

# BIMETAL BEARINGS LIMITED

CIN:L29130TN1961PLC004466

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### **DIRECTORS :**

Mr. A. Krishnamoorthy – Managing Director  
Mr. N. Venkataramani – Non-Executive Director  
Mr. P.M. Venkatasubramanian – Independent Director  
Mr. Krishna Srinivasan – Independent Director  
Mr. R. Vijayaraghavan – Independent Director  
Dr. (Mrs.) Sandhya Shekhar – Independent Director  
Mr. N.P. Mani – Non-Executive Director  
Mr. S. Narayanan – Whole-time Director

### **CHIEF FINANCIAL OFFICER :**

Mr. N. Venkataraman

### **COMPANY SECRETARY:**

Mr.K.Vidhya Shankar

### **AUDITORS:**

M/s.Fraser & Ross,  
Chartered Accountants

### **BANKERS:**

Central Bank of India

### **LEGAL ADVISERS:**

M/s. King & Partridge, Chennai  
M/s. Ramani & Shankar, Coimbatore

### **DEPOSITORY REGISTRAR & SHARE TRANSFER AGENT:**

M/s. GNSA Infotech Limited  
"Nelson Chambers", "F"- Block, STA Department,  
4th Floor, No.115, Nelson Manickam Road,  
Aminthakarai, Chennai - 600 029

### **REGISTERED OFFICE:**

"Huzur Gardens", Sembium, Chennai - 600 011  
PH.: (044) 2537 5581  
E-Mail: vidhyashankar@bimite.co.in  
Website: www.bimite.co.in

### **FACTORIES:**

"Huzur Gardens", Sembium, Chennai - 600 011  
371, Marudhamalai Road, Coimbatore - 641 041  
Hosur - Krishnagiri Road, Hosur - 635 125  
5/186, Old Mahabalipuram Road, Chennai - 600 096

**BIMETAL BEARINGS LIMITED**  
**Registered Office: "Huzur Gardens", Sembium, Chennai - 600 011.**  
CIN: L29130TN1961PLC004466

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**NOTICE TO THE SHAREHOLDERS OF THE FIFTY SEVENTH  
ANNUAL GENERAL MEETING**

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Notice is hereby given that the Fifty Seventh Annual General Meeting of the shareholders of the company will be held at New Woodlands Hotel, 72/75, Dr.Radhakrishnan Salai, Mylapore, Chennai - 600 004 on Friday, the 20th July 2018 at 3.30 p.m. to transact the following business:

Ordinary Business:

- (1) To receive, consider and adopt the audited financial statements (including consolidated financial statements) of the Company for the financial year ended 31st March 2018 together with the Reports of the Directors and the Independent Auditors and to pass the following resolution as an ordinary resolution:  
"Resolved that the audited financial statements (including consolidated financial statements) including Statement of Profit and Loss for the year ended on 31st March 2018, the Balance Sheet as on that date, the annexures thereto, the Cash Flow Statement for the year ended on 31st March 2018, the Reports of Independent Auditors and Directors thereon be and are hereby received and adopted".
- (2) To declare a dividend and to consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:  
"Resolved that a Dividend of Rs.9/- per share out of the current profits of the Company for the year ended 31st March 2018 amounting to Rs.3,44,25,000/- be declared and paid".
- (3) To appoint a director in place of Mr. S. Narayanan, Whole-time Director (DIN-03564659) who retires by rotation and being eligible offers himself for re-appointment and to pass the following resolution as an ordinary resolution:  
"Resolved that Mr. S. Narayanan, Whole-time Director (DIN-03564659), who retires by rotation from the Board pursuant to the provisions of Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a Director of the Company".

Special Business:

- (4) To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:  
"Resolved that pursuant to Section 148 of the Companies Act, 2013, the remuneration fixed at Rs.1,00,000/- (Rupees One Lakh Only) exclusive of taxes, out of pocket and travel expenses etc., to M/s.C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No.000216) who have been appointed as Cost Auditors by the Board of Directors for the financial year 2018-19 as recommended by the Audit Committee be and is hereby ratified."

Chennai  
30th May 2018

By order of the Board  
K.Vidhya Shankar  
Company Secretary

Statement of Material Facts pursuant to Section 102 of the Companies Act, 2013.

For item No.04:

The Company pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors), Rules 2014 had appointed M/s.C.S.Hanumantha Rao & Co., Cost Accountants (Firm Regn. No.000216) for the financial year 2018-19 towards carrying out the cost audit of the products manufactured by the company. As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditors should be ratified by the members. The necessary resolution is placed before the members for their consideration and approval. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Notes:

1. A member who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Members / Proxies are requested to bring the attendance slip and also their copy of the Annual Report to the meeting. Members are requested to quote their Registered Folio Number/ Client ID Number in all their correspondence. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. The instrument appointing a Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is being sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days notice in writing is given to the company.
2. The register of members and Share Transfer Books of the Company under the physical mode will remain closed from 18th July 2018 to 20th July 2018 (both days inclusive).

3. In the case of dematerialised shares, the Dividend that may be declared at this meeting will be paid to the members whose names appear in the Beneficiary Position list submitted by NSDL and CDSL as on 18th July 2018. In the case of other holders, the dividend amount will be paid to those whose names appear in the Register of Members as on the date of the 57th Annual General Meeting.
4. The Company has, pursuant to Section 205 of the Companies Act, 1956 and Section 124 of the Companies Act, 2013, transferred the amounts of unclaimed dividends declared up to the Financial Year 2009-10 to the General Revenue Account of the Central Government / Investor Education and Protection Fund. The shares on which dividend / corporate action remains unclaimed for a period of seven years have also been transferred to the designated account of the Investor Education and Protection Fund. Members who have not responded to our repeated communication and have not encashed the Dividend Warrants for the year ended 31<sup>st</sup> March 2011 and / or any subsequent dividend payments are requested to make their claim to the company.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or the Share Transfer Agent cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company. The company will not be responsible for any loss arising out of fraudulent encashment of dividend warrants and it is advisable to get the dividend amounts credited electronically directly to their Bank Accounts.
6. We request the shareholders to register their E-Mail IDs with the Company / Share Transfer Agents. This will enable the Company to service shareholders' requests / queries electronically apart from furnishing of Audited Accounts and any other relevant information / communication.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. A physical copy of the Annual Report 2018 is being sent to all the members whose names will be appearing in the register of members as on 22nd June 2018. In the case of those shareholders who have become members subsequently are requested to contact the Company's Share Transfer Agents to get a copy of the Company's Annual Report. Further a soft copy of the Annual Report 2018 is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) / Share Transfer Agents. Members may note that the Notice of the 57th Annual General Meeting and the Annual Report for the year 2018 will also be available on the Company's Website, i.e. [www.bimite.co.in](http://www.bimite.co.in) Annual Report 2018.
10. All documents referred to in the accompanying Notice to the 57<sup>th</sup> Annual General Meeting and the statement of material facts shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days upto and including the date of the 57<sup>th</sup> Annual General Meeting.

Details of Mr.S.Narayanan, Whole-time Director who is seeking re-appointment at the ensuing Annual General Meeting  
[Pursuance to Clause 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015].

Name	:	Mr.S.Narayanan
Date of Birth	:	12 <sup>th</sup> July 1960
Date of Appointment	:	1 <sup>st</sup> November 2012
Qualifications	:	B.Sc. (Maths) from Madras University B.Tech. (Hons) from Anna University M.B.A. from Case Western Reserve University, USA
Expertise in specific functional areas	:	Operations and Business Management
Directorships in other Companies	:	BBL Daido Private Limited IPL Green Power (P) Limited
Member of Committees of the Board of companies of which he is a Director	:	Corporate Social Responsibility Committee in BBL Daido (P) Limited
No. of shares held in the company	:	400
Relationship between Directors interse	:	Nil

# BIMETAL BEARINGS LIMITED

CIN: L29130TN1961PLC004466

## REPORT OF DIRECTORS

Your Directors have pleasure in presenting the Fifty Seventh Annual Report covering the operations for the year ended 31st March 2018 together with the accounts and Auditors' Report thereon.

FINANCIAL RESULTS:	Year Ended 31-03-2018 (Rs. in Lacs)	Year Ended 31-03-2017 (Rs. in Lacs)
Net Revenue (Net of Excise Duty)	18,213.34	14,384.25
Profit before Interest, Depreciation and Taxation	1,763.51	1,104.16
Less : Interest	4.48	15.68
Depreciation	445.27	406.96
Profit before Tax after exceptional items	1,313.76	681.52
Less: Taxation [including Deferred Tax]	298.36	181.63
Profit after Tax after exceptional items	1,015.40	499.89
Other comprehensive income	371.97	448.69
Total comprehensive income for the year	1,387.37	948.58
Earnings per share (INR) (Basic and Diluted)	26.55	13.07

### Operations :

The demand for the Heavy and Medium Commercial vehicles grew by 11% and the LCV market grew by 19%. The tractor demand was also robust for the year. Post GST implementation, there was an increase in the sale and production of vehicles in the above category. The year ended with a growth over last year for products. The demand for intermediate and end products in the export segment had shown robust demand which contributed in improving the turnover for the year.

The focus on cost reduction measures undertaken with further rationalization of Product and production facilities as planned were implemented and the benefits are seen in the performance and the results for the current year. The current year has started off with the same buoyant demand in all segments and it is expected to be sustained during the year.

### Dividend :

Your Directors recommend a dividend of Rs.9/- per share (previous year: Rs. 7.50 per share) on the paid up capital for the financial year ended 31st March 2018. The payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting.

### Reserves :

Your Directors have recommended transfer of Rs. 203.81 lakhs to the General Reserve for the year ended 31st March 2018 increasing the General Reserve to Rs. 13,703.81 lakhs.

### Consolidated Financial Statements :

The consolidated financial statements of your Company for the financial year 2017-18 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued there under, applicable accounting standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated financial statements of your Company take into account the financial statement prepared by the respective management of M/s.BBL Daido Private Limited, a Joint Venture Company and M/s.IPL Green Power Limited, an Associate Company.

### Subsidiaries, Associates and Joint Ventures:

M/s.BBL Daido Private Limited, a Joint Venture Company with M/s.Daido Metal Company, Japan has achieved a turn-over of Rs. 73.36 Crores and earned a profit of Rs. 5.76 Crores and Rs. 5.11 Crores before and after taxes respectively for the year 2017-18 as against a turnover of Rs 54.52 Crores and a profit / (loss) before and after tax of (Rs. 6.23 Crores) and (Rs. 6.23 Crores) respectively for the previous year 2016-17. M/s. IPL Green Power Limited, an Associate of the Company is yet to commence its commercial production.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts), Rules, 2014 a statement containing salient features of the financial statements of the Company's Associates / Joint Ventures (in Form AOC-1) is attached to the financial statements.

### Deposits:

The company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies under the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and its subsequent amendments.

#### Directors and Key Managerial Personnel:

All the Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and the applicable provisions of the SEBI (LODR) Regulations, 2015 and there is no change in their status of Independence.

Mr.S.Narayanan, Whole-time Director is retiring at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Directors of the Company at their meeting held on 23rd March 2018 passed the necessary resolutions appointing Mr.A.Krishnamoorthy as the Managing Director of the company for a term of 3 (Three) years from 1st April 2018. Further the Directors of the Company at their meeting held on 14th November 2017 passed the necessary resolutions reappointing Dr.Sandhya Shaker as an Independent Director of the company for a term of 5 (Five) years from 14th November 2017. Necessary approvals from the members have been obtained through the postal ballot route on 26th May 2018.

#### Auditors:

M/s. Fraser & Ross, Chartered Accountants (Firm Regn. No.: 000829S) are the Statutory Auditors of the Company for the period of 5 years from the conclusion of 56th Annual General Meeting until the conclusion of the 61st Annual General Meeting.

#### Cost Auditor:

The Board had appointed M/s.C.S.Hanumantha Rao & Co., (Regn. No.: 000216) as Cost Auditors for the financial year 2018-19 to carry out the cost audit of the products manufactured by the Company. The remuneration payable to the cost auditors for the year 2018-19 is being placed for the approval of the shareholders. The Cost Audit report for the financial year 2016-17 was filed in the MCA Website on 11th October 2017..

#### Internal Auditors:

M/s.Gopalaiyer & Subramanian, Chartered Accountants, Coimbatore are the Internal Auditors of the Company for the year 2018-19.

#### Secretarial Audit:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. KSR & Co Company Secretaries LLP to conduct the Secretarial Audit of the Company for the financial year ended 31st March 2018. The Secretarial Audit Report is attached as Annexure-E to this Report.

#### Policies:

In accordance with the requirements of the Companies Act, 2013, the Listing Agreement and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has framed the required policies and the policies wherever mandated, are up-loaded on the company's website, under the web-link <http://www.bimite.co.in/policies>.

#### Change in the nature of business, material changes and commitments affecting the financial position:

There were no changes in the nature of the business of the company. There were no material changes in the commitments affecting the financial position of the Company between the end of the financial year (i.e. 31st March 2018) and the date of this report (i.e. 30th May 2018). There were no significant and material orders passed by Regulators or Courts or Tribunals which would impact the going concern status of the Company.

#### Particulars of Employees and related disclosures:

The disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1),(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are provided in the Annexure - 1 forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with and its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member is interested in obtaining such information may write to the Company Secretary and the same will be furnished free of cost.

#### Board Meetings held during the year:

During the year ended 31st March 2018, 6 meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report which is attached as Annexure-B to this Report.

#### Extract of Annual Return:

An extract of Annual Return in Form MGT-9 as on 31st March 2018 is attached as Annexure-F to this Report.

#### Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013:

The details of loans / investments made by the Company are given in the financial statements.

#### Related Party Transactions:

All transactions entered by the Company with Related Parties were in the ordinary course of business and at arm's length pricing basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of Directors. There were no materially significant transactions with Related Parties during the financial year 2017-18 which were in conflict with the interest of the Company. The details of the transactions with related parties are given in the financial statements in Note No.36 of the financial statements.

#### Risk Management:

The Company has constituted a Risk Management Committee. The Committee takes care of the external and internal risks associated with the Company. The Board of Directors oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting.

#### Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Independent Directors at their meeting held on 15th February 2018 considered / evaluated the Board's performance, performance of the Chairman and other non-independent Directors. The Board have undergone formal review which comprised Board effectiveness and allied subjects. The Board also reviewed the workings of the various committees and sub-committees without participation of the concerned Directors / members.

#### Internal Financial Control Systems and their Adequacy:

Details of the same are provided in the Management Discussion and Analysis Report attached as Annexure-D to this Report.

#### Research and Development, Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:

Your Company continues to focus on Research and Development activities with specific reference to fuel efficiency, vehicle performance and enhancement of safety etc,

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in Annexure-A to this Report

#### Corporate Governance:

Your Company is fully compliant with the Corporate Governance guidelines, as laid out in SEBI (LODR) Regulations, 2015. The details of the Code of Conduct are furnished in the Corporate Governance Report attached as Annexure-B to this Report.

The Secretarial Auditors of the Company have examined the requirements of Corporate Governance with reference to the provisions of SEBI (LODR) Regulations, 2015 and have certified the compliance, as required under SEBI (LODR) Regulations, 2015. The Certificate in this regard is attached as Annexure-C to this Report.

#### Internal Complaints Committee:

The Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the work place to protect women employees and enable them to report sexual harassment at the work place. An Internal Complaints Committee headed by a woman employee has also been constituted for this purpose. No complaints were received from any employee during the year ended 31st March 2018.

#### Corporate Social Responsibility (CSR) initiatives:

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its subsequent amendments, your Company framed a Policy on Corporate Social Responsibility and the required amount of Rs.13.70 lacs was spent towards Corporate Social Responsibility obligations and the details of which are provided in the Annexure-D to this Report.

#### Vigil Mechanism:

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism which inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

#### Directors' Responsibility Statement:

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with 134(5) of the Companies Act, 2013 in the preparation of financial statements for the year ended 31st March 2018 and state that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- (b) the directors had selected such accounting policies and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period.
- (c) the directors had taken proper and sufficient care for the maintenance of the adequate accounting records in 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.
- (d) the directors had prepared the annual accounts on a going concern basis.
- (e) the directors had laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are operating effectively.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Pursuant to the provisions of Section 125(2) of the Companies Act, 2013, the Company has transferred the unclaimed dividend amounts referable to the year ended 31st March 2010 to the credit of the Investor Education and Protection Fund during the year under review well before their respective due dates. The shares on which dividend / corporate action remained unclaimed for a period of seven years were also transferred to the designated account of the Investor Education and Protection Fund.

Acknowledgement:

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, Bankers, customers, dealers, suppliers, share-holders and also the valuable support received from M/s.Daido Metal Company, Japan. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

Chennai  
30th May 2018

For and on behalf of the Board

A. Krishnamoorthy  
Managing Director

ANNEXURE - A TO THE DIRECTORS' REPORT:

PARTICULARS OF CONSERVATION OF ENERGY,  
TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR 2017-18

(A) Energy conservation measures taken

The manufacturing units of the company have continued their efforts to reduce the energy consumption. Energy conservation initiatives are being planned and implemented across manufacturing locations. Apart from regular practices and measures for energy conservation, many new initiatives were driven across all the units. Some of the key measures taken in all the plants are as follows

- New type of furnaces with low power consumption are installed.
- Energy efficient motors for utilities and replacement of capacitor panels to meet the current specifications and conservation of energy.
- Arresting air leakage and optimization of air pressure network.
- New dryers are installed to conserve energy.
- Energy audits and Thermo mappings are conducted at all the manufacturing units at regular intervals and findings of the audit are implemented.

(B) The capital investment on energy conservation equipment.

The Company has spent Rs. 213.94 lakhs as capital investment on energy conservation equipments during the financial year 2017-18.

Technology Absorption

(a) The efforts made by the company towards technology absorption.

- Development of high strength lead free Alu-tin alloys for engine bearing application and samples submitted to the customer and vehicle level validation is under progress.
- Development of lead free bronze alloy for Bearings and Bushes.
- Latest software has been installed to strengthen new product development methodology to meet EURO VI norms.
- Establishing product credibility through global supplies.

(b) The benefit derived like product improvement, cost reduction, product development or import substitution.

- New bearings and bushes developed for emerging applications.

(c) In case of imported technology (Imported during the last three years reckoned from the beginning of the financial year) – Not applicable

(d) The expenditure incurred on Research and Development (Rs. Lakhs)

Particulars	2017-18	2016-17
Capital	42.13	7.88
Revenue	104.95	109.20
Total	147.08	117.08

(C) Foreign Exchange earnings and outgo.

Foreign exchange earned in terms of actual inflows during the year 2017-18 was Rs.3,402.33 lacs (Equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflows during the year 2017-18 was Rs.3,730.07 lacs (Equivalent value of various currencies).  
(CIF Value of imports – Rs. 3,706.51 lacs and Expenditure in Foreign Currency – Rs.23.56 lacs).



# BIMETAL BEARINGS LIMITED

CIN: L29130TN1961PLC004466

## ANNEXURE - B TO DIRECTORS' REPORT – REPORT ON CORPORATE GOVERNANCE

01) Company's Philosophy on code of governance :

Corporate Governance continues to be a strong focus area for the Company. Our philosophy on Corporate Governance emanates from resolute commitment to protect stakeholder rights and interests, proactively manage risks and create long-term wealth and value. It permeates in all aspects of working - work place management, market place responsibility, community engagement and business decision.

