Furnace carried an Interest rate of 12.25% per annum.

6. Deferred Tax Liabilities (Net) :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a. Tax effect of items constituting deferred tax liability		
Depreciation & amortization	147.92	128.47
	147.92	128.47
b. Tax effect of items constituting deferred tax assets		
Provision for gratuity	(1.90)	(4.43)
Provision for compensated absences	(15.05)	(14.06)
Provision for doubtful debts	(4.18)	(3.25)
	(21.13)	(21.74)
Total	126.79	106.73

7. Long Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for compensated absences	38.31	35.40
Total	38.31	35.40

8. Short Term Borrowings :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Secured		
Cash Credit*	80.95	16.36
Total	80.95	16.36

* Secured by a pari passu charge on current assets.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

9. Other Current Liabilities :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Interest Accrued but not due on Borrowings	-	1.74
Current Maturities of Long Term Debt(refer foot note 2 note 5)	-	60.87
Security Deposits from Customers	6.11	6.11
Other Payables		
- Statutory Dues (Contributions to PF and ESIC, TDS, TCS, VAT, Professional Tax)	20.36	13.91
- Gratuity (Funded)	5.75	13.40
- Unclaimed Dividends	5.18	-
- Capital payables	13.76	-
- Advance from Customers	2.31	1.54
Total	53.47	97.57

10. Short Term Provisions :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for compensated absences	7.22	7.73
Proposed dividend on preference shares	-	89.91
Income tax on dividend on preference shares	-	18.30
Proposed dividend on equity shares	-	72.23
Income tax on dividend on equity shares	-	14.70
Provision for Income tax less advance tax there against [net of advance tax Rs Nil lakhs (As at 31st March, 2016 Rs 268.00 lakhs)]	-	2.46
Total	7.22	204.73



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

1.1. Fixed Assets :

₹ in lakhs

Particular	Gross Block (At Cost)			Accumulated Depreciation & amortization				Net Block	
	Balance as at 1st April, 2016	Additions	Deductions	Balance as at 31st March, 2017	Balance as at 1st April, 2016	Depreciation / Amortization for the year	On deductions	Balance as at 31st March, 2017	Balance as at 31st March, 2016
Tangible Assets									
Buildings on leasehold land *	181.61 (184.48)	- (-)	8.55 (2.87)	173.06 (181.61)	93.36 (93.49)	2.59 (2.74)	7.03 (2.87)	88.92 (93.36)	84.14 (88.25)
Plant and equipment	1,828.82 (1,931.25)	94.07 (45.64)	146.62 (148.07)	1,776.27 (1,828.82)	1,050.84 (1,139.63)	57.12 (49.92)	139.37 (138.71)	968.59 (1,050.84)	807.68 (777.98)
Furniture and fixtures	4.81 (12.61)	- (-)	- (7.80)	4.81 (4.81)	4.34 (11.82)	0.32 (0.32)	- (7.80)	4.66 (4.34)	0.15 (0.47)
Vehicles	7.73 (7.90)	- (-)	- (0.17)	7.73 (7.73)	3.96 (3.07)	0.87 (1.06)	- (0.17)	4.83 (3.96)	2.90 (3.77)
Office	32.03 (47.43)	26.91 (4.79)	11.78 (20.19)	47.16 (32.03)	25.21 (42.41)	7.27 (2.99)	11.78 (20.19)	20.70 (25.21)	26.46 (6.82)
Equipment	72.51 (72.51)	- (-)	72.51 (-)	- (72.51)	68.89 (68.89)	- (-)	68.89 (-)	- (68.89)	3.62 (3.62)
Electrical installations									
Total	2,127.51 (2,256.18)	120.98 (50.43)	239.46 (179.10)	2,009.03 (2,127.51)	1,246.60 (1,359.31)	68.17 (57.03)	227.07 (169.74)	1,087.70 (1,246.60)	921.33 (880.91)
Previous year									



