

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF NRB INDUSTRIAL BEARINGS LIMITED

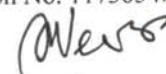
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **NRB INDUSTRIAL BEARINGS LIMITED** ("the Company"), for the three months and nine months ended December 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm's Registration No. 117365W)



Uday M. Neogi
Partner
(Membership No. 30235)

Mumbai, February 10, 2018

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| Rs. in Lacs | | | | | |
|---|-----------------|--------------------------|------------------------------|-----------------------------|-----------------------------|
| Statement of Unaudited Standalone Financial Results for the three and nine months ended December 31, 2017 | | | | | |
| Particulars (Refer Notes below) | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended | Year to date 9 months ended | Year to date 9 months ended |
| | 31.12.17 | 30.09.17 | 31.12.16 | 31.12.17 | 31.12.16 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| 1 Revenue from operations | 1,221.36 | 977.59 | 1,094.56 | 3,152.40 | 3,100.94 |
| 2 Other income | 47.25 | 44.30 | 29.15 | 125.16 | 77.86 |
| 3 Total Revenue (1+2) | 1,268.61 | 1,021.89 | 1,123.71 | 3,277.56 | 3,178.80 |
| 4 Expenditure | | | | | |
| (a) Cost of materials consumed | 449.67 | 254.55 | 327.51 | 954.59 | 897.87 |
| (b) Purchase of stock-in-trade | 58.14 | 51.56 | 45.02 | 160.37 | 150.64 |
| (c) Changes in inventories of finished goods and work-in-progress | 65.68 | 112.13 | 47.80 | 169.98 | 125.42 |
| (d) Excise duty on sale of goods | - | - | 79.36 | 59.72 | 232.90 |
| (e) Employee benefits expense | 384.83 | 388.05 | 368.70 | 1,135.69 | 1,032.80 |
| (f) Finance costs | 206.89 | 219.01 | 204.80 | 624.68 | 502.17 |
| (g) Depreciation and amortisation expense | 226.87 | 226.57 | 226.48 | 677.65 | 670.34 |
| (h) Other expenses | 317.65 | 281.97 | 354.37 | 911.65 | 1,093.45 |
| Total expenses | 1,709.73 | 1,533.84 | 1,654.04 | 4,694.33 | 4,705.59 |
| 5 Loss before tax (3-4) | (441.12) | (511.95) | (530.33) | (1,416.77) | (1,526.79) |
| 6 Tax expense : | | | | | |
| - Current tax | - | - | - | - | - |
| - Deferred tax | - | - | - | - | - |
| 7 Loss after tax (5-6) | (441.12) | (511.95) | (530.33) | (1,416.77) | (1,526.79) |
| 8 Other Comprehensive Income (OCI) | 3.33 | 3.32 | 3.32 | 9.97 | 9.97 |
| (i) Item that will not be reclassified to profit or loss | | | | | |
| (i) Remeasurement of the defined benefit liability / (asset) | 3.33 | 3.32 | 3.32 | 9.97 | 9.97 |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | |
| 9 Total Comprehensive Income for the period (7+8) | (437.79) | (508.63) | (527.01) | (1,406.80) | (1,516.82) |
| 10 Paid-up equity share capital (Face value of the share Rs. 2 each) | 484.61 | 484.61 | 484.61 | 484.61 | 484.61 |
| 11 Earnings per share of Rs. 2 each: (not annualised): | | | | | |
| Basic and Diluted (In Rs.) | (1.82) | (2.11) | (2.19) | (5.85) | (6.30) |

Notes:

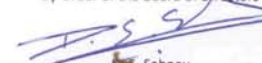
- The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 and accordingly these standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financials Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- Excise duty on sale of products was included under Revenue from operations and disclosed separately under expenses upto all reporting periods ending June 30, 2017. Post implementation of Goods and Service Tax (GST) w.e.f. July 01, 2017, Revenue from operations is reported net of GST, as unlike Excise duty, GST is not a part of Revenue.
- Reconciliation between the results as reported under previous Generally Accepted Accounting Principles (IGAAP) and Ind AS are summarised below:

| Particulars | Corresponding 3 months ended 31.12.16 | Year to date 9 months ended 31.12.16 |
|---|---------------------------------------|--------------------------------------|
| Loss after tax under IGAAP | (365.65) | (1,108.56) |
| Impact of measuring derivatives at Fair value | (79.56) | (168.37) |
| Impact of additional depreciation on revalued Plant and Machinery | (33.86) | (101.61) |
| Interest cost on preference shares liability per Effective Interest Rate (EIR) | (47.94) | (138.28) |
| Reclassification of net actuarial gain on defined benefit obligations to other comprehensive income | (3.32) | (9.97) |
| Loss after tax under Ind AS before other comprehensive income | (530.33) | (1,526.79) |
| Other Comprehensive Income (OCI) | | |
| Remeasurement of the defined benefit liability / (asset) | 3.32 | 9.97 |
| Loss after tax under Ind AS | (527.01) | (1,516.82) |

- The Operations of the company fall within a single primary segment viz. Industrial bearings.
- As at December 31, 2017 the Equity of the Company is Rs. (752.38) lacs. The Management of the Company has formulated strategic plans for improving the position of the Company. Further the Company will issue two crores Redeemable, Cumulative, Non Convertible Preference shares of Rs. 10/- each under private placement to Mr. Trilochan Singh Sahney, as approved by members of the Company in the Annual General Meeting held on August 03, 2017.
- The above unaudited financial results of the Company were reviewed by the Audit Committee, approved by the Board of Directors at its meeting held on February 10, 2018 and have been subjected to Limited Review by the Statutory Auditors of the Company.
- Figures for the previous periods have been regrouped / restated where necessary to conform to the current period's classification.

Place : Mumbai
Date : February 10, 2018

By Order of the Board of Directors


T.S. Sahney
Managing Director