02) Board of Directors :

(a) The Board consisted of the following Directors as on 31st March 2018:

Executive Directors:

Mr. A. Krishnamoorthy, Managing Director (DIN 00001778)

Mr. S. Narayanan, Whole-time Director (DIN 03564659)

Non-Executive Directors:

Mr. N. Venkataramani (DIN 00001639)

Mr. N. P. Mani (DIN 00675741)

Independent Directors:

Mr. P.M. Venkatasubramanian (DIN 00124505)

Mr. Krishna Srinivasan (DIN 02629544)

Mr. R. Vijayaraghavan (DIN 00026763)

Dr. Sandhya Shekhar (DIN 06986369)

(b) The Board met 6 (Six) times during the year i.e., on 26th May 2017, 16th June 2017, 5th August 2017, 14th November 2017, 2nd February 2018 and 23rd March 2018. Further a separate meeting of Independent Directors without the presence of the Non-Independent Directors and the executives of the Company was held on 15th February 2018.

(c) The attendance by the Directors at Board Meetings and last Annual General Meeting:

Name of the Director	Board Meeting	Annual General Meeting
Mr.A.Krishnamoorthy	6	Attended
Mr.N.Venkataramani	4	Attended
Mr.P.M.Venkatasubramanian	6	Attended
Mr.Krishna Srinivasan	6	Attended
Mr.R.Vijayaraghavan	6	Attended
Dr.Sandhya Shekhar	5	Attended
Mr.N.P.Mani	4	Attended
Mr.S.Narayanan	5	Attended

The time gap between two Board Meetings did not exceed 120 days. The last Annual General Meeting was held on 21st July 2017.

(d) Directors' membership as on 31st March 2018 in the Board or Committees thereof (excluding foreign companies):

Name of the Director	Shares / Convertible Instruments held	Other Boards	Other Board Committees
Mr.A.Krishnamoorthy	50 Shares	12	10 (6 as Chairman)
Mr.N.Venkataramani	150 Shares	11	5 (2 as Chairman)
Mr.P.M.Venkatasubramanian	Nil	5	11 (7 as Chairman)
Mr.Krishna Srinivasan	Nil	1	1 (as Chairman)
Mr.R.Vijayaraghavan	Nil	8	18 (7 as Chairman)
Dr. Sandhya Shekhar	Nil	1	1
Mr.N.P.Mani	Nil	5	10 (1 as Chairman)
Mr.S.Narayanan	400 Shares	2	1

None of the Independent Directors of the company serve as Independent Directors in more than 7 listed companies and none of the Independent Director is serving as a Whole-time Director in a listed company. Further the committee memberships and Chairmanships are within the limits specified under the applicable laws.

None of the directors hold any convertible instruments. The details of the familiarization programmes imparted to Independent Directors are made available at [www.bimite.co.in/information to shareholders/disclosure under Clause 46 of SEBI \(LODR\), 2015](http://www.bimite.co.in/information-to-shareholders/disclosure-under-Clause-46-of-SEBI-(LODR),-2015).

03) Audit Committee:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable. During the year ended 31st March 2018, the Audit Committee met 5 times i.e. on 26th May 2017, 16th June 2017, 5th August 2017, 14th November 2017 and 2nd February 2018 under the Chairmanship of Mr. P.M. Venkatasubramanian. The maximum gap between any two meetings was less than four months. Mr. K.Vidhya Shankar, Company Secretary is the Secretary of the Audit Committee. Apart from the members of the Audit Committee, the Managing Director, the Whole-time Director, the Chief Financial Officer, representatives of the statutory and internal audit firms are permanent invitees to the meeting. The composition of the committee and the attendance of its members are given below:

Name of the Director	No. of Audit Committee Meetings attended
Mr. P.M. Venkatasubramanian	5
Mr. N. Venkataramani	4
Mr. Krishna Srinivasan	5
Mr. R. Vijayaraghavan	5

04) Nomination & Remuneration Committee:

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Clause 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also Section 178 of the Companies Act, 2013 apart from any references made to it by the Board of Directors. During the year ended 31st March 2018 the Committee met 3 times i.e., on 26th May 2017, 14th November 2017 and 23rd March 2018 under the Chairmanship of Mr. P.M. Venkatasubramanian. The performance evaluation for Independent Directors is detailed in the Board's report. The composition of the committee and the attendance of its members are given below:

Name of the Director	No. of Committee Meetings attended
Mr. P.M. Venkatasubramanian	3
Mr. Krishna Srinivasan	3
Mr. R. Vijayaraghavan	3

The details of the remuneration paid / payable to Executive and Non-Executive Directors for the year ended 31-03-2018 are given below:

Name of the Director	No. of shares held	Amount (Rs.)
Mr. A. Krishnamoorthy (Chairman & Managing Director) :	50	
Fixed Component		
Salary		51,50,000/-
Contribution to Provident & Other Funds / Other benefits		12,93,268/-
Variable Component - Performance based Commission		Nil
Sub - Total	50	64,43,268/-
The Company had entered into a service agreement with Mr. A. Krishnamoorthy, Managing Director for a period of 3 years effective 1st April 2015 terminable by either party by giving three calendar months' notice in writing. No severance fee is payable upon termination. further he was re-appointed for a period of 3 years w.e.f. 1st April 2018 with the approval of the members through the postal ballot route on 28th May 2018.		
Mr.S.Narayanan, Whole-time Director :		
Fixed Component		
Salary	400	45,60,000/-
Contribution to Provident & Other Funds / Other Benefits		16,60,411/-
Variable Component – Performance Bonus.		8,00,000/-
Sub - Total	400	70,20,411/-
The Company had entered into a service agreement with Mr.S.Narayanan, Whole-time Director for a period of 3 years effective 1st November 2015 terminable by either party by giving three calendar months' notice in writing. No severance fee is payable upon termination.		
	450	1,34,63,679/-

Remuneration paid to Non-Executive Directors:	Sitting Fees ( ` )		Commission
Mr.N.Venkataramani	1,10,000/-	150	2,30,000/-
Mr.P.M.Venkatasubramanian	1,50,000/-	-	2,30,000/-
Mr.Krishna Srinivasan	1,70,000/-	-	2,30,000/-
Mr.R.Vijayaraghavan	1,50,000/-	-	2,30,000/-
Dr.Sandhya Shekhar	60,000/-	-	2,30,000/-
Mr.N.P.Mani	60,000/-	-	2,30,000/-
Sub-Total	7,00,000/-	-	13,80,000/-
Grand Total		600	1,55,43,679/-

The basis of payment of sitting fees to Non-Executive Directors would depend on the number of meetings attended. There has been no material pecuniary relationship other than as shown above between the Company and the Non-Executive Directors during the year. The company has not introduced Stock option scheme.

05) Stake-holders Relationship cum Investors' Grievance Committee:

The Stake-holders Relationship cum Investors' Grievance Committee of the Company is functioning under the chairmanship of Mr.N.Venkataramani, Director alongwith Mr. A. Krishnamoorthy, Managing Director, Mr. N. P. Mani, Director and Mr. S. Narayanan, Whole-time Director as members of this Committee. The Company Secretary is the Compliance Officer of the Company in matters relating to shareholders, Stock Exchange, SEBI and other related regulatory matters. The committee met on 2nd February 2018. During the year 31 complaints / request letters were received from shareholders, all of which were satisfactorily disposed off. No Complaint was pending on 31st March 2018. As on that date there were no pending share transfers too.

06) General Body Meetings:

(a) Details of location and time where last three Annual General Meetings were held :

Year	Location	Date & Time
54th AGM - 2015	New Woodlands Hotel, Chennai	July 27, 2015 - 10.15 a.m.
55th AGM - 2016	New Woodlands Hotel, Chennai	July 22, 2016 - 10.15 a.m.
56th AGM - 2017	New Woodlands Hotel, Chennai	July 21, 2017 - 10.15 a.m.

(b) At the Annual General Meeting held on 22nd July 2016 (55th AGM), special resolutions were passed for the appointment and payment of remuneration to Mr. S. Narayanan, Whole-time Director for a term of 3 years with effect from 1st November 2015.

(c) At the Annual General Meeting held on 21st July 2017 (56th AGM), special resolutions were passed for paying remuneration to non-executive directors.

(d) On 28th May 2018, Special Resolutions were passed through postal ballot for the reappointment and payment of remuneration of Mr.A.Krishnamoorthy as Managing Director with effect from 1st April 2018 and for the reappointment of Dr. (Mrs.) Sandhya Shekar as an Independent Director for a second term of 5 years with effect from 14th November 2017.

07) Means of Communication:

(a) Quarterly results are normally published in "The Business Line" (English) and "The Hindu" (Tamil). They are also available in the company's website: www.bimite.co.in

(b) The Company does not display official news releases and no presentation was made to institutional investors or analysts during the previous financial year.

(c) The Management Discussion and Analysis Report annexed forms part of the Annual Report.

08) GENERAL SHAREHOLDER INFORMATION:

(a) Financial Calendar: Financial Year: 1st April to 31st March

Annual General Meeting	Date : 20th July 2018 (Friday) Time : 3.30 p.m. Venue: New Woodlands Hotel, Mylapore, Chennai - 600 004.
Unaudited results for the Quarter ending 30th June 2018	On or before 14th August 2018
Unaudited results for the Quarter / Half Year ending 30th September 2018	On or before 14th November 2018
Unaudited results for the Quarter ending 31st December 2018	On or before 14th February 2019
Audited Results for the year ending 31st March 2019.	During the month of May 2019

(b) Others:

Date of Book Closure	From 18th July 2018 to 20th July 2018
Dividend Payment date	Around 13th August 2018
Listing on Stock Exchanges	BSE Limited (The Bombay Stock Exchange Limited, Mumbai)
Stock Code	505681

(c) Market price data of the Company's shares in BSE Limited and Performance in comparison to broad-based indices :

Month & Year	M/s. BSE Indices		Bimetal Share Price (BSE)	
	High	Low	High (Rs.)	Low (Rs.)
April 2017	30,184.22	29,241.48	427.00	380.00
May 2017	31,255.28	29,804.12	410.00	376.00
June 2017	31,522.87	30,680.66	411.50	385.00
July 2017	32,672.66	31,017.11	511.25	400.00
August 2017	32,686.48	31,128.02	484.00	428.45
September 2017	32,524.11	31,081.83	465.80	435.00
October 2017	33,340.17	31,440.48	533.95	424.10
November 2017	33,865.95	32,683.59	583.00	482.45
December 2017	34,137.97	32,565.16	635.00	511.00
January 2018	36,443.98	33,703.37	689.00	607.10
February 2018	36,256.83	33,482.81	677.00	528.50
March 2018	34,278.63	32,483.84	612.00	525.00

(d) Registrars and Share Transfer Agents :

M/s.GNSA Infotech Limited, Chennai are the company's common Registrars and Share Transfer Agents for handling the share transfer work (for shares held in physical and demat form). Their contact address is given below:

GNSA Infotech Limited, "Nelson Chambers", F- Block STA Department, 4th Floor, No.115, Nelson Manickam Road, Aminthakarai, Chennai - 600 029.	Ph.: (044) 4296 2025 E-Mail: sta@gnsaindia.com Contact Person : Mr. N. Krishnakumar, Director
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(e) Share Transfer System:

The Share Transfer Committee has Directors, Officers and representatives of the Share Transfer Agent. In order to ensure speedy attention, a Sub-Committee has been formed to attend to transfers and investors related subject. The Sub-Committee meets once in every 15 working days. Shares of the Company are also processed in the demat form. Secretarial Auditors verify the transactions placed before the Sub-Committee. The Company's shares have not been suspended till date in any of the Stock Exchanges wherein they were listed since they were admitted for trading.

(f) Distribution of Shareholding

Category	As on 31-03-2018		As on 31-03-2017	
	Shares Held	% on Capital	Shares Held	% on Capital
Bodies Corporate in the same management	28,63,926	74.87	28,63,926	74.87
Directors	600	0.02	600	0.02
Public Financial Institutions	111	---	209	0.01
Non-Residents	6,184	0.16	9,222	0.24
Other Bodies Corporate	49,626	1.30	54,763	1.43
Other resident Public shareholders	8,92,594	23.34	8,96,280	23.43
IEPF	11,959	0.31	-	-
Total	38,25,000	100.00	38,25,000	100.00

No. of shares as on 31st March 2018	No. of Shareholders	Percentage	Total number of shares	Percentage
Upto 1000	7,098	98.64	5,82,947	15.24
1001 - 2000	48	0.68	69,515	1.82
2001 - 3000	21	0.29	50,553	1.32
3001 - 4000	6	0.08	21,808	0.57
4001 - 5000	6	0.08	26,625	0.70
5001 - 10000	6	0.08	45,715	1.19
Above 10000	11	0.15	30,27,837	79.16
Total	7,196	100.00	38,25,000	100.00

(g) Dematerialisation of shares and liquidity:

The Company's shares are already available in the dematerialised form and the ISIN Number allotted to the company is INE469A01019. At present, the Company's shares are to be traded compulsorily in the Demat form only. As on 31st March 2018, out of the total number of shares, 35,90,768 shares (93.88%) are in dematerialised form.

(h) The company does not have any outstanding GDRs / ADRs / Warrants or any other convertible instruments.

(i) Plant locations :

Strip Mill / Powder Plants : Huzur Gardens, Sembium, Chennai 600 011  
Bearing Plants : 371, Marudhamalai Road, Coimbatore 641 041  
Hosur-Krishnagiri Road, Hosur East - 635 125  
Bushing Plant : 5/186, Old Mahabalipuram Road, Oggijam  
Thoraiakkam, Chennai 600 096.

(j) Address for Correspondence : Mr.K.Vidhya Shankar, Company Secretary,  
No.18, Race Course Road,  
Coimbatore - 641 018 Tel. Nos.: (0422) 222 1159  
91 - 97902 46890 E-Mail: vidhyashankar@bimite.co.in

Other Disclosures :

There are no materially significant related party transactions that may have potential conflict with the interests of the Company.

There are no instances of non-compliances by the Company. During the year no penalty, strictures etc. were imposed on the Company by M/s.BSE Limited, SEBI or any Statutory Authority relating to the capital markets for the last three years.

The Company has a working vigil mechanism and whistle blower policy. No personnel have been denied access to the audit committee.

The Company has complied with all the mandatory requirements and non-mandatory requirements have been adopted to the extent found feasible.

The Company does not have subsidiaries.

The company's policies on Remuneration, related party transactions, risk management, vigil mechanism, corporate social responsibility, familiarisation programme for Independent Directors, Criteria for performance evaluation of Board, Code of practices and procedures for fair disclosure of unpublished price sensitive information, Code of conduct to regulate, monitor and report trading by insiders, Archival policy, Policy for preservation of documents and Policy for determination of materiality of events and Code of conduct for Directors and Senior Management have been hosted in the Company's website under the heading "Information to shareholders".

As per regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed to the compliance with the Code of Conduct for the year ended March 31, 2018.

The CEO and the CFO of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015.

The Company's products and the export / import activities are subject to price risk and foreign exchange risks respectively. The company's operating management takes adequate care / preventive steps to overcome these risks.

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct:

As required under regulation 34(3) read with part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the members of Board of Directors and Senior Management Personnel of Bimetal Bearings Limited have affirmed compliance with the Code of Conduct of the Company in respect of the year ended 31st March 2018.

Chennai  
30th May 2018

A. Krishnamoorthy  
Managing Director

## ANNEXURE - C TO THE DIRECTORS' REPORT :

### CERTIFICATE ON CORPORATE GOVERNANCE

To The Share holders  
Bimetal Bearings Limited  
Huzur Gardens, Sembium,  
Chennai - 600 011.

We have examined all the relevant records for certifying the compliance of conditions of Corporate Governance by Bimetal Bearings Limited (the Company) (CIN.L29130TN1961PLC004466) for the year ended 31st March, 2018, as stipulated in Schedule V of Regulation 34 (3) of Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the said Company with M/s.BSE Limited (Bombay Stock Exchange).

**Management's Responsibility :** The compliance of conditions of Corporate Governance is the responsibility of the management. The responsibility includes design implementation and maintenance of internal control and procedures to ensure compliance with conditions of Corporate Governance as stated in the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Our Responsibility :** Our examination was limited to implementation of the conditions thereof and adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated under Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

**Our Opinion :** In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with

- (i) all the mandatory regulations of the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) the following non-mandatory requirements of the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  - (a) The Company has moved to a regime of financial statements with unmodified audit opinion.
  - (b) The internal auditors directly reporting to the Audit Committee

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & CO COMPANY SECRETARIES LLP**  
**C. V. MADHUSUDHANAN**  
Partner  
FCS: 5367 CP:4408

Coimbatore  
30th May 2018

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development:

The Auto Ancillary segment of the industry has established itself with global level of technology and capabilities. The demand for products will continue to grow with enhanced volumes of the vehicle industry and our Company can look towards its growth. Quality, delivery and competitive pricing are to conform to International Standard.

### Opportunities and Threats:

The increase in new generation of vehicles which have to conform to stringent emission norms call for manufacture of Bearings with matching characteristics. Your Company is positioned to meet the opportunities. The change in emission norms and the attendant change in inputs to cater this demand of engines have been recognised in investment inappropriate technology and processes. Electric mover power which is being spoken about in relation to replacement of IC engines requires specific attention and focus in order to estimate the extent of shift in volumes / applications along with a time scale and plan for the future.

### Outlook:

The increase in the demand for the Company's products supported by appropriate economic factors in the market segments like Heavy Vehicles, Tractors, Powders and Strips are expected to offer good opportunities for the Company. The next milestone of implementation of BS VI emission norms will usher in high demand in the next two years before the pricing changes on account of the new standard settle in with the customers. Your company has commenced its actions to be a part of this change with appropriate product and solutions for customers.

### Internal Financial Control System:

The internal financial controls followed by the Company are considered adequate and operating effectively. The internal audit of the Company is entrusted to M/s. Gopalaiyer & Subramanian, Chartered Accountants.

### Financial Performance:

The prudent Management of working capital, treasury operations backed by planned capital expenditure is expected to support better performance in the current year.

### Human Resources and Industrial Relations:

During the year under review, the industrial relations in the Company were cordial. The average number of employees of the Company was 400 during the year.

ANNEXURE - D TO THE DIRECTORS' REPORT :

Annual Report on Corporate Social Responsibilities (CSR) Activities:

(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	The Company has framed the CSR policy which among other things covers Education, Health, Poverty Alleviation and rural development (Website:www.bimite.co.in.policies)
(2) Composition of CSR Committee	Mr.N.Venkataramani, Director is the Chairman of the Committee. Mr.S.Narayanan, Whole-time Director and Mr.Krishna Srinivasan, Independent Director are members of the Committee.
(3) Average net profit of the Company for last three financial years:	Rs.684.13 lacs
(4) Prescribed CSR expenditure (2% of the amount as in item 3 above)	Rs.13.68 lacs
(5) Details of CSR spent during the financial year:	
(a) Total amount to be spent for the Financial year	Rs.13.70 lacs
(b) Amount unspent, if any:	Nil
(c) Manner in which the amount spent during the Financial year	As given below :

No.	Projects /Activities	Sector	Location	Amount Outlay (Rs. Lacs)	Amount spent (Rs. Lacs)	Cumu. Expenditure to the reporting period (Rs. Lacs)	Amount spent direct or through implementing Agency
1)	Contribution to Paramakalyani Educational Society	Educational Literacy / Health care	Tirunelveli	10.00	10.00	10.00	Direct to the Institution
2)	Contribution to M/s.Vathsalyam	Health care for old aged.	Hosur	3.70	3.70	3.70	- do -

In case the company has failed to spend the 2% 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.