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

₹ in lakhs

Particular	Gross Block (At Cost)				Accumulated Depreciation & amortization				Net Block	
	Balance as at 1st April, 2016	Additions	Deductions	Balance as at 31st March, 2017	Balance as at 1st April, 2016	Depreciation / Amortization for the year	On deductions	Balance as at 31st March, 2017	Balance as at 31st March, 2017	Balance as at 31st March, 2016
Intangible Assets										
Computer software	32.87 (28.55)	13.26 (4.32)	- (-)	46.13 (32.87)	28.67 (28.29)	2.60 (0.38)	- (-)	31.27 (28.67)	14.86 (4.20)	(4.20)
Total	32.87 (28.55)	13.26 (4.32)	- (-)	46.13 (32.87)	28.67 (28.29)	2.60 (0.38)	- (-)	31.27 (28.67)	14.86 (4.20)	(4.20)
Previous year										
Capital WIP										
	2.60 (28.06)	8.36 (-)	2.60 (25.46)	8.36 (2.60)	- (-)	- (-)	- (-)	- (-)	8.36 (2.60)	(2.60)
Total	2.60 (28.06)	8.36 (-)	2.60 (25.46)	8.36 (2.60)	- (-)	- (-)	- (-)	- (-)	8.36 (2.60)	(2.60)
Previous year										
Grand total	2,162.98 (2,312.79)	142.60 (54.75)	242.06 (204.56)	2,063.52 (2,162.98)	1,275.27 (1,387.60)	70.77 (57.41)	227.07 (169.74)	1,118.97 (1,275.27)	944.55 (887.71)	(887.71)
Previous year										

* The Company's building is constructed on leasehold land, lessor being SBL Industries Limited, which is under liquidation with its assets under control of the Official Liquidator. The details of the lease period expired/ expiring are as follows: Out of the leasehold land of 1.46 acres plus 139481 sq. feet, in respect of 1.46 acres & 88,320 sq. feet lease period is valid till 29th August, 2081 and in respect of 39225 sq. feet lease period shall expire on 30th September, 2017. In respect of 11936 sq. feet the lease had expired on 29th August, 2012 and the Company continues to retain possession as monthly lessee and has been regularly depositing the monthly lease rents.

Figures in brackets are of Previous year figures. Refer Note 25(L)



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

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

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Security Deposits	25.82	25.82
Advance Income Tax [net of provision for tax Rs 790.46 lakhs (As at 31st March, 2016 Rs 207.30 lakhs)]	3.58	2.70
Total	29.40	28.52

13. Current investments :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Investment in Mutual Funds (quoted).		
HDFC liquid fund - regular plan - Dividend - Daily reinvest As at March 31st 2017: No of units - 3474.724 , Value per unit Rs. 1019.82 (As at 31st March 2016: No of units - Nil , Value per unit Rs. Nil)	35.44	-
Kotak Low Duration Fund Standard weekly dividend (Regular plan) As at March 31st 2017: No of units - 3513.048 , Value per unit Rs. 1015.611 (As at 31st March 2016: No of units - Nil , Value per unit Rs. Nil)	35.68	-
Reliance liquid fund - treasury plan - daily dividend option dividend reinvestment As at March 31st 2017: No of units - 2329.542 , Value per unit Rs. 1528.742 (As at 31st March 2016: No of units - Nil , Value per unit Rs. Nil)	35.61	-
Total	106.73	-

Market value of quoted investments

106.73


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
14. Inventories :

(at lower of cost and net realisable value)

₹ in lakhs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
a. Raw Materials, Components and Packing Material				
Raw Materials	243.47		172.07	
Components	12.85		12.57	
Packing Materials	4.96	261.28	6.41	191.05
b. Work-in-progress - Bearings		152.94		153.48
c. Finished goods		202.82		159.34
d. Stores and spares		99.06		108.90
Total		716.10		612.77

15. Trade Receivables :

₹ in lakhs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered doubtful		12.64		9.82
Less: Provision for doubtful debts		(12.64)		(9.82)
Other Trade Receivables				
Unsecured, considered good		684.57		645.64
Total		684.57		645.64

16. Cash and Cash equivalents :

₹ in lakhs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
a. Balances with banks In current accounts		10.22		64.24
b. Cash on hand		0.49		0.16
c. Unpaid Dividend accounts		5.18		-
Total		15.89		64.40