The CSR Committee of the Board of Directors acknowledges the responsibility for the implementation and monitoring of CSR Policy and accordingly state that the same is in compliance with CSR objectives and Policy of the company and the company has complied with all the requirements in this regard.

N.Venkataramani  
Chairman of the Committee

S.Narayanan Krishna Srinivasan  
Members of the Committee



ANNEXURE - E TO THE DIRECTORS' REPORT :

FORM No. MR-3

**SECRETARIAL AUDIT REPORT**

(Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014  
For the Financial Year ended 31st March, 2018

To The Members,  
Bimetal Bearings Limited  
Hosur Gardens, Sembiam,  
Chennai – 600 011.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bimetal Bearings Limited (CIN:L29130TN1961PLC004466) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March, 2018 in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2018 according to the provisions of:

- (i) The Companies Act, 1956 and the Rules made there under to the extent applicable.
- (ii) The Companies Act, 2013 and the Rules made there under.
- (iii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.
- (iv) The Depositories Act, 1996 and the Regulations framed there under.
- (v) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (vi) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.
  - (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable provisions of Act / Regulations / Directions as mentioned above in respect of:

- (i) Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment.
- (ii) Issue of securities including debt instruments or securities.
- (iii) Buy-back of securities.
- (iv) Delisting of securities
- (v) Issue of Employee Stock Options
- (vi) On consideration of the business undertaken by the Company, in our opinion, we do not find any specific Law, Rule or Regulation, that specifically governs or regulates the business of the Company. Hence the question of an audit of the compliance of the same and reporting does not arise.

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

- (i) Listing Agreement entered into with Stock Exchanges.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Secretarial Standards under Section 118 of the Companies Act, 2013

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period covered under the Audit, except for the re-appointment of an Independent Director.

Adequate notice and detailed notes on Agenda was given to all Directors at least seven days in advance to schedule the Board Meetings. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and recorded as part of the minutes. No dissenting views were found in the minutes.

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

We further report that during the period covered under the Audit, the Company has not made any specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above.

For KSR & Co Company Secretaries LLP  
C.V.Madhusudhanan  
Partner  
(FCS: 5367; CP: 4408)

Coimbatore  
May 30, 2018

To The Members,  
Bimetal Bearings Limited  
"Huzur Gardens", Sembiam,  
Chennai – 600 011.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For KSR & Co Company Secretaries LLP  
C.V.Madhusudhanan  
Partner  
(FCS: 5367; CP: 4408)

Coimbatore  
May 30, 2018

ANNEXURE – F TO THE DIRECTORS’ REPORT :

Form No. MGT-9  
Extract of Annual Return as on the financial year ended on 31st March 2018  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

I. Registration & Other Details:

(i) Corporate Identity Number	:	L29130TN1961PLC004466
(ii) Registration Date	:	19th April 1961
(iii) Name of the Company	:	Bimetal Bearings Limited
(iv) Category / Sub-Category of the Company	:	Company Limited by shares / Indian Non-Government Company
(v) Address of the Registered office & contact details	:	"Huzur Gardens", Sembiam, Chennai - 600 011. Ph.: (044) 2537 5581 / (0422) 222 1159 E-Mail : vidhyashankar@bimite.co.in
(vi) Whether listed company	:	Yes (At BSE Limited, Mumbai)
(vii) Name, Address and Contact details of Registrar & Transfer Agent, if any	:	M/s. GNSA Infotech Limited, "Nelson Chambers", STA Dept., 4th Floor, 115, Nelson Manickam Road, Aminthakarai, Chennai - 29. (Tel.: 044 - 42962025)

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:-

No.	Name and Description of main products / services	NIC Code of the % to total turnover of the Product / service company	% to total turnover of the Company
01)	Bearings, bushes & Thrust washers	2814	81%
02)	Alloy powder	2591	10%

III. Particulars of Holding, Subsidiary and Associate Companies :

No.	Name of the Company	Address of the Company	Corporate Identity Number	Holding / Subsidiary / Associate Company	% & of shares held	Applicable Sections of the Companies Act, 2013
01)	Amalgamations Private Limited	No.124 (old No.81) Dr. Radhakrishna Salai Mylapore, Chennai - 600004	U35999TN1938 PTC000019	Ultimate Holding Company	25.33%	2(46)
02)	BBL Daido Private Limited	No.861, Anna Salai, Chennai - 600002	U34300TN2001 PTC048109	Joint Venture & Associate Company	20.00%	2(6)
03)	IPL Green Power Limited	"Huzur Gardens", Sembiam, Chennai - 600011	U40107TN2011 PLC083540	Associate Company	24.19%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

No.	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) Individuals / HUF	200	0	200	0.01	200	0	200	0.01	0.00
	(b) Central/State Govt(s)	-	-	-	-	-	-	-	-	-
	(c) Bodies Corporate	28,63,926	0	28,63,926	74.87	28,63,926	0	28,63,926	74.87	0.00
	(d) Fls / Banks	-	-	-	-	-	-	-	-	-
	(e) Any Other (Relative)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1) :	28,64,126	-	28,64,126	74.88	28,64,126	-	28,64,126	74.88	0.00
(2)	Foreign									
	(a) Individuals (Foreign Individuals)	-	-	-	-	-	-	-	-	-
	(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
	(c) Institutions-	-	-	-	-	-	-	-	-	-
	(d) QFI	-	-	-	-	-	-	-	-	-
	(e) Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2) :	-	-	-	-	-	-	-	-	-
	Total share-holding of promoter (A)=(A)(1)+(A)(2)	2864126	-	2864126	74.88	2864126	-	2864126	74.88	0.00
(B)	Public Shareholding									
(1)	Institutions									
	(a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
	(b) Fls / Banks	74	85	159	0.00	74	37	111	0.00	0.00
	(c) Central / State Govts.	-	-	-	-	-	-	-	-	-
	(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	(e) Insurance Companies	-	-	-	-	-	-	-	-	-
	(f) FII	0	50	50	0.00	0	0	0	0	0.00
	(g) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
	(h) Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1) :	74	135	209	0.00	74	37	111	0.00	0.00
(2)	Non-Institutions									
	(a) Bodies Corporate	51,558	3,205	54,763	1.43	46,621	3,005	49,626	1.30	-0.13
	(b) Individuals									
	(i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	6,33,722	1,09,751	7,43,473	19.44	6,49,013	94,869	7,43,882	19.45	0.01
	(ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	15,000	1,36,096	1,51,096	3.95	10,905	1,36,096	1,47,001	3.84	-0.11
	(c) Any Other									
	(i) Non resident Indian	8,997	225	9,222	0.24	5,959	225	6,184	0.16	-0.08
	(ii) Unclaimed shares	2,111	-	2111	0.06	2,111	-	2,111	0.06	0.00
	(iii) IEPF – Corporate Body Govt. Company etc.	-	-	-	-	11,959	-	11,959	0.31	0.31
	Sub-Total (B)(2) :	7,11,388	2,49,277	9,60,665	25.12	7,26,568	2,34,195	9,60,763	25.12	0.00
	Total Public Share-holding (B) = (B)(1)+(B)(2)	7,11,462	2,49,412	9,60,874	25.12	7,26,642	2,34,232	9,60,874	25.12	0.00
	Total (A)+(B)	35,75,588	2,49,412	38,25,000	100.00	35,90,768	2,34,232	38,25,000	100.00	0.00

## (ii) Share-holding of Promoters :

Share-holder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change 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. A. Krishnamoorthy	50	0.001	-	50	0.001	-	-
2. N.Venkataramani	150	0.004	-	150	0.004	-	-
3. Simpson & Co. Ltd	11,11,411	29.056	-	11,11,411	29.056	-	-
4. Amalgamations (P) Limited	9,69,000	25.334	-	9,69,000	25.334	-	-
5. India Pistons Ltd.,	7,65,000	20.000	-	7,65,000	20.000	-	-
6. Sri Rama Vilas Service Limited	12,500	0.327	-	12,500	0.327	-	-
7. Higginbothams (P) Limited	3,975	0.104	-	3,975	0.104	-	-
8. Associated Printers (Madras) (P) Ltd.	2,040	0.053	-	2,040	0.053	-	-
Total	28,64,126	74.879	-	28,64,126	74.879	-	-

## (iii) Change in Promoters' Share-holding (please specify, if there is no change) :

Share-holder's Name	Shares held at the beginning of the year		Cumulative Shares-holding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	28,64,126	74.88	28,64,126	74.88
Date-wise increase / decrease in Promoters	Nil	Nil	Nil	Nil
Share-holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Nil	Nil	Nil	Nil
At the end of the year	28,64,126	74.88	28,64,126	74.88

## (iv) Share-holding pattern of top 10 share-holders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs) :

For each of the Top 10 share-holders	Shares held at the beginning of the year		Cumulative Shares-holding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
01) Mr. S. Ramasubramanian				
At the beginning of the year	38,150	0.99		
Date-wise increase / decrease in share-holding during the year	-	-		
At the end of the year	38,150	0.99		
02) Mr. S. Subramanian				
At the beginning of the year	38,000	0.99		
Date-wise increase / decrease in share-holding during the year	-	-		
At the end of the year	38,000	0.99		
03) Mr. P.V. Sundaram				
At the beginning of the year	38,000	0.99		
Date-wise increase / decrease in share-holding during the year	-	-		
At the end of the year	38,000	0.99		
04) Mr. R. Badrinarayanan				
At the beginning of the year	21,946	0.57		
Date-wise increase / decrease in share-holding during the year	-	-		
At the end of the year	21,946	0.57		
05) Investor Education and Protection Fund Authority Ministry of Corporate Affairs				
At the beginning of the year	-	-		
8 <sup>th</sup> Dec' 2017 - Moved to IEPF A/c	10756	0.28		
30 <sup>th</sup> Mar' 2018 - Moved to IEPF A/c	1203	0.03		
At the end of the year	11959	0.31		

## (iv) Share-holding pattern of top 10 share-holders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs) :

For each of the Top 10 share-holders	Shares held at the beginning of the year		Cumulative Shares-holding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
06) Aparnaa Sareees Private Limited				
At the beginning of the year	11094	0.29	11094	0.29
7th Apr 2017 Market Sales	-4133	-0.11	6961	0.18
14th Apr 2017 Market Sales	-494	-0.01	6467	0.17
21st Apr 2017 Market Sales	-1381	-0.04	5086	0.13
28th Apr 2017 Market Sales	-3881	-0.10	1205	0.03
18th Jul 2017 Market Purchase	1639	0.04	2844	0.07
11th Aug 2017 Market Sales	-1100	-0.03	1744	0.05
18th Aug 2017 Market Sales	-1000	-0.03	744	0.02
25th Aug 2017 Market Purchase	381	0.01	1125	0.03
1st Sep 2017 Market Purchase	678	0.02	1803	0.05
15th Sep 2017 Market Purchase	43	-	1846	0.05
29th Sep 2017 Market Purchase	300	0.01	2146	0.06
6th Oct 2017 Market Purchase	385	0.01	2531	0.07
13th Oct 2017 Market Sales	-245	-0.01	2286	0.06
20th Oct 2017 Market Purchase	760	0.02	3046	0.08
27th Oct 2017 Market Purchase	105	-	3151	0.08
3rd Nov 2017 Market Sales	-2500	-0.07	651	0.02
24th Nov 2017 Market Purchase	542	0.01	1193	0.03
8th Dec 2017 Market Purchase	3593	0.09	4786	0.13
15th Dec 2017 Market Sales	-484	-0.01	4302	0.11
22nd Dec 2017 Market Sales	-687	-0.02	3615	0.09
29th Dec 2017 Market Sales	-2964	-0.08	651	0.02
5th Jan 2018 Market Purchase	289	0.01	940	0.02
12th Jan 2018 Market Purchase	3525	0.09	4465	0.12
19th Jan 2018 Market Purchase	4554	0.12	9019	0.24
25th Jan 2018 Market Purchase	1472	0.04	10491	0.27
9th Feb 2018 Market Purchase	604	0.02	11095	0.29
16th Feb 2018 Market Sales	-887	-0.02	10208	0.27
2nd Mar 2018 Market Purchase	758	0.02	10966	0.29
At the end of the year	10966	0.29	-	-
07) Ajay Girdharilal Bhartiya				
At the beginning of the year	15000	0.39	15000	0.39
29th Dec 2017 Market Sales	-2500	-0.07	12500	0.33
12th Jan 2018 Market Sales	-1250	-0.03	11250	0.29
16th Feb 2018 Market Sales	-345	-0.01	10905	0.29
At the end of the year	10905	0.28	-	-
08) Jyoti Haresh Shah				
At the beginning of the year	10000	0.26	-	-
Date-wise increase / decrease in share-holding during the year	-	-	-	-
At the end of the year	10000	0.26	-	-
09) Krishnamoorthy.A				
At the beginning of the year	9618	0.25	-	-
Date-wise increase / decrease in share-holding during the year	-	-	-	-
At the end of the year	9618	0.25	-	-
10) Usha Amritlal Jain				
At the beginning of the year	8100	0.21	-	-
Date-wise increase / decrease in share-holding during the year	-	-	-	-
At the end of the year	8100	0.21	-	-

## (v) Share-holding of Directors and Key Managerial Personnel :

No.	For each of the Directors of the Company and Key Managerial Personnel (KMPs)	Shares held at the beginning of the year		Cumulative Shares-holding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
01)	Mr. A. Krishnamoorthy, Managing Director				
	At the beginning of the year	50	0.0013	--	-
02)	Date-wise increase / decrease in share-holding during the year				
	At the end of the year	50	0.0013	--	-
02)	Mr. S. Narayanan, Whole-time Director				
	At the beginning of the year	400	0.0105	--	-
03)	Date-wise increase / decrease in share-holding during the year				
	At the end of the year	400	0.0105	--	-
03)	Mr. N. Venkataramani, Director				
	At the beginning of the year	150	0.0039	-	-
04)	Date-wise increase / decrease in share-holding during the year				
	At the end of the year	150	0.0039	-	-
04)	Mr.N.Venkataraman, Chief Financial Officer				
	At the beginning of the year	-	-	-	-
05)	Date-wise increase / decrease in share-holding during the year				
	At the end of the year	-	-	-	-
05)	Mr.K.Vidhya Shankar, Company Secretary				
	At the beginning of the year	-	-	-	-
	Date-wise increase / decrease in share-holding during the year				
	At the end of the year	-	-	-	-

## (v) INDEBTEDNESS :

Indebtedness of the Company including interest outstanding / accrued but not due for payment (Amount lacs)

	Secured Loans (Excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
(a) Principal Amount	Nil	Nil	Nil	Nil
(b) Interest due but not paid	Nil	Nil	Nil	Nil
(c) Interest accrued but not due	Nil	Nil	Nil	Nil
Changes in indebtedness during the year				
(a) Addition	Nil @@	Nil	Nil	Nil
(b) Deletion	Nil @@	Nil	Nil	Nil
Indebtedness at the end of the financial year:				
(a) Principal Amount Nil	Nil	Nil	Nil	
(b) Interest due but not paid	Nil	Nil	Nil	Nil
(c) Interest accrued but not due	Nil	Nil	Nil	Nil

@@ The Company was sanctioned working capital facility of Rs.5.50 Crores by the Company's Bankers which was sparingly used to meet the working capital requirements.

## (VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## (A) Remuneration to the Managing Director and Whole-time Director:

(Rs.)

No.	Particulars of remuneration	Mr.A.Krishnamoorthy Managing Director	Mr.S.Narayanan Whole-time Director	Total Amount
(1)	Gross Salary			
	(a) Salary as per provisions contained in Sec.17 (1) of the I.T. Act, 1961.	51,50,000/-	53,60,000/-	1,05,10,000/-
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	12,93,268/-	16,60,411/-	29,53,679/-
	(c) Profits in lieu of Salary under Sec.17(3) of the Income Tax Act, 1961			
(2)	Stock Option			
(3)	Sweat Equity			
(4)	Commission			
(5)	Others, Please specify			
	Total (A)	64,43,268/-	70,20,411/-	1,34,63,679/-
	Ceiling as per the Act	As per Sch. V to the Cos' Act, 2013 - Rs. 120.00 lacs	As per Sch. V to the Cos' Act, 2013 - Rs. 120.00 lacs	120.00 lacs each

## (B) Remuneration to other Directors:

## (i) Independent Directors:

(Rs.)

No.	Particulars of remuneration	Name of the Directors	Sitting Fees	Total Amount
1	Fees for attending Board / Committee meetings	Mr.P.M.Venkatasubramanian	1,40,000/-	1,40,000/-
		Mr.Krishna Srinivasan	1,60,000/-	1,60,000/-
		Mr.R.Vijayaraghavan	1,40,000/-	1,40,000/-
		Dr.Sandhya Shekhar	50,000/-	50,000/-
	Commission	Mr.P.M.Venkatasubramanian	2,30,000/-	2,30,000/-
		Mr.Krishna Srinivasan	2,30,000/-	2,30,000/-
		Mr.R.Vijayaraghavan	2,30,000/-	2,30,000/-
		Dr.Sandhya Shekhar	2,30,000/-	2,30,000/-
	Others – Independent Directors Meeting	Mr.P.M.Venkatasubramanian	10,000/-	10,000/-
		Mr.Krishna Srinivasan	10,000/-	10,000/-
		Mr.R.Vijayaraghavan	10,000/-	10,000/-
		Dr.Sandhya Shekhar	10,000/-	10,000/-
	Total (1)		14,50,000/-	14,50,000/-

## (ii) Other Non-Executive Directors :

(Rs.)

No.	Particulars of remuneration	Name of the Directors	Sitting Fees	Total Amount
1	Fees for attending Board / Committee meetings	Mr.N.Venkataramani	1,10,000/-	1,10,000/-
		Mr.N.P.Mani	60,000/-	60,000/-
	Commission	Mr.N.Venkataramani	2,30,000/-	2,30,000/-
		Mr.N.P.Mani	2,30,000/-	2,30,000/-
	Others, Please specify		Nil	Nil
	Total (2)		6,30,000/-	6,30,000/-
	Total (B) = (1+2)		20,80,000/-	20,80,000/-
	Total Managerial Remuneration			1,55,43,679/-
	Overall ceiling as per Act			260.80 lacs



## (C) Remuneration to Key Managerial Personnel other than the Managing Director and Whole-time Director / Manager: (Rs.)

No.	Particulars of remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
(1)	Gross Salary			
	(a) Salary as per provisions contained in Sec.17(1)(d) of the I.T.Act, 1961.	28,35,000/-	15,67,600/-	44,02,600/-
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	53,542/-	1,11,285/-	1,64,827/-
	(c) Profits in lieu of Salary under Sec.17(3) of the Income Tax Act, 1961			
(2)	Stock Option			
(3)	Sweat Equity			
(4)	Commission			
(5)	Others, Please specify			
	Total (A)	28,88,542/-	16,78,885/-	45,67,427/-

## VII. Penalties / Punishment / Compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fee imposed	Authority (RD) / NCLT / Court	Appeal made, if any (give details)
Penalty Punishment Compounding			Nil		

## Other Officers in default

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fee imposed	Authority (RD) / NCLT / Court	Appeal made, if any (give details)
Penalty Punishment Compounding			Nil		

Annexure to Financial Statements / Directors' Report for the year ended 31st March 2018  
(Form No. AOC-1) - Pursuant to Sub-Section 3 of Section 129 of the Companies Act, 2013  
read with Rule 5 of the Companies (Accounts), Rules, 2014

No.	Name of the Associate	BBL Daido (P) Ltd.	IPL Green Power Ltd.
01.	Latest audited Balance Sheet date	31st March 2018	31st March 2018
02.	Shares of Associate / Joint Venture held by Company on the year-end Number (No.)		
	Equity Shares	26,00,000	7,50,000
	Preference Shares	3,00,000	-
	Amount of investment in Associates Jvs./		
	Equity Shares	494.76 lacs	75.00 lacs
	Preference Shares	300.00 lacs	-
	Extend of Holding (%)	20.00	24.19
03.	Description of how there is significant influence	Voting power	Voting power
	Reason why the associate / JV is not consolidated	Consolidated	Consolidated
04.	Net Worth attributable to share-holding as per latest audited Balance Sheet	Rs.853.31 lacs	Rs. 8.17 lacs
05.	Profit / (loss)for the year (Net of adjustments) Considered in consolidation	Rs. 99.65 lacs	-

## INDEPENDENT AUDITOR'S REPORT

To The Members of Bimetal Bearings Limited

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Bimetal Bearings Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 and the Order issued under section 143(11) of the Act.

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone IndAS financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
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 Fraser & Ross  
Chartered Accountants  
(Firm's Registration No. 000829S)

C.R.Rajagopal  
(Partner)  
(Membership No. 023418)

Place: Chennai  
Date : 30th May, 2018

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Bimetal Bearings Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls over financial reporting of the Company.

### 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 Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company. 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the criteria for internal financial control over financial reporting established by the respective 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 Fraser & Ross  
Chartered Accountants  
(Firm's Registration No. 000829S)  
C.R.Rajagopal  
(Partner)  
(Membership No. 023418)

Place: Chennai  
Date : 30th May, 2018

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(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and equipment.
- (b) Some of the plant, property and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the plant, property and equipment at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals 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 Companies Act, 2013.
- (iv) The Company has not granted any loans hence provisions of Section 185 is not applicable, the Company has not provided any guarantee under section 186, however the Company has made investment which is within the limits of section 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 is not applicable.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax and Cess which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (INR in Lakhs)	Amount Unpaid (INR in Lakhs)
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	Deputy Commissioner (CT) Appeals, Sales Tax Appellate Tribunal	FY 1997-98 and FY 1998-99	6.86	6.86
Central Sales Tax, 1956	Sales Tax	Deputy Commissioner (CT) Appeals, Sales Tax Appellate Tribunal	FY 1997-1998 and FY 1998-99	2.02	2.02
Central Sales Tax, 1956	Sales Tax	Commissioner of Central Excise & Service Tax (Appeals)	FY 2013-2014	0.68	0.65
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	FY 2007-08 to 2011-12	67.92	67.92

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements 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 CARO 2016 Order is not applicable to the Company.
- (xv) In our opinion and according to 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 them and hence provisions of Section 192 of Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Fraser & Ross  
Chartered Accountants  
(Firm's Registration No. 000829S)

C.R.Rajagopal  
(Partner)  
(Membership No. 023418)

Place: Chennai  
Date: 30th May, 2018

# **BIMETAL BEARINGS LIMITED**

CIN:L29130TN1961PLC004466

STANDALONE FINANCIAL STATEMENTS

**BIMETAL BEARINGS LIMITED**  
**Standalone Balance Sheet as at March 31, 2018**  
*(All amounts are in INR Lakhs, unless otherwise stated)*

	Note No.	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	3	4,100.49	3,475.33
Capital work-in-progress		67.87	315.67
Other intangible assets	4	99.81	82.69
Intangible assets under development		-	9.41
Financial assets			
(i) Investments	5	4,361.10	3,768.70
(ii) Other financial assets	6	512.51	539.50
Other non-current assets	8	435.28	54.77
<b>Total non-current assets</b>		<b>9,577.06</b>	<b>8,246.07</b>
Current assets			
Inventories	9	4,256.94	4,560.37
Financial assets			
(i) Investments	10	154.00	153.12
(ii) Trade receivables	11	5,104.52	3,749.13
(iii) Cash and cash equivalents	12	393.41	508.53
(iv) Bank balances other than (iii) above	13	79.53	82.04
(v) Loans	14	6.87	4.56
(vi) Other financial assets	6	413.42	863.12
Current tax assets (Net)	7	48.45	345.58
Other current assets	15	528.81	1,028.63
<b>Total current assets</b>		<b>10,985.95</b>	<b>11,295.08</b>
<b>Total assets</b>		<b>20,563.01</b>	<b>19,541.15</b>
<b>EQUITY and LIABILITIES</b>			
Equity			
Equity share capital	16	382.50	382.50
Other equity	17	17,068.31	16,026.22
<b>Total equity</b>		<b>17,450.81</b>	<b>16,408.72</b>
Liabilities			
Non-current liabilities			
Provisions	22	103.96	107.13
Deferred tax liabilities (Net)	18	286.91	388.21
<b>Total non-current liabilities</b>		<b>390.87</b>	<b>495.34</b>
Current liabilities			
Financial liabilities			
(i) Trade payables	19	2,438.81	2,353.76
(ii) Other financial liabilities	20	115.57	85.07
Other current liabilities	21	139.28	176.48
Provisions	22	27.67	21.78
<b>Total current liabilities</b>		<b>2,721.33</b>	<b>2,637.09</b>
<b>Total liabilities</b>		<b>3,112.20</b>	<b>3,132.43</b>
<b>Total equity and liabilities</b>		<b>20,563.01</b>	<b>19,541.15</b>
See accompanying notes to the standalone financial statements			

In terms of our report attached.

For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants  
C.R. Rajagopal  
Partner  
Membership Number: 023418

Place : Chennai  
Date : May 30, 2018

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778

P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659

N. Venkataramani  
Director  
DIN: 00001639

N. Venkataraman  
Chief Financial Officer



# BIMETAL BEARINGS LIMITED

## Standalone Statement of Profit and Loss for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	Note No	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	23	18,578.04	15,975.53
II. Other income	24	448.67	521.58
III. Total revenue (I +II)		19,026.71	16,497.11
IV. Expenses			
(a) Cost of materials consumed	25	9,193.02	7,150.95
(b) Purchases of stock-in-trade		265.41	82.72
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(157.90)	(191.82)
(d) Excise duty on sale of goods		364.70	1,591.28
(e) Employee benefit expense	27	2,430.18	2,275.49
(f) Finance costs	28	4.48	15.68
(g) Depreciation and amortisation expenses	29	445.27	406.96
(h) Other expenses	30	5,167.79	4,514.37
V. Total expenses		17,712.95	15,845.63
VI. Profit before exceptional items and tax (III-V)		1,313.76	651.48
VII. Exceptional items	31	-	30.04
VIII. Profit before tax (VI+VII)		1,313.76	681.52
IX. Tax expense :			
Current tax	32	351.81	158.00
MAT credit entitlement	18	19.56	(74.00)
Deferred tax	18	(73.01)	97.63
X. Total tax expense		298.36	181.63
XI. Profit for the year (VIII-X)		1,015.40	499.89
XII. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans	22	82.22	76.14
(b) Equity instruments through other comprehensive income		241.90	398.90
(ii) Income tax relating to items that will not be reclassified to profit or loss	18	47.85	(26.35)
XIII. Total comprehensive income for the year		1,387.37	948.58
XIV. Earnings per share of INR 10 each			
Basic and diluted (INR)	40	26.55	13.07

See accompanying notes to the standalone financial statements

In terms of our report attached.

For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants  
C.R. Rajagopal  
Partner  
Membership Number: 023418

Place : Chennai  
Date : May 30, 2018

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778  
P.M. Venkatasubramanian  
Director  
DIN: 00124505  
K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659  
N. Venkataramani  
Director  
DIN: 00001639  
N. Venkataraman  
Chief Financial Officer

## BIMETAL BEARINGS LIMITED

### Standalone Statement of Cash Flows for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax for the year	1,313.76	681.52
Adjustments for		
Depreciation and amortisation expense	445.27	406.96
Insurance settlement pertaining to damage to property, plant and equipment	–	(118.55)
(Gain) on disposal of property, plant and equipment (Net)	(0.90)	(0.59)
Gain on sale of financial assets	(6.14)	(28.14)
Changes in fair value of financial assets at fair value through profit or loss	(57.71)	(81.50)
Dividend and interest income classified as investing cash flows	(122.83)	(242.05)
Provision for impairment loss of investment in associate	–	75.00
Bad debts written off	–	2.01
Finance costs	4.48	15.68
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,355.39)	(223.54)
(Increase)/Decrease in inventories	303.43	(131.13)
(Increase)/Decrease in other financial assets	478.92	(430.04)
(Increase)/Decrease in other non-current assets	(5.31)	4.57
(Increase)/Decrease in other current assets	582.04	(142.09)
(Increase)/Decrease in loans to employees	(2.31)	0.75
Increase/(Decrease) in trade payables	85.05	758.27
Increase/(Decrease) in other financial liabilities	8.56	(26.66)
Increase/(Decrease) in other current liabilities	(37.20)	(17.99)
Increase/(Decrease) in provisions	2.72	(60.18)
Cash generated from operations	1,636.44	442.30
Income taxes (paid)/refund received	(431.16)	104.08
Net cash inflow from operating activities	1,205.28	546.38
Cash flows from investing activities		
Payments for property, plant and equipment	(804.61)	(567.69)
Payments for purchase/(sale) of investments (net)	(287.53)	27.69
Payments for purchase/(repayments) of Intercompany deposits (net)	(6.00)	136.00
(Increase)/Decrease in other bank balances	2.51	6.96
Interest and dividend received	126.60	238.15
Proceeds from disposal of property, plant and equipment	0.90	3.63
Net cash used in investing activities	(968.13)	(155.26)

## **BIMETAL BEARINGS LIMITED**

### **Standalone Statement of Cash Flows for the year ended March 31, 2018 – (Contd.)**

*(All amounts are in INR Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from financing activities		
Interest paid	(4.48)	(15.68)
Dividends paid to company's shareholders including dividend tax	(347.79)	(346.24)
Net cash used in financing activities	(352.27)	(361.92)
Net increase/(decrease) in cash and cash equivalents	(115.12)	29.20
Cash and cash equivalents at the beginning of the year	508.53	479.33
Cash and cash equivalents at end of the year	393.41	508.53

See accompanying notes to the standalone financial statements

Note: The above Cash Flow Statement has been prepared under 'indirect method' set out in the Ind AS 7 - Cash Flow Statements.

In terms of our report attached.

For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants

C.R. Rajagopal  
Partner  
Membership Number: 023418

Place : Chennai  
Date : May 30, 2018

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778

P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659

N. Venkataramani  
Director  
DIN: 00001639

N. Venkataraman  
Chief Financial Officer

**BIMETAL BEARINGS LIMITED**  
**Statement of Changes in equity for the year ended March 31, 2018**  
 (All amounts are in INR Lakhs, unless otherwise stated)

	Note No.	Amount
(I) Equity share capital		
Balance as at April 1, 2016		382.50
Changes in equity share capital during the year	16	-
Balance as at March 31, 2017		382.50
Changes in equity share capital during the year	16	-
Balance as at March 31, 2018		382.50
(II) Other equity		

	Note No.	Reserves and surplus			Items of other comprehensive income			Total
		General Reserve	Capital Reserve	Retained Earnings	Actuarial Gain / (Loss)	Equity instrument through other comprehensive income		
Balance as at April 1, 2016		13,350.00	3.81	750.49	(20.02)	1,338.64	15,422.92	
Profit for the year	17	-	-	499.89	-	-	499.89	
Other comprehensive income	17	-	-	-	49.79	398.90	448.69	
Transfer to general reserve	17	150.00	-	(150.00)	-	-	-	
Dividends paid including dividend distribution tax	17	-	-	(345.28)	-	-	(345.28)	
Balance as at March 31, 2017		13,500.00	3.81	755.10	29.77	1,737.54	16,026.22	
Profit for the year	17	-	-	1,015.40	-	-	1,015.40	
Other comprehensive income	17	-	-	-	84.85	287.12	371.97	
Transfer to general reserve	17	203.81	(3.81)	(200.00)	-	-	-	
Dividends paid including dividend distribution tax	17	-	-	(345.28)	-	-	(345.28)	
Balance as at March 31, 2018		13,703.81	-	1,225.22	114.62	2,024.66	17,068.31	

See accompanying notes to the standalone financial statements

In terms of our report attached.

For Fraser & Ross  
 Firm's Registration Number: 000829S  
 Chartered Accountants  
 C.R. Rajagopal  
 Partner  
 Membership Number: 023418

For and on behalf of Board of Directors

A. Krishnamoorthy  
 Managing Director  
 DIN: 00001778  
 P.M. Venkatasubramanian  
 Director  
 DIN: 00124505  
 K. Vidhya Shankar  
 Company Secretary  
 Place : Chennai  
 Date : May 30, 2018

S. Narayanan  
 Whole-time Director  
 DIN: 03564659  
 N. Venkataramani  
 Director  
 DIN: 00001639  
 N. Venkataraman  
 Chief Financial Officer

Place : Chennai  
 Date : May 30, 2018

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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### 1. General Information

Bimetal Bearings Limited ("the Company" or "BBL") is engaged in manufacturing of Engine Bearings, Bushings, Thrust Washers, Alloy Powder and Bimetallic Strips. The Company has manufacturing plants at Coimbatore, Hosur, Chennai (Sembiam and Thoraipakkam). The Company is a public listed company and listed on The Bombay Stock Exchange.

### 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities (including derivative instruments) that is measured at fair value and
- (b) defined benefit plans — plan assets measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### (b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Managing Director of the Company has been identified as being the chief operating decision maker.

#### (c) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in INR, the national currency of India, which is the functional currency of the Company.

##### (ii) Transaction and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

(i) Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Other operating revenue:

Income from duty drawback and other export incentives is recognised on accrual basis.

(e) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in associates and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(f) Leasing

As a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the standalone balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(g) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of Transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are determined and assigned to individual items of inventory using the weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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(j) Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(k) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales or purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets .

(i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- (b) those measured at amortised cost and
- (c) those measured at cost.

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

– Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- (a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- (b) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

– Equity instruments

The Company subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

(a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

(b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(l) Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(m) Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The impact of the fair value changes are included in other income.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

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(n) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

(o) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets on the same basis as other property assets commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. However, the estimates of useful lives of certain assets, based on technical evaluation are different from those specified in Schedule II which are set out below:

Plant and equipment - Useful life 20 years

Assets costing individually upto Rs. 5,000/- are fully depreciated in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(p) Intangible assets

(i) Acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

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(iii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(iv) Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Technical Know how - Useful life 5 years

Computer Software - Useful life 6 years

Assets costing individually upto INR 5,000/- are fully amortized in the year of purchase.

(q) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(i) Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

(r) Employee Benefits

Employee benefits include provident fund, employee state insurance, gratuity fund, super annuation fund and compensated absences.

(i) Retirement benefit costs and termination benefits

Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

(ii) Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

## **BIMETAL BEARINGS LIMITED**

### **Notes to the Standalone financial statements for the year ended March 31, 2018**

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The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

(iii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(s) Exceptional items

Company recognises exceptional item when items of income and expense within the Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company for the period.

(t) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income 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.

(u) Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the standalone balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

(v) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimals thereof as per the requirements of Schedule III, unless otherwise stated.

(w) 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.

(x) New standards and interpretations not yet adopted

(i) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the effect of this on the financial statements.

## **BIMETAL BEARINGS LIMITED**

### **Notes to the Standalone financial statements for the year ended March 31, 2018**

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- (ii) Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue.

The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The standard is effective for annual periods beginning on or after 1 April 2018. The Company is currently evaluating the requirements of Ind AS 115, and has not yet determined the impact on the financial statements.

- (y) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 22

Estimation of current tax expense and payable – Note 32

Estimation of fair value of investment – Note 33

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 3. Property, Plant and Equipment

	Land	Building (Refer Note ii)	Plant and equipment	Furniture and fixtures	Vehicles	Total
Year ended March 31, 2017						
Gross carrying amount						
Opening gross carrying amount	23.49	381.43	3,014.67	41.83	79.87	3,541.29
Additions	-	41.27	604.44	17.41	7.88	671.00
Regroupings	-	-	(14.66)	15.29	(0.63)	(0.00)
Disposal	-	-	1.03	-	3.13	4.16
Closing gross carrying amount	23.49	422.70	3,603.42	74.53	83.99	4,208.13
Accumulated depreciation						
Opening accumulated depreciation	-	22.22	307.84	8.50	15.74	354.30
Depreciation charge during the year	-	19.44	320.86	21.20	18.12	379.62
Disposals	-	-	0.03	-	1.09	1.12
Closing accumulated depreciation	-	41.66	628.67	29.70	32.77	732.80
Net carrying amount March 31, 2017	23.49	381.04	2,974.75	44.83	51.22	3,475.33
Year ended March 31, 2018						
Gross carrying amount						
Opening gross carrying amount	23.49	422.70	3,603.42	74.53	83.99	4,208.13
Additions	-	189.84	827.68	13.12	-	1,030.64
Regroupings	-	-	-	-	8.30	8.30
Disposal	-	-	-	-	2.71	2.71
Closing gross carrying amount	23.49	612.54	4,431.10	87.65	89.58	5,244.36
Accumulated depreciation						
Opening accumulated depreciation	-	41.66	628.67	29.70	32.77	732.80
Depreciation charge during the year	-	22.87	358.61	12.89	19.40	413.78
Disposals	-	-	-	-	2.71	2.71
Closing accumulated depreciation	-	64.53	987.28	42.59	49.46	1,143.87
Net carrying amount March 31, 2018	23.49	548.01	3,443.82	45.06	40.12	4,100.49

Notes: (i) All fixed assets are owned by the Company, unless stated as taken on lease.

(ii) Gross carrying amount of cost of building as at March 31, 2018 includes INR 28.21 lakhs (March 31, 2017-INR 28.21 lakhs) being cost of buildings on lease hold land.