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

10.71

64.40



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

17. Short-term Loans and Advances :

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Unsecured, considered good		
Prepaid expenses	1.67	1.83
Advance to suppliers	1.93	4.86
Balance with Government authorities (cenvat credit receivable and Vat credit receivable)	33.11	16.32
Loans and advances to employees	3.80	3.44
Total	40.51	26.45

18. Revenue from operations :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Sale of products	3,727.91	3,343.41
Other operating revenue	42.47	39.71
	3770.83	3,383.12
Less: Excise duty	417.60	376.45
Total	3,352.78	3,006.67

a. Sale of products comprises		
Bearings	3,720.21	3,268.08
Special Purpose Machines	7.70	75.33
	3,727.91	3,343.41
b. Other operating revenue		
Sale of scrap	41.87	38.46
Duty drawback and export incentives	0.60	1.25
Total	42.47	39.71

19. Other Income :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Income	5.72	0.07
Net gain on exchange differences	10.44	-
Dividend Income	1.73	-
Total	17.89	0.07



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

20. Cost of materials consumed :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Stock	191.05	255.91
Add : Purchases	909.90	685.68
	1,100.95	941.59
Less : Closing Stock	261.28	191.05
Total	839.67	750.54

Details of Material Consumed:		
Steel Wires	133.08	114.72
Steel Stripes	407.41	360.70
Steel Tubes	220.66	193.64
Packing Material	43.69	40.69
For Components	30.30	23.57
For Special Purpose Machine	4.53	17.22
Total	839.67	750.54

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

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening stocks:		
Work - in - progress	153.48	140.60
Finished goods	159.34	203.66
	312.82	344.26
Closing stocks:		
Work - in - progress	152.94	153.48
Finished goods	202.82	159.34
	355.76	312.82
Total	(42.94)	31.44



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

22. Employee Benefits Expense :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries and wages	590.41	523.59
Contributions to Provident fund (see Note 25. k (i))	30.51	27.80
Gratuity fund Contributions (see Note 25. k (ii))	17.10	16.44
Staff welfare expenses	55.10	44.29
Total	693.12	612.42

23. Finance Cost :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest		
On fixed loans	12.41	23.90
On others	0.53	9.38
Total	12.94	33.28


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
24. Other expenses :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Consumption of stores and spare parts	231.21	201.25
Processing charges	55.51	43.05
Power and fuel	207.29	193.49
Repair and maintenance -		
Buildings	14.82	5.42
Plant and machinery	71.59	65.80
Others	1.62	1.55
	88.03	72.77
Printing and stationery	2.60	2.33
Rent	4.34	4.34
Rates and taxes	3.05	3.80
Legal and professional fees	24.41	17.96
Directors' sitting fees	5.53	5.48
Commission on sales	10.37	10.25
Sales discount	4.52	3.03
Travelling and conveyance	52.37	32.58
Postage and telephone	3.09	2.80
Expenditure on Corporate Social Responsibility	13.50	12.00
Security Charges	19.22	17.09
Forwarding charges	14.89	12.18
Bad debts written off	-	18.97
Provision for doubtful receivable no longer required	-	15.78
Provision for doubtful receivable	2.82	-
Excise duty on closing stock	4.58	(5.56)
Loss on exchange difference (net)	-	1.75
Loss on sale/discard of fixed assets	12.04	6.71
Payment to Auditors (See note below)	10.47	10.37
Miscellaneous expenses	35.56	19.96
Total	805.40	670.82

Detail of Auditors Payment (Net of service tax input credit, where applicable)		
- Auditors - Statutory Audit	5.60	5.60
- For taxation matters	1.50	1.50
- For other services	3.15	3.15
- For reimbursement of expenses	0.22	0.12
Total	10.47	10.37



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

25. 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. 162.40 lakhs and Rs. 92.25 lakhs respectively as at 31st March, 2016 as reflected in their audited balance sheets. As per the order, the existence of the said Trusts and the act of switching over from Employees trust to the Officers trust on salary exceeding the statutory limit fixed by the Employees Provident Fund and Miscellaneous Act, 1952, have been considered violative of the Act. The authorities had attached one of the Company's bank accounts and had recovered an amount of Rs. 2.75 lakhs in an earlier year. The Company has contested the above demand and on a writ petition filed by the Company in the High Court of Jharkhand, Ranchi, the High Court has directed the authorities not to take coercive steps till the disposal of the petition. The Company denies all the allegations made against it since the Company had made the necessary applications to grant exemption to the Trusts which was neither granted nor rejected in spite of several reminders from time to time. In view of the facts of the case, the Company does not expect any liability in this regard.