#### 4. Other intangible assets

	Computer software	Others-Technical know-how	Total
Year ended March 31, 2017			
Gross carrying amount			
Opening gross carrying amount	129.69	16.54	146.23
Additions	3.39	-	3.39
Regroupings	-	-	-
Disposal	-	-	-
Closing gross carrying amount	133.08	16.54	149.62
Accumulated depreciation			
Opening accumulated depreciation	29.56	10.03	39.59
Regroupings	4.41	(4.41)	-
Depreciation charge during the year	25.09	2.25	27.34
Disposals	-	-	-
Closing accumulated depreciation	59.06	7.87	66.93
Net carrying amount March 31, 2017	74.02	8.67	82.69
Year ended March 31, 2018			
Gross carrying amount			
Opening gross carrying amount	133.08	16.54	149.62
Additions	44.97	11.94	56.91
Regroupings	(8.30)	-	(8.30)
Disposal	-	-	-
Closing gross carrying amount	169.75	28.48	198.23
Accumulated depreciation			
Opening accumulated depreciation	59.06	7.87	66.93
Depreciation charge during the year	27.53	3.96	31.49
Disposals	-	-	-
Closing Accumulated depreciation	86.59	11.83	98.42
Net carrying amount March 31, 2018	83.16	16.65	99.81

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

5. Non current investments		Face Value INR	As at March 31, 2018 Units Market Value		As at March 31, 2017 Units Market Value	
(i)	Investment in equity instruments (fully paid-up)					
	At cost					
	Unquoted					
(i)	In associates					
	IPL Green Power Limited	10	7,50,000	75.00	7,50,000	75.00
	Less: Provision for impairment of investment carried at cost	-		(75.00)		(75.00)
				-		-
(ii)	In joint ventures					
	BBL Daido Private Limited	10	26,00,000	494.76	26,00,000	494.76
	At fair value through other comprehensive income					
	Unquoted					
	Amalgamations Repco Limited	10	1,20,750	156.98	1,20,750	156.98
	Arkay Energy (Rameswaram) Limited	10	2,80,000	28.00	2,80,000	28.00
	Madras Stock Exchange Ltd	1	4,55,620	11.99	4,55,620	11.99
	South Asian Financial Exchange Limited	10	20,000	-	20,000	-
	Stanes Amalgamated Estates Limited	10	6,380	8.29	6,380	3.19
	Quoted					
	Aditya Birla Nuvo Limited	10	-	-	1,400	21.26
	Aditya Birla Fashion and Retail Ltd	10	7,280	10.98	7,280	11.20
	Aditya Birla Capital Limited	10	5,040	7.36	-	-
	Ashok Leyland Limited	1	11,000	16.00	11,000	9.30
	Asian Paints (India) Limited	1	7,000	78.43	7,000	75.15
	Axis Bank Limited	2	1,950	9.95	1,950	9.57
	Bajaj Finance Limited	10	6,700	120.43	6,700	78.46
	Bajaj Holdings and Investment Limited	10	950	25.31	950	20.56
	Bajaj Auto Limited	10	1,900	52.15	1,900	53.30
	Bajaj Finserve Limited	10	1,040	53.78	1,040	42.62
	Bank of Baroda	2	18,500	26.33	18,500	32.00
	Bank of India	10	900	0.93	900	1.25
	Bharat Petroleum Corporation Limited	10	12,810	54.76	8,540	55.50
	Biocon Limited	10	900	5.35	300	3.40
	Canfin Homes Limited	10	1,000	4.85	200	4.24
	Colgate-Palmolive (India) Limited	1	2,800	29.59	2,800	27.87
	Cummins India Limited	2	1,960	13.72	1,960	18.61
	G I C Housing Finance Limited	10	2,500	9.31	2,500	9.14
	Gas Authority of India Limited	10	1,493	4.91	1,493	5.63
	Glaxo Smithkline Beecham Consumer Health Care Limited	10	750	45.75	750	38.67
	Grasim Industries Limited	10	3,600	37.83	1,500	15.74
	Great Eastern Shipping Corporation Limited	10	1,080	3.57	1,080	4.50
	Great Offshore Limited	10	270	0.03	270	0.04
	HDFC Bank Limited	2	2,000	37.72	2,000	28.85
	Hindustan Unilever Limited	10	400	5.33	400	3.65
	Housing Development Finance Corporation Limited	10	30,000	550.60	30,000	450.63
	ICICI Bank Limited	2	18,370	51.13	16,700	46.23
	Indian Oil Corporation Limited	10	16,000	28.26	8,000	30.96
	Indraprasth Gas Limited	10	2,500	6.99	500	5.07
	Indusind Bank Limited	10	1,500	26.95	1,500	21.38
	Industrial Development Bank of India	10	1,560	1.13	1,560	1.17
	L.I.C.Housing Finance Limited	2	3,750	20.04	3,750	23.19
	Mahindra and Mahindra Limited	5	4,000	29.56	2,000	25.74
	Maruti Suzuki India	10	200	17.72	200	12.03
	National Aluminium Company Limited	10	4,500	2.99	4,500	3.44
	National Thermo Power Corporation Limited	10	1,500	2.55	1,500	2.49
	Neyveli Lignite Corporation Limited	10	600	0.50	600	0.64
	Nilkamal Plastics Limited	10	700	10.64	700	13.66
	Oil and Natural Gas Corporation Limited	5	15,300	27.20	15,300	28.31
	Petronet LNG Limited	10	2,000	4.62	1,000	4.03
	Punjab National Bank	2	8,750	8.34	8,750	13.12
	Reliance Industries Limited	10	2,670	23.57	1,335	17.63
	Rural Electrification Corporation of India	10	2,120	2.64	2,120	3.84
	Schaeffler India Limited (Formerly known as FAG Bearings India Limited)	10	600	31.21	600	27.47
	State Bank of India	1	11,500	28.74	11,500	33.74
	Sundaram Finance Limited	10	13,200	223.40	13,200	213.15
	Sundaram Finance Holdings Limited	10	13,200	40.99	-	-
	Tata Chemicals Ltd.	10	1,400	9.48	1,400	8.38
	Tata Consultancy Services Limited	1	832	23.70	832	20.23
	Tata Motors Limited	2	9,495	31.03	9,495	44.23
	Tata Steel Limited	10	1,972	11.26	1,700	8.21
	Tata Steel Limited	10	136	0.19	-	-
	Tata Global Beverages Limited	1	13,000	33.64	13,000	19.57
	The United Nilgiri Tea Estates Limited	10	17,264	59.01	17,264	62.67
	Ultratech Cement Limited	10	171	6.75	171	6.81
	Total (equity instruments - fully paid-up)			2,669.22		2,413.47

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

5. Non current investments – (Contd.)		Face Value INR	As at March 31, 2018		As at March 31, 2017	
			Units	Market Value	Units	Market Value
(ii)	Investment in equity instruments (partly paid-up)					
	Adyar Property Holding Company Limited (paid up Rs. 65 per share)	100	55	0.04	55	0.04
	Total (equity instruments - partly paid-up)			0.04		0.04
(iii)	Investment in preference instruments in joint venture (Unquoted)					
	At Cost					
	Unquoted					
	BBL Daido Private Ltd (FCCPS)	100	3,00,000	300.00	3,00,000	300.00
	Total (preference shares)			300.00		300.00
(iv)	Investment in bonds					
	At amortised cost					
	Quoted					
	8.00% Indian Railway Finance Corporation Limited Tax Free – Secured Redeemable Non-convertible Bonds	1,000	1,088	10.88	1,088	10.88
	8.20% Power Finance Corporation Limited Tax Free – Secured Redeemable Non-convertible Bonds	1,000	1,424	14.24	1,424	14.24
	7.19% Power Finance Corporation Limited – Tax Free Secured Bonds	1,000	1,200	12.00	1,200	12.00
	7.22% Rural Electrification Corporation Limited – Tax Free Secured Bonds	1,000	1,000	10.00	1,000	10.00
(v)	Investment in debentures					
	At fair value through profit or loss					
	Quoted					
	8.49% SR-54 Non-Convertible Debentures of National Thermal Power Corporation Limited	12.50	1,500	0.20	1,500	0.19
	Total (bonds and debentures)			47.32		47.31
(vi)	Investment in mutual funds					
	At fair value through profit or loss					
	Unquoted					
	Axis Equity Saver Fund - Growth	10	11,74,362	138.46	11,74,362	128.24
	Axis Dynamic Equity Fund - Growth	10	2,70,120	27.96	-	-
	Aditya Birla Sun Life Medium Term Plan - Growth	10	1,86,030	40.89	1,86,030	37.97
	Aditya Birla Sun Life Equity Savings Fund - Growth	10	92,593	11.97	-	-
	Aditya Birla Sun Life Balanced Advantage Fund - Growth	10	72,088	35.87	-	-
	DSP Black Rock Income Opportunities Fund - Regular Plan - Growth	10	51,560	14.75	51,560	13.86
	DSP Black Rock Balanced Fund - Growth	10	30,680	43.70	30,680	40.60
	Franklin India Monthly Income Plan - Plan A - Growth	10	88,161	46.41	88,161	44.08
	Franklin India Balanced Fund - Growth	10	68,974	77.48	25,283	26.36
	HDFC Focused Equity Fund - Plan B	10	60,000	7.77	60,000	7.30
	HDFC MF Monthly Income Plan - Growth	10	60,352	26.08	60,352	25.00
	HDFC Equity Savings Fund - Growth	10	34,692	11.99	-	-
	ICICI Prudential Balanced Fund - Regular Plan - Dividend	10	2,09,429	50.37	2,09,429	51.71
	ICICI Prudential Multiple Yield Fund Series 6 - Plan - F - Growth	10	-	-	1,20,000	15.26
	ICICI Prudential Growth Fund Series 1	10	-	-	1,12,848	13.69
	ICICI Prudential Growth Fund Series 4	10	60,000	6.41	60,000	7.73
	ICICI Prudential Capital Protection Oriented Fund - Series VII - Plan A - 1285 Days	10	-	-	90,000	10.86
	ICICI Capital Protection Oriented Fund Series VII - 1284 Days - Plan H	10	-	-	1,00,000	11.39
	ICICI Prudential Capital Protection Oriented Fund VIII - 1101 Days - Plan D	10	-	-	1,50,000	16.87
	ICICI Prudential Balanced Fund - Regular Plan - Growth	10	10,525	13.15	10,525	12.03
	ICICI Prudential Balanced Advantage Fund - Dividend	10	2,06,705	31.17	2,06,705	33.28
	ICICI Prudential Balanced Advantage Fund - Growth	10	1,23,588	40.92	85,876	25.97
	ICICI Prudential MIP-25 - Growth	10	3,02,804	119.26	1,68,165	61.39
	Kotak Capital Protection Oriented Scheme -Series 1 Growth	10	1,00,000	11.65	1,00,000	10.98
	Kotak Balance - Growth	10	1,18,805	28.28	58,371	13.08
	Kotak Equity Savings Fund - Growth	10	2,52,359	33.31	-	-
	LIC Nomura MF CPOF Series 3 - Growth	10	-	-	60,000	7.35
	Reliance Equity Savings Fund - Dividend Plan	10	90,951	10.36	90,951	10.42
	Reliance Equity Savings Fund - Growth Plan	10	4,68,030	57.99	2,05,497	23.55
	Reliance Monthly Income Plan - Growth	10	2,89,269	118.49	-	-
	SBI Mutual Fund- Gold Exchange Traded Scheme- Growth Open	10	200	5.58	200	5.24
	SBI Dynamic Bond Fund	10	73,133	15.56	73,133	15.06
	SBI Magnum Balanced Fund - Dividend	10	1,03,492	28.71	1,03,492	28.15
	SBI Magnum Balanced Fund - Growth	10	11,994	14.73	-	-
	SBI Dual Advantage Fund Series II - Growth	10	-	-	1,20,000	15.01
	SBI Equity Opportunities Fund	10	-	-	60,000	8.52
	SBI Dual Advantage Fund Series V - Growth	10	-	-	2,10,000	24.40
	SBI Equity Savings Fund - Dividend	10	1,20,000	14.30	1,20,000	13.64
	SBI Equity Savings Fund - Growth	10	6,47,781	80.33	6,47,781	74.74
	SBI Dual Advantage Fund - Series XV - Regular	10	1,18,758	13.60	1,18,758	12.80
	Sundaram Monthly Income Plan - Aggressive Reg - Quarterly Dividend	10	1,48,516	21.61	1,48,516	21.00
	Tata Balanced Fund	10	20,245	14.59	20,245	15.15
	Tata Dual Advantage Fund - Series 2 - Scheme A - Plan A - Growth	10	-	-	1,20,000	14.95
	UTI Wealth Builder Fund - Growth	10	3,47,898	115.02	2,73,802	84.67
	UTI Dynamic Bond Fund - Growth	10	78,806	15.80	78,806	15.12
	UTI-Capital Protection Oriented Fund Scheme - Series V-I (1163 Days)-Regular Plan - Growth	10	-	-	90,000	10.34
	Total (mutual funds)			1,344.52		1,007.88
	Total			4,361.10		3,768.70
	Aggregate amount of quoted investments and market value thereof			2,016.52		1,765.87
	Aggregate amount of unquoted investments			2,344.58		2,002.83
	Aggregate amount of impairment in value of investments			75.00		75.00



## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018		As at March 31, 2017	
	Curent	Non-Curent	Curent	Non-Curent
6. Other financial assets				
Financial assets at fair value				
(i) Derivatives financial instruments not designated as hedging carrying at fair value				
Foreign currency forward contracts	-	-	34.39	-
(ii) Financial assets at amortised cost				
Intercompany deposits	316.00	332.00	281.00	361.00
Interest accrued on deposits	3.14	-	7.25	-
Interest accrued on investments	1.93	-	1.59	-
Security deposits	2.40	180.51	7.48	178.50
Receivable from related parties	-	-	2.50	-
Others - insurance claims	89.95	-	528.91	-
Total other financial assets	413.42	512.51	863.12	539.50
7. Current tax assets (net)		As at March 31, 2018		As at March 31, 2017
Advance income tax*		48.45		345.21
Advance fringe benefit tax*		-		0.37
Total current tax assets (net)		48.45		345.58
*Net of provision				
- for income tax		351.81		4,999.80
- for fringe benefit tax		-		73.50
8. Other non-current assets				
Capital advances for capital work-in-progress		53.49		54.77
Prepayments		5.31		-
Advance income tax*		376.48		-
Total other non-current assets		435.28		54.77
*Net of provision				
- for income tax		4,946.41		-
9. Inventories				
Raw materials*		1,388.28		1,868.41
Work-in-progress**		1,766.12		1,336.44
Finished goods		764.27		1,033.65
Stock-in-trade acquired for trading		53.14		55.54
Stores, spares and packing material		285.13		266.33
Total inventories		4,256.94		4,560.37
*Goods in transit		260.26		406.77
**Includes manufactured strips and powder		1,253.81		992.49

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to INR 81.63 lakhs (March 31, 2017 - INR 82.09 lakhs). These were recognised as an expense during the year and included in 'the changes in inventories of finished goods, work-in-progress and stock-in-trade' in statement of profit and loss.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

10. Current Investments	Face Value INR	As at March 31, 2018		As at March 31, 2017	
		Units	Market Value	Units	Market Value
(i) Investment in bonds					
At amortised cost					
Unquoted					
9.20% Central Bank of India Tier II Bonds (Series XII)		-	-	1	10.00
Total (bonds)			-		10.00
(ii) Investment in mutual funds					
At Fair value through Profit or Loss					
Unquoted					
ICICI Capital Protection Oriented Fund VI - 1100 Days Plan H	10	-	-	90,000	10.81
ICICI Prudential Multiple Yield Fund - Series VII - Plan F - 1100 Days	10	-	-	90,000	10.69
ICICI Prudential Capital Protection Oriented Fund – Series VII - Plan A - 1285 Days	10	90,000	11.54	-	-
ICICI Capital Protection Oriented Fund Series VII - 1284 Days - Plan H	10	1,00,000	11.95	-	-
ICICI Prudential Capital Protection Oriented Fund VIII - 1101 Days - Plan D	10	1,50,000	17.64	-	-
Kotak Bond (Short Term) - Growth	10	2,03,854	66.13	1,56,714	48.17
Kotak Low Duration Fund	10	965	20.48	-	-
Reliance Dual Advantage Fixed Tenure Fund-II-Plan G - Dividend	10	-	-	1,17,277	18.51
Reliance Dual Advantage Fixed Tenure Fund V Plan B - Growth	10	-	-	1,20,000	14.32
Reliance Dual Advantage Fixed Tenure Fund V Plan G - Growth	10	-	-	1,00,000	12.81
Reliance Dual Advantage Fixed Tenure Fund VI - Plan A - Growth	10	-	-	2,40,000	27.81
SBI Short Term Debt Fund - Growth	10	76,644	15.35	-	-
UTI-Capital Protection Oriented Fund Scheme – Series V- I (1163 Days) - Regular Plan - Growth	10	90,000	10.91	-	-
Total (mutual funds)			154.00		143.12
Total non-current investments carrying value			154.00		153.12
Aggregate amount of Unquoted investments			154.00		153.12
11. Trade receivables				As at March 31, 2018	As at March 31, 2017
Unsecured and considered good					
Trade receivables				4,509.23	3,045.56
Receivables from related parties				595.29	703.57
Total trade receivables				5,104.52	3,749.13
Trade receivables stated above includes :					
Debts due by private companies in which directors are directors				493.39	615.43
12. Cash and cash equivalents					
Unrestricted balances with banks					
- in current accounts				267.26	342.98
- in EEFC accounts				117.05	141.24
- in deposit accounts with original maturity less than 3 months				7.64	7.14
Cash in hand				1.46	1.07
Cheques on hand				-	16.10
Total Cash and cash equivalents				393.41	508.53
Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.					
13. Other bank balances					
Deposit with maturity period more than 3 months but less than 12 months				30.00	30.00
In unpaid dividend account*				19.53	22.04
Margin money deposits (Refer note below)				30.00	30.00
Total other bank balances				79.53	82.04
*Earmarked for payment of unclaimed dividend					
Note: Balances with bank held as margin money for guarantees				30.00	30.00

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
14 Loans		
<i>(Unsecured, considered good)</i>		
Loans to employees	6.87	4.56
Total loans	6.87	4.56
15. Other current assets		
Prepayments	88.15	67.85
Advances to suppliers	61.55	30.89
Balance with government authorities (other than income tax)	206.10	814.98
Other advances	9.19	21.47
Advances to employees	4.06	0.64
Gratuity	159.76	92.80
Total other current assets	528.81	1,028.63

Note: Refer Note 22 for disclosure of Gratuity

	Number of shares	Amount
16. Equity share capital		
Authorised:		
(i) Equity shares of INR. 10 each with voting rights		
As at April 1, 2016	62,50,000	625.00
Movement during the year	-	-
As at March 31, 2017	62,50,000	625.00
Movement during the year	-	-
As at March 31, 2018	62,50,000	625.00
(ii) Redeemable cumulative preference shares of INR 100 each		
As at April 1, 2016	1,25,000	125.00
Movement during the year	-	-
As at March 31, 2017	1,25,000	125.00
Movement during the year	-	-
As at March 31, 2018	1,25,000	125.00
Issued, subscribed and fully paid up :		
(i) Equity shares of INR 10 each with voting rights		
As at April 1, 2016	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2017	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2018	38,25,000	382.50
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:		
Equity shares with voting rights		
As at March 31, 2016	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2017	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2018	38,25,000	382.50
(ii) Terms and rights attached to equity shares		

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 16. Equity share capital – (Contd.)