(ii) Sales Tax Matters

Sales tax demand against the non submission of C forms/VAT forms for the financial year 2011-12 and 2012-13. Company has filed appeal for re-assessment.

(Rupees in lakhs)	
As at	
31st March, 2017	31st March, 2016
18.80	-

b) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 :

- (i) An amount of Rs. 1.39 lakhs (Year ended 31st March 2016 Rs. 3.70 lakhs) and Rs. Nil (Year ended 31st March 2016 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.


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
(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

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, 2017	31st March, 2016	31st March, 2017	31st March, 2016
(i) Holding Company:				
NRB Bearings Limited				
Sale of finished goods	2,001.08	1,832.08		
Purchases of raw materials	17.23	29.29	425.09	395.02
Redemption of Preference Shares	25.00	25.00		
Preference Shares outstanding	-	-	-	(25.00)
Proposed Dividend	0.59	89.91		
Proposed Dividend on Equity share	80.60	53.06		
(ii) Fellow Subsidiary :				
NRB Bearings (Thailand) Limited				
Sale of finished goods	7.20	3.01	4.35	2.97
(iii) Key Management Personnel:	Director's Sitting fees			
- Ms. H. S. Zaveri	1.30	1.28	-	-
- Mr. S. C. Rangani	1.03	1.07	-	-


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
(d) Earnings Per Share :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit after tax	658.95	567.76
Less :		
Declared dividend on cumulative preference shares for the year	(0.59)	(3.34)
Additional income - tax on distributable profits	(0.12)	(0.68)
Profit after tax attributable to equity share holders	658.24	563.74
Number of Equity Shares	3,611,540	3,611,540
Basic and Diluted Earning per share	₹ 18.23	₹ 15.61

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

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw materials & Components	372.33	216.61
Consumables	21.31	1.99
Total	393.64	218.60

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

₹ in lakhs

Particulars	For the year ended 31st March, 2017			For the year ended 31st March, 2016		
	Indigenous	Imported	Total	Indigenous	Imported	Total
Raw materials & Components	469.26	370.41	839.67	425.47	325.07	750.54
	55.89%	44.11%		56.69%	43.31%	

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

₹ in lakhs

Particulars	Currency	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
		Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Raw materials & Components	Euro	396,043	291.12	331,341	239.20
Stores & spares	Euro	30,682	20.76	-	-
Total			311.88		239.20


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
(h) Earnings in foreign exchange :

₹ in lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Export of goods	33.46	20.94

(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, 2017		As on 31st March, 2016	
	Amount in		Amount in	
	Foreign Currency	₹ in lakhs	Foreign Currency	₹ in lakhs
Amount receivable:				
Euro	3,110	2.15	6,025	4.55
USD	6,713	4.35	4,106	2.72
Amount payable:				
Euro	72,047	49.87	18,404	13.89

(j) Segment Reporting :

The Company is primarily engaged in manufacturing of bearings and other activities revolving around the same. As such there is no other reportable segment as defined by Accounting Standard 17 "Segment reporting".