(iii) Details of shares of the company held by holding company and their subsidiaries and details of shareholders holding more than 5% shares in the company:

	As at March 31, 2018			As at March 31, 2017		
	Number of shares	Amount	% of holding in that class of shares	Number of shares	Amount	% of holding in that class of shares
Amalgamations Private Limited, the holding company	9,69,000	96.90	25.33%	9,69,000	96.90	25.33%
India Pistons Limited, step down subsidiary of Amalgamations Private Limited	7,65,000	76.50	20.00%	7,65,000	76.50	20.00%
Simpson & Company Limited, a subsidiary of Amalgamations Private Limited	11,11,411	111.14	29.06%	11,11,411	111.14	29.06%
Associated Printers (Madras) Private Limited, a subsidiary of Amalgamations Private Limited	2,040	0.20	0.05%	2,040	0.20	0.05%
Higginbothams Private Limited, a subsidiary of Amalgamations Private Limited	3,975	0.40	0.10%	3,975	0.40	0.10%
Sri Rama Vilas Service Limited, a step down subsidiary of Amalgamations Private Limited	12,500	1.25	0.33%	12,500	1.25	0.33%
	28,63,926	286.39	74.87%	28,63,926	286.39	74.87%

	As at March 31, 2018	As at March 31, 2017
17. Other equity		
Capital reserve	–	3.81
General reserve	13,703.81	13,500.00
Retained earnings	1,225.22	755.10
Other reserves	2,139.28	1,767.31
Total reserves and surplus	17,068.31	16,026.22
(a) Capital reserve		
Any profit or loss on purchase, sale, issue or cancellation of Company's own equity instruments is transferred to capital reserve		
Opening balance	3.81	3.81
Less: Transferred to General Reserve	(3.81)	–
Closing balance	–	3.81
(b) General reserve		
This represents appropriation of profit by the Company		
Opening balance	13,500.00	13,350.00
Add: Transferred from Capital Reserve	3.81	–
Add: Transferred from Retained earnings	200.00	150.00
Closing balance	13,703.81	13,500.00
(c) Retained earnings		
Retained earnings comprise of the Company's prior years undistributed earnings after taxes.		
Opening balance	755.10	750.49
Profit for the year	1,015.40	499.89
Less: Appropriations		
(i) Transferred to General Reserve	(200.00)	(150.00)
(ii) Dividend on equity shares	(286.88)	(286.88)
(iii) Dividend distribution tax on above	(58.40)	(58.40)
Closing balance	1,225.22	755.10
(d) Other reserves		
Other items of other comprehensive income consist of currency translation, fair value changes on FVTOCI financial assets and financial liabilities and remeasurement of net defined benefit liability/asset.		
Opening balance	1,767.31	1,318.62
Add: Movement in OCI (Net) during the year	371.97	448.69
Closing balance	2,139.28	1,767.31

Nature and purpose of other reserves

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2018	As at March 31, 2017		
18. Deferred tax liabilities (Net)					
The balance comprises temporary differences attributable to:					
Deferred tax liabilities					
Property, plant and equipment		407.59	485.09		
Other timing differences		52.73	44.02		
Total deferred tax liabilities		460.32	529.11		
Set-off of deferred tax assets pursuant to					
Provision for compensated absences		37.96	44.61		
MAT credit entitlement		54.44	74.00		
Other timing differences		81.01	22.29		
Net deferred tax liabilities		286.91	388.21		
	Depreciation	Provision for compensated absences	MAT credit	Other timing differences	Total
Movement in deferred tax liabilities					
At April 1, 2016	419.00	(51.03)	–	(29.74)	338.23
Charged/(credited):					
– to statement of profit and loss	66.09	6.42	(74.00)	25.12	23.63
– to other comprehensive income	–	–	–	26.35	26.35
At March 31, 2017	485.09	(44.61)	(74.00)	21.73	388.21
Charged/(credited):					
– to statement of profit and loss	(77.50)	6.65	19.56	(2.16)	(53.45)
– to other comprehensive income	–	–	–	(47.85)	(47.85)
At March 31, 2018	407.59	(37.96)	(54.44)	(28.28)	286.91
19. Trade payables		As at March 31, 2018	As at March 31, 2017		
Trade Payables (Refer note below)					
(a) Total outstanding dues of micro enterprises and small enterprises		55.33	110.90		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,383.48	2,242.86		
Total trade payables		2,438.81	2,353.76		
Note: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows:					
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.		40.70	81.11		
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.		14.63	29.79		
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.		221.14	406.01		
Interest paid, other than Section 16 of MSMED Act, to supplier registered under the MSMED Act, beyond the appointed day during the year.		–	–		
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.		–	–		
Interest due and payable towards suppliers registered under MSMED Act, for payments already made		3.21	18.34		
Further interest remaining due and payable for earlier years		11.42	21.51		
20. Other financial liabilities					
A. Other Financial liabilities measured at amortised cost					
Unpaid Dividend [Refer note (a)]		19.53	22.04		
Creditors for capital supplies / services		87.48	63.03		
B. Other financial liabilities measured at fair value					
Foreign currency forward contracts		8.56	–		
Total other financial liabilities		115.57	85.07		

Note (a): There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2018	As at March 31, 2017
21. Current liabilities			
Statutory dues-taxes payable(other than income tax)		134.18	155.34
Advance received from customers		5.10	21.14
<b>Total current liabilities</b>		<b>139.28</b>	<b>176.48</b>
22. Provisions			
Provisions for employee benefits:	As at March 31, 2018	As at March 31, 2017	
	Current	Non-current	Current
Provision for compensated absences	27.67	103.96	21.78
<b>Total provisions</b>	<b>27.67</b>	<b>103.96</b>	<b>21.78</b>
Employee benefits plan			
(i) Defined contribution plan		For the year ended March 31, 2018	For the year ended March 31, 2017
The company makes Provident Fund, Superannuation fund and Employee State Insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits.			
– Contribution to Provident fund		101.67	100.32
– Contribution to Superannuation fund		13.72	11.37
– Employee State Insurance scheme		8.02	4.52
The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.			
(ii) Defined benefit plans			
A. Change in present value of the obligation during the year ended			
1. Opening present value of the obligation		610.04	662.63
2. Current service cost		–	37.15
3. Past service cost		21.85	–
4. Interest Cost		41.08	49.13
5. Benefits paid		(62.84)	(65.46)
6. Experience (gains)/losses		1.79	–
7. (Gain)/loss from change in demographic assumptions		(7.23)	(73.41)
8. (Gain)/loss from change in financial assumptions		(71.88)	–
9. Closing present value of obligation		532.81	610.04
B. Change in assets during the year			
1. Opening fair value of plan assets		(702.84)	(620.98)
2. Expected return on plan assets		(47.67)	(49.59)
3. (Gain)/loss from change in financial assumptions		(4.90)	(2.73)
4. Contribution made		62.84	(95.00)
5. Benefits paid		–	65.46
6. Actuarial gain/(loss) on plan assets		–	–
7. Closing fair value of plan assets		(692.57)	(702.84)
C. Net (asset)/liability recognised in the Balance Sheet			
1. Opening present value of the obligation		610.04	662.63
2. Fair Value of plan assets		(692.57)	(702.84)
3. Funded status surplus/(deficit)		(77.23)	(52.59)
4. Closing net (asset)/liability recognised in the Balance Sheet		(159.76)	(92.80)
D. Expenses recognised during year			
1. Current service cost		–	37.15
2. Past service cost		21.85	–
3. (Gains) and losses on curtailment and settlement		(82.22)	(76.14)
4. Interest expense/(income)		(6.60)	(0.46)
5. Total expenses to be recognised in statement of profit and loss		15.25	36.69
6. Total expenses to be recognised in Other Comprehensive Income		(82.22)	(76.14)

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### Note 22 – (Contd.)

	For the year ended March 31, 2018	For the year ended March 31, 2017
(iii) Post-employment benefits		
Significant estimates: actuarial assumptions and sensitivity		
Discount rate	7.62%	7.10%
Salary growth rate	3.74%	5.18%
Attrition rate	4.80%	5.64%
(iv) Major category of plan assets as a % of total plan assets		
	March 31, 2018	March 31, 2017

Insurer managed assets –

Balance with Life Insurance Corporation (LIC) of India	100.00%	100.00%
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The details with respect to the composition of investments in the fair value of plan assets managed by LIC have not been disclosed in the absence of the above said information.

The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

These plans typically expose the Company to risks such as interest rate risk, longevity risk and salary risk.

Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.

Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(v) Sensitivity analysis	March 31, 2018	March 31, 2017
A. Discount rate +50 BP	8.12%	7.60%
Defined benefit obligation [PVO]	516.23	591.82
B. Discount rate –50 BP	7.12%	6.60%
Defined benefit obligation [PVO]	550.32	629.27
C. Salary escalation rate +50 BP	4.24%	5.68%
Defined benefit obligation [PVO]	550.59	629.69
D. Salary escalation rate –50 BP	3.24%	4.68%
Defined benefit obligation [PVO]	515.86	591.23

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

#### (vi) Expected cash flows

Expected employer contribution/additional provision for future years are as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Next 5 years
March 31, 2018	57.81	43.06	38.56	70.96	65.81	331.39
March 31, 2017	53.13	63.60	59.31	146.60	64.24	308.49

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
23. Revenue from operations		
(a) Revenue from sale of products (including excise duty)	17,909.42	15,178.27
(b) Other operating revenue		
Duty drawback and Export benefit	72.66	109.41
Scrap sales (including excise duty)	595.96	687.85
<b>Total revenue from operations</b>	<b>18,578.04</b>	<b>15,975.53</b>
24. Other income		
Dividend income from equity investment designated at fair value through other comprehensive income (i)	17.08	26.45
Dividend income from investment carried at cost	0.60	14.36
Dividend income from investment mandatorily measured at fair value through profit or loss	22.07	29.40
Fair value gains on derivatives not designated as hedges (net)	–	20.30
Interest income on financial assets at amortised cost	83.08	171.84
Liabilities no longer required written back	142.73	20.47
Net gain on financial assets carried at fair value through profit or loss	57.71	81.50
Forex gain (net)	113.90	127.25
Net gain on sale of Financial assets	6.14	28.14
Other non-operating income	4.46	1.28
Profit on sale of Property, Plant and equipment sold (net)	0.90	0.59
<b>Total other income</b>	<b>448.67</b>	<b>521.58</b>
Note: All dividends from equity investments designated at FVTOCI relate to investments held at the end of the reporting period. There was no derecognition of such investments during the reporting period.		
25. Cost of materials consumed		
Raw materials at the beginning of the year	1,868.41	1,691.54
Add: Purchases*	8,712.89	7,327.82
Less: Raw materials at the end of the year	1,388.28	1,868.41
<b>Total Cost of materials consumed</b>	<b>9,193.02</b>	<b>7,150.95</b>
* Also refer Note 31		
26. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the beginning of the year		
Finished goods	1,033.65	1,319.97
Stock-in-trade	55.54	64.97
Work-in-progress	1,336.44	1,098.93
<b>Total opening balance</b>	<b>2,425.63</b>	<b>2,483.87</b>
Inventories at the end of the year		
Finished goods	764.27	1,033.65
Stock-in-trade	53.14	55.54
Work-in-progress	1,766.12	1,336.44
<b>Total closing balance</b>	<b>2,583.53</b>	<b>2,425.63</b>
Insurance claim on stock damaged on account of cyclone/ flood	–	(250.06)
<b>Total changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>(157.90)</b>	<b>(191.82)</b>
27. Employee benefit expense		
Salaries and wages, including bonus	2,054.27	1,878.14
Contribution to provident and other funds	130.64	148.38
Staff welfare expenses	292.41	268.67
	<b>2,477.32</b>	<b>2,295.19</b>
Less:		
Recovery for seconded services	3.75	14.19
Expense related to self constructed assets	43.39	5.51
<b>Total employee benefit expense</b>	<b>2,430.18</b>	<b>2,275.49</b>



## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31 ,2018	For the year ended March 31 ,2017
28. Finance cost		
Interest expense - others	4.48	15.68
Total finance cost	4.48	15.68
29. Depreciation and amortisation expense		
Depreciation of property, plant and equipment	413.78	379.62
Amortisation of intangible assets	31.49	27.34
Total depreciation and amortisation expense	445.27	406.96
30. Other expenses		
Consumption of stores and spare parts	983.80	800.36
Consumption of loose tools	198.39	106.15
Consumption of packing materials	385.70	318.71
Increase/(decrease) of excise duty on inventory	(92.21)	(48.60)
Sub contracting charges	574.21	544.22
Power and Fuel	1,042.80	912.74
Rent	38.71	37.77
Repairs and maintenance		
– Buildings	118.21	72.98
– Machinery	171.06	165.06
– Others	62.66	66.48
Contract labour cost	223.81	204.00
Insurance	49.83	53.64
Rates and taxes	146.26	127.29
Travelling expenses	240.11	232.96
Communication costs	42.46	48.41
Packing and forwarding expenses	379.20	341.52
Payment to auditor (Refer Note (i) below)	22.50	30.36
Directors' sitting fees	7.00	5.00
Sales promotional expenses	109.72	52.86
Bank charges and commission	32.13	22.16
Professional and consultancy charges	201.97	167.74
Expenditure on Corporate Social Responsibility (CSR) (Refer Note (ii) below)	13.70	12.15
Donations	0.23	0.28
Watch and ward expenses	101.76	103.35
Bad debts	–	2.01
Miscellaneous expenses	116.39	135.43
	5,170.40	4,515.03
Less : Expenses related to self constructed assets	2.61	0.66
Total other expenses	5,167.79	4,514.37
Note (i) Payment to auditor		
Particulars		
Statutory audit fee	22.50	25.00
Reimbursement of expenses	–	0.36
Other services	–	5.00
Total	22.50	30.36
Note (ii) on CSR expenditure		
Amount required to be spent as per Section 135 of the Act	13.70	12.25
Amount spent during the year on:		
(i) Construction/ acquisition of an asset	–	–
(ii) On purpose other than (i) above		
– Sri Paramakalyani Educational Society	10.00	10.00
– Sri Ganga Plastic Reconstructive and Microsurgery Trust	–	2.15
– Vathsalyam	3.70	–
Total CSR expenditure	13.70	12.15

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 31. Exceptional items

Exceptional items comprises of the following -

- (i) During the last year the Company's factories located at Sembiam and Thoraipakkam were affected by Vardah cyclone. The loss arising from the same including the related insurance settlement have been disclosed as an exceptional item. Previous year exceptional items pertain to loss incurred (net of insurance settlement) on account of damage arising from flood to the Company's fixed asset and stock located at Sembiam and Thoraipakkam factories.

Exceptional item of the previous year also includes an insurance settlement pertaining to a fire damage at Company's factory at Hosur in the financial year 2014-15.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Vardah cyclone/ Flood damage		
Raw materials damaged	-	(65.28)
Work-in-progress damaged	-	(242.97)
Finished goods damaged	-	(7.09)
Other expenses resulting from damage to inventory	-	(34.22)
Scrap proceeds from disposal of above inventory	-	75.02
Expenses incurred on repair of fixed assets	-	(120.93)
Insurance claim received/ receivable on relating to current year loss	-	381.96
Insurance claim received/ receivable relating to prior year loss	-	118.55
<b>Total exceptional items arising from damage/ insurance settlements</b>	<b>-</b>	<b>105.04</b>
(ii) During the year ended March 31, 2017 the Management has performed an impairment assessment of its investment in its associate (IPL Green Power Limited). Based on the assessment, the Management is of the opinion that the current project of IPL Green Power Limited may not be viable. Further it has been understood that the management of IPL Green Power Limited is contemplating withdrawal of the application pending with the Regulators/ State Government and consider other viable projects in due course. Considering this the Management has decided to impair its entire investment in IPL Green Power Limited. Accordingly an impairment charge of INR 75 lakhs has been considered in the accounts for the year ended March 31, 2017 which has been presented as an exceptional item.	-	(75.00)
<b>Total Exceptional items (i+ii)</b>	<b>-</b>	<b>30.04</b>

#### 32. Income tax expense

- (a) Income tax expense

Current tax		
Current tax on profits for the year	351.81	158.00
<b>Total current tax expense</b>	<b>351.81</b>	<b>158.00</b>
Deferred tax		
Increase in deferred tax liabilities	(73.01)	97.63
MAT Credit entitlement	19.56	(74.00)
<b>Total deferred tax expense</b>	<b>(53.45)</b>	<b>23.63</b>
<b>Income tax expense</b>	<b>298.36</b>	<b>181.63</b>
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before tax	1,313.76	681.52
Tax at the Indian tax rate of 34.608% (FY 2016-2017 – 33.063%)	454.67	225.33
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(42.08)	(29.36)
Dividend income from Mutual funds and equity instruments exempted under the Income tax act	(13.76)	(24.41)
Corporate social responsibility expenditure (net of 80G benefit)	4.74	2.07
Interest on MSME payments	1.17	2.74
Profit on sale/ fair valuation of investment, as the same is set off against carry forward of losses on which no deferred tax had been recognised	(11.62)	(36.25)
Impact of loss on fair valuation of investment	-	-
Disallowance under section 14A relating to expenditure on exempt income	7.93	6.98
Impact of remeasurement of opening deferred tax liability	-	-
Unrecognised deferred tax on Impairment of investment in associate in the absence of reasonable certainty on the realisability	-	24.80
Income that is exempt from taxation	(44.29)	-
Difference arising from measurement of deferred tax at 34.608% as against the current tax rate of 33.063%	(53.45)	4.36
Others	(4.95)	5.37
<b>Income tax expense</b>	<b>298.36</b>	<b>181.63</b>

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 32. Income tax expense – (Contd.)

(c) Unused tax losses for which no deferred tax asset has been recognised	March 31, 2018	March 31, 2017
Date of expiry of carry forward loss		
March 31, 2018	–	9.81
March 31, 2019	–	0.28
March 31, 2020	77.40	82.19
March 31, 2021	33.99	33.99
March 31, 2022	16.99	16.99
March 31, 2023	17.89	17.89
March 31, 2024	40.23	40.23
March 31, 2025	24.00	24.00
<b>Total of unused tax capital loss</b>	<b>210.50</b>	<b>225.38</b>
Potential tax benefit @ 20%	42.10	45.08

#### 33. Fair value measurements

Financial instruments by category	As at March 31, 2018			As at March 31, 2017		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
<b>Investments</b>						
– Equity instruments	–	2,174.50	494.76	–	1,918.75	494.76
– Mutual funds	1,498.53	–	–	1,150.98	–	–
– Preference, bonds and debentures	0.20	–	347.12	0.19	–	357.12
Trade receivables	–	–	5,104.52	–	–	3,749.13
Loans	–	–	6.87	–	–	4.56
Cash and cash equivalents	–	–	393.41	–	–	508.53
Bank balances other than above	–	–	79.53	–	–	82.04
Intercorporate deposit	–	–	648.00	–	–	642.00
Security deposits	–	–	182.91	–	–	185.98
Other claims and receivables	–	–	95.02	–	–	540.25
Derivative financial asset	–	–	–	34.39	–	–
<b>Total financial assets</b>	<b>1,498.73</b>	<b>2,174.50</b>	<b>7,352.14</b>	<b>1,185.56</b>	<b>1,918.75</b>	<b>6,564.37</b>
<b>Financial liabilities</b>						
Trade payables	–	–	2,438.81	–	–	2,353.76
Capital creditor	–	–	87.48	–	–	63.03
Unpaid dividends	–	–	19.53	–	–	22.04
Derivative Financial Liability	–	–	8.56	–	–	–
<b>Total financial liabilities</b>	<b>–</b>	<b>–</b>	<b>2,554.38</b>	<b>–</b>	<b>–</b>	<b>2,438.83</b>

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 33. Fair value measurements – (Contd.)

##### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL					
Mutual Funds	5, 10	1,150.98	–	–	1,150.98
Preference shares, bonds and debentures	5	0.19	–	357.13	357.32
Financial Investments at FVOCI					
Listed Equity Investments	5	1,718.56	–	–	1,718.56
Unquoted equity investments	5	–	200.20	494.76	694.96
Derivatives not designated as hedges					
Forward Contracts	6	–	34.39	–	34.39
Others					
Trade receivables	11	–	3,749.13	–	3,749.13
Loans	14	–	–	4.56	4.56
Cash and cash equivalents	12	–	508.53	–	508.53
Bank balances other than above	13	–	82.04	–	82.04
Intercorporate deposit	6	–	–	642.00	642.00
Security deposits	6	–	–	185.98	185.98
Other claims and receivables	6	–	–	540.25	540.25
<b>Total financial assets</b>		<b>2,869.73</b>	<b>4,574.29</b>	<b>2,224.68</b>	<b>9,668.70</b>
<b>Financial liabilities</b>		<b>–</b>	<b>2,438.83</b>	<b>–</b>	<b>2,438.83</b>
<b>Total financial liabilities</b>		<b>–</b>	<b>2,438.83</b>	<b>–</b>	<b>2,438.83</b>

#### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL					
Mutual Funds	5, 10	1,498.53	–	–	1,498.53
Preference shares, bonds and debentures	5	0.20	–	347.12	347.32
Financial Investments at FVOCI					
Listed Equity Investments	5	1,969.20	–	–	1,969.20
Unquoted equity investments	5	–	205.30	494.76	700.06
Others					
Trade receivables	11	–	5,104.52	–	5,104.52
Loans	14	–	–	6.87	6.87
Cash and cash equivalents	12	–	393.41	–	393.41
Bank balances other than above	13	–	79.53	–	79.53
Intercorporate deposit	6	–	–	648.00	648.00
Security deposits	6	–	–	182.91	182.91
Other claims and receivables	6	–	–	95.02	95.02
<b>Total financial assets</b>		<b>3,467.93</b>	<b>5,782.76</b>	<b>1,774.68</b>	<b>11,025.37</b>
<b>Financial Liabilities</b>		<b>–</b>	<b>2,554.38</b>	<b>–</b>	<b>2,554.38</b>
<b>Total financial liabilities</b>		<b>–</b>	<b>2,554.38</b>	<b>–</b>	<b>2,554.38</b>

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

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#### 33. Fair value measurements – (Contd.)

##### Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

##### Level 2:

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

##### Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

During the year ended March 31, 2018, the Company transferred an unquoted equity investment from level 3 to level 2 as there was an observable market data available in the form of a buy back offer.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of certain financial instruments have been determined based on the buy back offer made by the originator of the instrument.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

#### (iii) Valuation processes

The company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a post tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion. As part of this discussion the team presents a report that explains the reason for the fair value movements.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for bonds and debentures, intercorporate deposits, security deposits and other deposits were calculated based on cash flows discounted using the current interest rate as at the respective reporting date for a similar instrument. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

# BIMETAL BEARINGS LIMITED

## Notes to the Standalone financial statements for the year ended March 31, 2018

### 34. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Liabilities	Rolling cash flow forecasts	Availability of liquid investments, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – security prices	Investments in equity securities Investments in mutual funds	Sensitivity analysis	Portfolio Diversification

The Company's risk management is carried out by the Chief Financial Officer under policies approved by the Board of Directors. The Chief Financial officer identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### (A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

##### (i) Credit risk management

Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1 : High-quality assets, negligible credit risk

C2 : Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are included –

- Internal credit rating
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increase in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management (Contd.)

##### (ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Internal credit rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	Loans and Deposits	Trade receivables
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
C2	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

For the Year ended March 31, 2017 to March 31, 2018:

##### (a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2017: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

##### (b) Expected credit loss for trade receivables under simplified approach

Customer credit risk is managed by the Company based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal credit rating system. Outstanding customer receivables are regularly monitored and assessed for its recoverability. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers has sufficient capacity to meet the obligations and the risk of default is negligible.

##### (iii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2016	-
Changes in loss allowance	-
<u>Loss allowance on March 31, 2017</u>	<u>-</u>
Changes in loss allowance	-
<u>Loss allowance on March 31, 2018</u>	<u>-</u>

##### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

##### (i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2018	March 31, 2017
Floating rate		
– Expiring beyond one year (bank overdraft)	550.00	550.00

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management – (Contd.)

##### (ii) Maturities of financial liabilities

The tables below analyses the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
March 31, 2018						
Non-derivatives						
Trade payables	2,438.81	-	-	-	-	2,438.81
Other financial liabilities	115.57	-	-	-	-	115.57
Total non-derivative liabilities	2,554.38	-	-	-	-	2,554.38
March 31, 2017						
Non-derivatives						
Trade payables	2,353.76	-	-	-	-	2,353.76
Other financial liabilities	85.07	-	-	-	-	85.07
Total non-derivative liabilities	2,438.83	-	-	-	-	2,438.83

#### (C) Market risk

##### (i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR, GBP and JPY. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows:

	Financial assets				Financial Liabilities		
	Trade Receivables	Balance in EEFC Account	Foreign exchange forward contract (Sell foreign currency)	Net exposure to foreign currency risk (assets)	Trade Payables	Foreign exchange forward contract	Net exposure to foreign currency risk (liabilities)
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
March 31, 2018							
USD	1,292.53	116.21	(1,337.79)	70.95	-	-	-
(Previous year)	699.55	72.60	(611.51)	160.64	94.28	-	94.28
EUR	44.18	0.84	(26.22)	18.80	28.07	-	28.07
(Previous year)	157.84	68.64	(200.89)	25.59	127.65	-	127.65
GBP	15.36	-	-	15.36	-	-	-
(Previous year)	4.15	-	-	4.15	-	-	-
JPY	-	-	-	-	616.88	-	616.88
(Previous year)	-	-	-	-	519.23	(242.62)	276.61



## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management – (Contd.)

	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs
March 31, 2018							
USD	19.13	1.80	20.35	41.28	–	–	–
(Previous year)	10.87	1.13	(8.95)	3.05	1.45	–	1.45
EUR	0.56	0.01	0.32	0.89	0.34	–	0.34
(Previous year)	2.32	1.01	(2.78)	0.55	1.82	–	1.82
GBP	0.17	–	–	0.17	–	–	–
(Previous year)	0.05	–	–	0.05	–	–	–
JPY	–	–	–	–	989.06	–	989.06
(Previous year)	–	–	–	–	872.07	(419.93)	452.14

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Impact on profit after tax  
March 31, 2018 March 31, 2017

USD sensitivity		
INR/USD increases by 5%*	2.32	2.17
INR/USD decreases by 5%*	(2.32)	(2.17)
EURO sensitivity		
INR/EURO increases by 5%*	(0.30)	(3.34)
INR/EURO decreases by 5%*	0.30	3.34
GBP sensitivity		
INR/GBP increases by 5%*	0.50	0.14
INR/GBP decreases by 5%*	(0.50)	(0.14)
JPY sensitivity		
INR/JPY increases by 5%*	20.17	9.04
INR/JPY decreases by 5%*	(20.17)	(9.04)

\*Holding all other variables constant

#### (ii) Price risk

The Company's exposure to equity securities and mutual fund price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities and mutual fund, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company. The majority of the Company's equity investments are publicly traded and are included in the NSE Nifty 50 index.

#### Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

	Impact on profit after tax		Impact on other components of equity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
NSE Nifty 50 – increase 5%	74.93	57.55	98.46	85.93
NSE Nifty 50 – decrease 5%	(74.93)	(57.55)	(98.46)	(85.93)

Profit for the period would increase/decrease as a result of gains/losses on mutual fund classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

#### 35. Capital management

##### (a) Dividends

March 31, 2018 March 31, 2017

##### (i) Equity shares

Final dividend for the year ended March 31, 2017 of INR 7.50  
(March 31, 2016 of INR 7.50) per fully paid share

286.88 286.88

##### (ii) Dividends not recognised at the end of the reporting period (Refer Note 39)

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

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#### 36 Related party transactions

(a) Name of the related parties and nature of relationship:

(i) Where control exist:

Holding company Amalgamations Private Limited

(ii) Other related parties with whom transactions have taken place during the year

Joint venture BBL Daido Private Limited

Associates IPL Green Power Limited

Fellow Subsidiaries

Simpson & Company Limited

Addison & Company Limited

Amco Batteries Limited

Amco Saft India Limited

Amalgamations Repco Limited

Associated Printers (Madras) Private Limited

George Oakes Limited

India Pistons Limited

IP Rings Limited

IP Pins & Liners Limited

L M Van Moppes Diamond Tools India Private Limited

Shardlow India Limited

Simpson and General Finance Company Limited

Speed-A-Way Private Limited

Sri Rama Vilas Service Limited

Stanes Amalgamated Estates Limited

T.Stanes & Company Limited

Tractors and Farm Equipment Limited

TAFE Motors & Tractors Limited

The Madras Advertising Company Private Limited

Wheel and Precision Forgings India Limited

Wallace Cartwright & Company Limited

The United Nilgiri Tea Estates Company Limited

TAFE Access Limited

Higginbothams Private Limited

Addisons Paints & Chemicals Limited

Key management personnel

Mr. A. Krishnamoorthy, Managing Director

Mr. S. Narayanan, Whole Time Director

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Particulars of transactions with related parties

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Transaction during the year										
Sale of goods	-	-	1,038.23	853.50	1,089.70	1,162.36	-	-	2,127.93	2,015.86
Simpson & Company Limited	-	-	-	-	444.24	455.38	-	-	444.24	455.38
George Oakes Limited	-	-	-	-	289.19	326.96	-	-	289.19	326.96
Speed-A-Way Private Limited	-	-	-	-	354.79	374.01	-	-	354.79	374.01
BBL Daido Private Limited	-	-	1,038.23	853.50	-	-	-	-	1,038.23	853.50
TAFE Motors and Tractors Limited	-	-	-	-	1.48	6.01	-	-	1.48	6.01
Claims reimbursement against credit note (sales)	-	-	-	29.78	1.55	9.24	-	-	1.55	39.02
Simpson & Company Limited	-	-	-	-	-	7.14	-	-	-	7.14
George Oakes Limited	-	-	-	-	0.52	0.56	-	-	0.52	0.56
Speed-A-Way Private Limited	-	-	-	-	1.03	1.54	-	-	1.03	1.54
BBL Daido Private Limited	-	-	-	29.78	-	-	-	-	-	29.78
Rendering of services	-	-	3.75	14.19	-	-	-	-	3.75	14.19
BBL Daido Private Limited	-	-	3.75	14.19	-	-	-	-	3.75	14.19
Interest received	-	-	14.72	-	-	-	-	-	14.72	-
BBL Daido Private Limited	-	-	14.72	-	-	-	-	-	14.72	-
Dividend received	-	-	-	14.36	0.60	4.23	-	-	0.60	18.59
Amalgamation Repco Limited	-	-	-	-	-	3.63	-	-	-	3.63
BBL Daido Private Limited	-	-	-	14.36	-	-	-	-	-	14.36
Stanes Amalgamated Estates Limited	-	-	-	-	0.13	0.13	-	-	0.13	0.13
Others	-	-	-	-	0.47	0.47	-	-	0.47	0.47
Purchase of goods	-	-	115.48	9.12	12.33	20.07	-	-	127.81	29.19
Addison & Company Limited	-	-	-	-	2.98	7.04	-	-	2.98	7.04
Associated Printers (Madras) Private Limited	-	-	-	-	0.49	2.72	-	-	0.49	2.72
L M Van Moppes Diamond Tools India Private Limited	-	-	-	-	2.46	1.97	-	-	2.46	1.97
IP Rings Limited	-	-	-	-	5.16	8.26	-	-	5.16	8.26
BBL Daido Private Limited	-	-	115.48	9.12	-	-	-	-	115.48	9.12
Others	-	-	-	-	1.24	0.08	-	-	1.24	0.08

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Receiving of services (Including reimbursement of expense incurred by the related party on behalf of the Company)	71.40	56.28	0.09	3.70	103.66	146.30	-	-	175.15	206.28
Amalgamations Private Limited	71.40	56.28	-	-	-	-	-	-	71.40	56.28
Sri Rama Vilas Service Limited	-	-	-	-	6.85	66.36	-	-	6.85	66.36
Simpson & Company Limited	-	-	-	-	37.06	34.46	-	-	37.06	34.46
Simpson & General Finance Company Limited	-	-	-	-	18.12	20.22	-	-	18.12	20.22
BBL Daido Private Limited	-	-	0.09	3.70	-	-	-	-	0.09	3.70
The Madras Advertising Company Private Limited	-	-	-	-	16.87	5.26	-	-	16.87	5.26
India Pistons Limited	-	-	-	-	1.32	0.20	-	-	1.32	0.20
Shardlow India Limited	-	-	-	-	8.03	6.54	-	-	8.03	6.54
Others	-	-	-	-	15.41	13.26	-	-	15.41	13.26
Discount and Rebates	-	-	-	-	24.89	22.65	-	-	24.89	22.65
George Oakes Limited	-	-	-	-	7.71	7.74	-	-	7.71	7.74
Speed-A-Way Private Limited	-	-	-	-	17.18	14.91	-	-	17.18	14.91
Rent	-	-	-	-	28.85	30.03	-	-	28.85	30.03
Simpson & Company Limited	-	-	-	-	8.94	10.03	-	-	8.94	10.03
George Oakes Limited	-	-	-	-	6.88	7.63	-	-	6.88	7.63
Wheel & Precision Forgings India Limited	-	-	-	-	10.20	9.57	-	-	10.20	9.57
Amalgamations Repco Limited	-	-	-	-	2.83	2.80	-	-	2.83	2.80
Dividend Paid	72.68	72.68	-	-	142.14	142.13	0.02	0.03	214.84	214.84
Amalgamations Private Limited	72.68	72.68	-	-	-	-	-	-	72.68	72.68
Simpson & Company Limited	-	-	-	-	83.36	45.30	-	-	83.36	45.30
India Pistons Limited	-	-	-	-	57.38	95.43	-	-	57.38	95.43
Others	-	-	-	-	1.40	1.40	0.02	0.03	1.42	1.43
Key Management personnel compensation	-	-	-	-	-	-	134.63	122.93	134.63	122.93
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	-	-
Short-term employee benefits	-	-	-	-	-	-	58.13	54.62	58.13	54.62
Other long-term benefits	-	-	-	-	-	-	6.30	6.30	6.30	6.30
Mr. S. Narayanan	-	-	-	-	-	-	-	-	-	-
Short-term employee benefits	-	-	-	-	-	-	66.78	58.59	66.78	58.59
Other long-term benefits	-	-	-	-	-	-	3.42	3.42	3.42	3.42

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Associate		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Balance at Year end												
Investments	-	-	794.76	794.76	224.28	222.84	75.00	75.00	-	-	1,094.04	1,092.60
Amalgamations Repco Limited	-	-	-	-	156.98	156.98	-	-	-	-	156.98	156.98
BBL Daido Private Limited	-	-	794.76	794.76	-	-	-	-	-	-	794.76	794.76
Sianes Amalgamated Estates Limited	-	-	-	-	8.29	3.19	-	-	-	-	8.29	3.19
IPL Green Power Limited (Refer Note 32)	-	-	-	-	-	-	75.00	75.00	-	-	75.00	75.00
The United Nilgiri Tea Estates Limited	-	-	-	-	59.01	62.67	-	-	-	-	59.01	62.67
Trade Receivables	-	-	344.04	511.97	251.26	191.60	-	-	-	-	595.30	703.57
Simpson & Company Limited	-	-	-	-	83.50	34.07	-	-	-	-	83.50	34.07
George Oakes Limited	-	-	-	-	65.35	69.39	-	-	-	-	65.35	69.39
Speed-A-Way Private Limited	-	-	-	-	101.91	88.14	-	-	-	-	101.91	88.14
BBL Daido Private Limited	-	-	344.04	511.97	-	-	-	-	-	-	344.04	511.97
TAFE Motors and Tractors Limited	-	-	-	-	0.50	-	-	-	-	-	0.50	-
Short-term loans and advances	-	-	-	2.36	-	-	-	-	-	-	-	2.36
BBL Daido Private Limited	-	-	-	2.36	-	-	-	-	-	-	-	2.36
Amco Safil India Limited	-	-	-	-	-	-	-	-	-	-	-	-
Amounts Payable	13.87	20.67	56.47	12.82	45.59	44.27	-	-	9.90	22.28	125.83	100.04
Amalgamations Private Limited	13.87	20.67	-	-	-	-	-	-	-	-	13.87	20.67
BBL Daido Private Limited	-	-	56.47	12.82	-	-	-	-	-	-	56.47	12.82
Simpson & Company Limited	-	-	-	-	10.61	9.33	-	-	-	-	10.61	9.33
Simpson & General Finance Company Limited	-	-	-	-	8.48	9.12	-	-	-	-	8.48	9.12
Sri Rama Vilas Service Limited	-	-	-	-	0.04	7.20	-	-	-	-	0.04	7.20
IP Pins & Liners Limited	-	-	-	-	-	0.62	-	-	-	-	-	0.62
The Madras Advertising Company Limited	-	-	-	-	0.25	1.13	-	-	-	-	0.25	1.13
IP Rings Limited	-	-	-	-	3.29	4.09	-	-	-	-	3.29	4.09
George Oakes Limited	-	-	-	-	4.55	6.10	-	-	-	-	4.55	6.10
Associated Printers (Madras) Private Limited	-	-	-	-	4.57	-	-	-	-	-	4.57	-
Mr. A. Krishnamoorthy, Managing Director	-	-	-	-	-	-	-	-	9.90	8.68	-	8.68
Mr. S. Narayanan, Whole-time Director	-	-	-	-	-	-	-	-	9.90	13.60	9.90	13.60
Others	-	-	-	-	13.80	6.68	-	-	-	-	13.80	6.68

#### Notes:

- There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.
  - Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
  - No amount is/has been written off or written back during the year in respect of debts due from or to related party.
  - The above transactions are compiled from the date these parties became related and do not include reimbursement of expenses which are accounted in the natural head of accounts.
- (c) Terms and conditions  
Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
37. Contingent liabilities		
Claim against the company not acknowledged as debt:		
Income tax matters	363.32	409.00
Sales tax matters	8.89	8.89
Electricity matters	464.26	464.26
Claims by workmen pending before labour court	6.65	6.65
– Future cash flows in respect of above is determinable only on receipts of judgement / decision pending with relevant authorities.		
– The Company has filed responses / appeals against above matters which is pending disposal.		
38. Capital and other commitments		
(a) Capital commitments		
Estimated value of contracts in capital account remaining to be executed	183.66	115.06
Investment partly paid - equity shares of Rs. 100 each in Adyar Property Holding Company Limited (INR 65 paid up)	0.02	0.02
Investment partly paid - equity shares of INR 615 each in TATA steel Limited (INR 154 paid up)	0.63	–
(b) Other commitments	–	–
39. Events after the reporting period		
The Board of Directors have recommended dividend of INR 9 per fully paid up equity share of INR 10 each, aggregating INR 344.25 lakhs and INR 71.02 Lakhs dividend distribution tax for the financial year 2017-18, which is based on relevant share capital as on March 31, 2018. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.		
40. Earnings per share		
For the purpose of computing the earnings per share, the net profit after tax has been used as the numerator and the weighted average number of shares outstanding has been considered as the denominator.		
	For the year ended March 31, 2018	For the year ended March 31, 2017
Particulars		
Net profit attributable to shareholders	1,015.40	499.89
Profit attributable to equity shareholders	1,015.40	499.89
Weighted average number of equity shares of INR 10 each, for Basic EPS	38,25,000	38,25,000
Earning per share - Basic	26.55	13.07
Net profit for the year	1,015.40	499.89
Net Profit for the year attributable to the equity shareholders	1,015.40	499.89
Weighted average number of equity shares of INR 10 each, for Diluted EPS	38,25,000	38,25,000
Earnings per share - Diluted	26.55	13.07
41. Research and development expenditure incurred during the year		
Expenditure on R&D (DSIR approved R&D Centres)		
Capital Expenditure	42.13	7.88
Revenue Expenditure		
Consultancy charges	25.50	20.40
Stay expenses	2.43	2.79
Research and development expenses included under various heads of Statement of Profit and Loss	77.02	86.01
42. Segment Reporting		
As per Ind AS 108 – “Operating Segment”, segment information has been provided under the notes to Consolidated Financial Statements.		
43.1 Operating lease		
As Lessor:		
The company has entered into operating lease arrangements for certain surplus facilities. The lease is cancellable and are usually renewable by mutual consent on mutually agreeable terms. Lease income recognised in the Statement of Profit and Loss.	0.07	0.07
As Lessee:		
The company has entered into operating lease arrangements for premises like (factories, sales depots and godowns etc.). These leasing arrangements are cancellable and are usually renewable by mutual consent on mutually agreeable terms. Lease payments recognised in the Statement of Profit & Loss.	38.71	37.77

## BIMETAL BEARINGS LIMITED

### Notes to the Standalone financial statements for the year ended March 31, 2018

43.2 The Standalone Financial Statements of the company for the year ended March 31, 2017, were audited by the Price Waterhouse Chartered Accountants LLP, the Predecessor Auditor.