(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 22 for the year are as under:

₹ in lakhs

Particulars	As At	
	31st March, 2017	31st March, 2016
Employer's Contribution to Provident Fund	12.35	10.25
Employer's Contribution to EPS	18.16	17.55


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
(ii) Defined Benefit Plan :

Gratuity – As per actuarial valuation as on 31st March, 2017. (based on Projected Unit Benefit Method)

₹ in lakhs

Particulars	As At				
	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
I. Opening Net asset / (liability) recognized in Balance Sheet					
Present Value of Defined Benefit obligation	279.76	255.68	224.32	189.26	147.87
Fair value of plan assets	274.01	242.28	216.72	189.13	145.49
Net asset / (liability) recognized in Balance Sheet	(5.75)	(13.40)	(7.60)	(0.13)	(2.38)
Unfunded asset/(liability) remained to be recognized in Balance sheet	-	-	-	-	-

₹ in lakhs

Particulars	As At	
	31st March, 2017	31st March, 2016
II. Component of employer's expenses		
Current Service Cost	11.03	11.55
Past Service Cost	-	-
Interest Cost	20.18	17.94
Expected return on plan asset	(20.58)	(17.33)
Net Actuarial (Gain)/Loss	6.47	4.28
Total expenses recognized in the statement of profit and loss :	17.10	16.44
Actual return on plan assets	22.22	20.56


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

₹ in lakhs

Particulars	As At	
	31st March, 2017	31st March, 2016
III. Reconciliation of fair value of plan assets		
Fair value of plan assets - Opening	242.28	216.72
Expected return on plan assets	20.58	17.33
Net Actuarial Gain / (Loss)	1.64	3.23
Employer's contribution	24.91	10.64
Benefits paid	(15.40)	(5.64)
Fair value of plan assets - Closing	274.01	242.28
IV. Reconciliation of opening and closing balances of Defined Benefit obligation		
Present value of Defined Benefit obligation - Opening	255.68	224.32
Interest Cost	20.18	17.94
Current Service Cost	11.03	11.55
Past Service Cost	-	-
Benefits paid	(15.24)	(5.64)
Net Actuarial Loss	8.11	7.51
Present Value of Defined Benefit obligation - Closing	279.76	255.68

₹ in lakhs

Particulars	As At				
	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
V Present Value of Defined Benefit Obligation	279.76	255.68	224.32	189.26	147.87
Fair Value of Plan Assets	274.01	242.28	216.72	189.13	145.49
Experience Adjustment on Defined Benefit Obligation	4.27	(6.43)	(0.08)	1.04	13.65
Experience Adjustment on Fair Value of Plan Assets	1.64	3.23	(5.28)	5.82	10.36



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

₹ in lakhs

Particulars	As At	
	31st March, 2017	31st March, 2016
VI. Contributions expected to be paid next year	17.12	57.50
VII. Actuarial assumptions		
Discount rate	7.00%	7.90%
Salary escalation	8.00%	8.00%
Expected rate of return on plan assets (per annum)	7.55%	8.50%
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:

- a. Compensated absences recognized in the statement of profit and loss for the current year, under the employee cost in note 22, is Rs. 11.29 lakhs (Year ended 31st March 2016 Rs. 13.09 lakhs).
- (l) During the year the Company has capitalized Major Spare parts of Rs. 36.38 lakhs. The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 12.60 lakhs and consumption of stores and spares parts is lower by Rs. 36.38 lakhs consequent to the major spare parts capitalisation.


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**
(m) Disclosure on Specified Bank Notes (SBNs)

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

₹ in lakhs

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1.10	0.02	1.12
(+) Permitted receipts	-	2.17	2.17
(-) Permitted payments	-	1.64	1.64
(-) Amount deposited in Banks	1.10	0.03	1.13
Closing cash in hand as on 30.12.2016	-	0.52	0.52

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

(n) 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 J. D. Diwan

Directors

Bankim Purohit
Company Secretary

Mumbai: May 26, 2017



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 **37TH ANNUAL GENERAL MEETING** of the Company held on Friday, July 21, 2017 at 12.00 noon. 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 **37th ANNUAL GENERAL MEETING** of the Company, to be held on Friday, July 21, 2017 at 12.00 noon. 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. To confirm payment of interim dividend as final dividend for the FY 2016-17.		
3. Reappointment of Ms.H S Zaveri (DIN. 00003948) who retires by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Payment of yearly commission to the Non-Executive Directors		

Signed this..... day of..... 2017

Signature of shareholder

Affix
Revenue
Stamp

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.
- 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.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- 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

If undelivered, please return to:

SNL Bearings Ltd.

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