44. The Company has following investment in joint venture and associate :

Name of the company	Type	Principal Place of business	Proportion of the ownership interest	
			March 31, 2018	March 31, 2017
BBL Daido Private Limited	Joint Venture	India	20.00%	20.00%
IPL Green power Limited	Associate	India	24.19%	24.19%

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

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778

P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659

N. Venkataramani  
Director  
DIN: 00001639

N. Venkataraman  
Chief Financial Officer

## BIMETAL BEARINGS LIMITED

<b>Financial Highlights - Past Ten Years</b>										
Particulars	<b>Financial Year ended</b>									
	<b>(Rs. in Lakhs)</b>									
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Net Sales	18,213.34	14,097.02	14,087.80	15,290.92	14,210.25	15,791.65	16,992.03	14,294.26	11,192.94	11,907.35
Profit before Tax	1,313.76	681.52	733.05	740.07	502.74	908.53	1,879.68	1,372.84	1,278.61	1,149.71
Profit after tax	1,015.40	499.89	502.61	558.31	385.75	675.70	1,285.05	913.94	893.91	734.79
Dividend: Amount	286.87	286.87	286.87	286.87	267.75	344.25	420.75	420.75	306.00	267.75
Percentage	75	75	75	75	70	90	110	110	80	70
Earnings per share	26.55	13.07	13.14	14.60	10.09	17.67	33.60	23.89	23.37	19.21
Net Block of Fixed Assets (Excluding Revaluation)	4,268.17	3,883.10	3,717.51	3,667.62	3,983.25	3,786.80	3,534.38	3,572.87	3,541.70	3,197.63
Share Capital	382.50	382.50	382.50	382.50	382.50	382.50	382.50	382.50	382.50	382.50
Reserves (Excluding Revaluation Reserve)	17,068.31	16,026.22	15,422.92	15,336.13	13,363.55	13,291.06	13,018.12	12,220.46	11,795.97	11,260.06
Net Worth	17,450.81	16,408.72	15,805.42	15,718.63	13,746.06	13,673.56	13,400.62	12,602.96	12,178.47	11,642.56
Debt Equity Ratio : All Loans: Net Worth	0.00:1	0.00:1	0.00:1	0.00:1	0.01:1	0.01:1	0.01:1	0.01:1	0.01:1	0.04:1



# **BIMETAL BEARINGS LIMITED**

CIN:L29130TN1961PLC004466

## CONSOLIDATED FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BIMETAL BEARINGS LIMITED

#### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Bimetal Bearings Limited (hereinafter referred to as "the Parent") and its associates and joint venture (the Parent and its associates and joint venture together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements/ financial information of the associate referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

#### Other Matters

The consolidated Ind AS financial statements include the Group's share of net profit of Nil for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditor.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and the other financial information of associate and joint venture companies incorporated in India, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books, returns and the report of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the report of the statutory auditors of its associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate company and joint venture companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (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 consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture.
  - (ii) The Group, its associate and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its associate company and joint venture companies incorporated in India.

For Fraser & Ross  
Chartered Accountants  
(Firm's Registration No.000829S)

C.R.Rajagopal  
(Membership No. 023418)

Place : Chennai  
Date : May 30, 2018

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Bimetal Bearings Limited (hereinafter referred to as "Parent"), its associate company and joint venture, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its associate company and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its associate company and joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 and the audit evidence obtained by the other auditor of associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its associate company and its joint ventures, which are companies incorporated in India.

### 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 and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent, its associate company and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

## Other Matters

Our aforesaid report under Section 143(3)(l) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate company which are companies incorporated in India, is based solely on the corresponding report of the auditor of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

For Fraser & Ross  
Chartered Accountants  
(Firm's Registration No.000829S)

C.R.Rajagopal  
(Membership No. 023418)

Place : Chennai  
Date : May 30, 2018

## CONSOLIDATED ACCOUNTS

**BIMETAL BEARINGS LIMITED**  
**Consolidated Balance Sheet as at March 31, 2018**  
*(All amounts are in INR Lakhs, unless otherwise stated)*

	Note No.	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	3	4,100.49	3,475.33
Capital work-in-progress		67.87	315.67
Other intangible assets	4	99.81	82.69
Intangible assets under development	4	–	9.41
Financial assets			
(i) Investments in joint venture	44	853.31	752.21
(ii) Other investments	5	3,566.34	2,973.94
(iii) Other financial assets	6	512.51	539.50
Other non-current assets	8	435.28	54.77
<b>Total non-current assets</b>		<b>9,635.61</b>	<b>8,203.52</b>
Current assets			
Inventories	9	4,256.94	4,560.37
Financial assets			
(i) Investments	10	154.00	153.12
(ii) Trade receivables	11	5,104.52	3,749.13
(iii) Cash and cash equivalents	12	393.41	508.53
(iv) Bank balances other than (iii) above	13	79.53	82.04
(v) Loans	14	6.87	4.56
(vi) Other financial assets	6	413.42	863.12
Current tax assets (Net)	7	48.45	345.58
Other current assets	15	528.81	1,028.63
<b>Total current assets</b>		<b>10,985.95</b>	<b>11,295.08</b>
<b>Total assets</b>		<b>20,621.56</b>	<b>19,498.60</b>
<b>EQUITY and LIABILITIES</b>			
Equity			
Equity share capital	16	382.50	382.50
Other equity	17	17,127.38	15,984.18
<b>Total equity</b>		<b>17,509.88</b>	<b>16,366.68</b>
Liabilities			
Non-current liabilities			
Provisions	22	103.96	107.13
Deferred tax liabilities (Net)	18	286.40	387.70
<b>Total non-current liabilities</b>		<b>390.36</b>	<b>494.83</b>
Current liabilities			
Financial liabilities			
(i) Trade payables	19	2,438.80	2,353.76
(ii) Other financial liabilities	20	115.57	85.07
Other current liabilities	21	139.28	176.48
Provisions	22	27.67	21.78
<b>Total current liabilities</b>		<b>2,721.32</b>	<b>2,637.09</b>
<b>Total liabilities</b>		<b>3,111.68</b>	<b>3,131.92</b>
<b>Total equity and liabilities</b>		<b>20,621.56</b>	<b>19,498.60</b>
See accompanying notes to the consolidated financial statements			

In terms of our report attached.  
For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants  
C.R. Rajagopal  
Partner  
Membership Number: 023418

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778  
P.M. Venkatasubramanian  
Director  
DIN: 00124505

S. Narayanan  
Whole-time Director  
DIN: 03564659  
N. Venkataramani  
Director  
DIN: 00001639  
N. Venkataraman  
Chief Financial Officer

Place : Chennai  
Date : May 30, 2018

Place : Chennai  
Date : May 30, 2018



# BIMETAL BEARINGS LIMITED

## Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	23	18,578.04	15,975.53
II. Other income	24	448.67	507.22
III. Total revenue (I +II)		19,026.71	16,482.75
IV. Expenses			
(a) Cost of materials consumed	25	9,193.02	7,150.95
(b) Purchases of stock-in-trade		265.41	82.72
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(157.90)	(191.82)
(d) Excise duty on sale of goods		364.70	1,591.28
(e) Employee benefit expense	27	2,430.18	2,275.49
(f) Finance costs	28	4.48	15.68
(g) Depreciation and amortisation expense	29	445.27	406.96
(h) Other expenses	30	5,167.79	4,517.29
V. Total expenses		17,712.95	15,848.55
VI. Profit before share of net profit/(loss) of associate and joint venture, exceptional items and tax		1,313.76	634.20
VII. Share of net profit/(loss) of associate and joint venture	44	99.65	(139.16)
VIII. Exceptional items	31	-	77.91
IX. Profit before tax (VI+VII+VIII)		1,413.41	572.95
X. Tax expense :			
Current tax	32	351.81	158.00
MAT credit entitlement	18	19.56	(74.00)
Deferred tax	18	(73.01)	81.33
XI. Total tax expense		298.36	165.33
XII. Profit for the year (IX-XI)		1,115.05	407.62
XIII. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans	22	82.22	76.14
(b) Equity instruments through other comprehensive income		241.90	398.90
(c) Share of other comprehensive income in associate and joint venture, to the extent not to be reclassified to profit or loss	44	1.46	(1.71)
(ii) Income tax relating to items that will not be reclassified to profit or loss	18	47.85	(26.35)
XIV. Total comprehensive income for the year		1,488.48	854.60
XV. Earnings per equity share of Face value of INR 10 each			
Basic and diluted (INR)	40	29.15	10.66
See accompanying notes to the consolidated financial statements			

In terms of our report attached.  
For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants  
C.R. Rajagopal  
Partner  
Membership Number: 023418

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778  
P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

S. Narayanan  
Whole-time Director  
DIN: 03564659  
N. Venkataramani  
Director  
DIN: 00001639  
N. Venkataraman  
Chief Financial Officer

Place : Chennai  
Date : May 30, 2018

Place : Chennai  
Date : May 30, 2018

## BIMETAL BEARINGS LIMITED

### Consolidated Statement of Cash Flows for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax for the year	1,413.41	572.95
Adjustments for:		
Share of profit/(loss) from associate and joint venture	(99.65)	139.16
Depreciation and amortisation expense	445.27	406.96
Insurance settlement pertaining to damage to property, plant and equipment	–	(118.55)
(Gain) on disposal of property, plant and equipment (Net)	(0.90)	(0.59)
Gain on sale of financial assets	(6.14)	(28.14)
Changes in fair value of financial assets at fair value through profit or loss	(57.71)	(81.50)
Dividend and interest income classified as investing cash flows	(122.83)	(227.69)
Provision for impairment loss of investment in associate	–	27.13
Rates and taxes pertaining to investment activity	–	2.92
Bad debts written off	–	2.01
Finance costs	4.48	15.68
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,355.39)	(223.54)
(Increase)/Decrease in inventories	303.43	(131.13)
(Increase)/Decrease in other financial assets	478.92	(430.04)
(Increase)/Decrease in other non-current assets	(5.31)	4.57
(Increase)/Decrease in other current assets	582.04	(142.09)
(Increase)/Decrease in loans to employees	(2.31)	0.75
Increase/(Decrease) in trade payables	85.06	758.26
Increase/(Decrease) in other financial liabilities	8.56	(26.66)
Increase/(Decrease) in other current liabilities	(37.20)	(17.99)
Increase/(Decrease) in provisions	2.72	(60.18)
Cash generated from operations	1,636.45	442.29
Income taxes (paid)/refund received	(431.16)	104.08
Net cash inflow from operating activities	1,205.29	546.37
Cash flows from investing activities		
Payments for property, plant and equipment	(804.61)	(567.69)
Payments for purchase/(sale) of investments (net)	(287.54)	42.06
Payments for purchase/(repayments) of Intercompany deposits (net)	(6.00)	136.00
(Increase)/Decrease in other bank balances	2.51	6.96
Interest and dividend received	126.60	223.79
Proceeds from disposal of property, plant and equipment	0.90	3.63
Net cash used in investing activities	(968.14)	(155.25)

## **BIMETAL BEARINGS LIMITED**

### **Consolidated Statement of Cash Flows for the year ended March 31, 2018 – (Contd.)**

*(All amounts are in INR Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from financing activities		
Interest paid	(4.48)	(15.68)
Dividends paid to company's shareholders including dividend tax	(347.79)	(346.24)
Net cash used in financing activities	(352.27)	(361.92)
Net increase/(decrease) in cash and cash equivalents	(115.12)	29.20
Cash and cash equivalents at the beginning of the year	508.53	479.33
Cash and cash equivalents at end of the year	393.41	508.53

See accompanying notes to the consolidated financial statements

Note:

The above Cash Flow Statement has been prepared under 'indirect method' set out in the Ind AS 7 - Cash Flow Statement.

In terms of our report attached.

For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants

C.R. Rajagopal  
Partner  
Membership Number: 023418

Place : Chennai  
Date : May 30, 2018

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778  
P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659  
N. Venkataramani  
Director  
DIN: 00001639  
N. Venkataraman  
Chief Financial Officer

## BIMETAL BEARINGS LIMITED

### Statement of Changes in equity for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	Notes	Amount						
			Reserves and surplus		Items of other comprehensive income			
	Notes		General Reserve	Capital Reserve	Retained Earnings	Actuarial Gain / (Loss)	Equity instrument through other comprehensive income	Total
<b>(I) Equity share capital</b>								
Balance as at April 1, 2016		382.50						
Changes in equity share capital during the year	16	-						
Balance as at March 31, 2017		382.50						
Changes in equity share capital during the year	16	-						
Balance as at March 31, 2018		382.50						
<b>(II) Other equity</b>								
Balance as at April 1, 2016		13,350.00	3.81	802.28	(19.87)	1,338.64	15,474.86	
Profit for the year	17	-	-	407.62	-	-	407.62	
Other comprehensive income	17	-	-	-	48.08	398.90	446.98	
Transfer to general reserve	17	150.00	-	(150.00)	-	-	-	
Dividends paid including dividend distribution tax	17	-	-	(345.28)	-	-	(345.28)	
Balance as at March 31, 2017		13,500.00	3.81	714.62	28.21	1,737.54	15,984.18	
Profit for the year	17	-	-	1,115.05	-	-	1,115.05	
Other comprehensive income	17	-	-	-	86.31	287.12	373.43	
Transfer to general reserve	17	203.81	(3.81)	(200.00)	-	-	-	
Dividends paid including dividend distribution tax	17	-	-	(345.28)	-	-	(345.28)	
Balance as at March 31, 2018		13,703.81	-	1,284.39	114.52	2,024.66	17,127.38	

See accompanying notes to the consolidated financial statements

In terms of our report attached.

For Fraser & Ross  
Firm's Registration Number: 000829S  
Chartered Accountants  
C.R. Rajagopal  
Partner  
Membership Number: 023418

For and on behalf of Board of Directors  
A. Krishnamoorthy  
Managing Director  
DIN: 00001778  
P.M. Venkatasubramanian  
Director  
DIN: 00124505  
K. Vidhya Shankar  
Company Secretary

S. Narayanan  
Whole-time Director  
DIN: 03564659  
N. Venkataramani  
Director  
DIN: 00001639  
N. Venkataraman  
Chief Financial Officer

Place : Chennai  
Date : May 30, 2018

Place : Chennai  
Date : May 30, 2018

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

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### 1. General Information

Bimetal Bearings Limited ("the group" or "BBL") is engaged in manufacturing of Engine Bearings, Bushings, Thrust Washers, Alloy Powder and Bimetallic Strips. The group has manufacturing plants at Coimbatore, Hosur and Chennai. The group is a public listed group and listed on The Bombay Stock Exchange. In addition the Company has an investment in an associate and a joint venture which have been collectively referred to as "the Group".

### 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

(a) certain financial assets and liabilities (including derivative instruments) that is measured at fair value and

(b) defined benefit plans — plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

##### (iii) Principles of consolidation and equity accounting

###### – Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

###### – Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligation of each investor, rather than the legal structure of the joint arrangement. Bimetal Bearings Limited has determined its interest in a joint arrangement to be in the nature of joint venture.

###### – Joint venture

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

##### (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(g) below.

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# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

- (v) Following associate and joint venture entities have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				March 31, 2018	March 31, 2017
IPL Green power Limited	Associate	India	Bimetal Bearings Limited	24.19%	24.19%
BBL Daido Private Limited	Joint Venture	India	Bimetal Bearings Limited	20.00%	20.00%

- (b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Managing Director of the group has been identified as being the chief operating decision maker.

- (c) Foreign currency translation

- (i) Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in INR, the national currency of India, which is the functional currency of the group.

- (ii) Transaction and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

- (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

- (i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

- (ii) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- (iii) Other operating revenue

Income from duty drawback and other export incentives is recognised on accrual basis.

- (e) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- (i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

- (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

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Deferred tax liabilities are recognised for taxable temporary differences associated with investments in associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(f) Leasing

As a lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(g) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of Transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Group are segregated.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are determined and assigned to individual items of inventory using the weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

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(j) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(k) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales or purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- (b) those measured at amortised cost and
- (c) those measured at cost.

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

– Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- (a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- (b) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

– Equity instruments

The Group subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



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## Notes to the Consolidated financial statements for the year ended March 31, 2018

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- (iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Group determines whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
  - (iv) Derecognition of financial assets

A financial asset is derecognised only when

    - (a) The Group has transferred the rights to receive cash flows from the financial asset or
    - (b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.
  - (v) Income recognition
    - (a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.
    - (b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
  - (l) Financial liabilities and equity instruments
    - (i) Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
    - (ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.
    - (iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.
  - (m) Derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The impact of the fair value changes are included in other income.
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## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

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(n) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(o) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets on the same basis as other property assets commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. However, the estimates of useful lives of certain assets, based on technical evaluation are different from those specified in Schedule II which are set out below:

Plant and equipment - Useful life 20 years

Assets costing individually upto Rs. 5,000/- are fully depreciated in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(p) Intangible assets

(i) Acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

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- (iii) **Derecognition of intangible assets**  
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.
- (iv) **Useful lives of intangible assets**  
Estimated useful lives of the intangible assets are as follows:  
Technical Know how - Useful life 5 years  
Computer Software - Useful life 6 years  
Assets costing individually upto INR 5,000/- are fully amortized in the year of purchase.
- (q) **Provisions**  
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.  
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).  
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- (i) **Onerous contracts**  
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.
- (r) **Employee Benefits**  
Employee benefits include provident fund, employee state insurance, gratuity fund, super annuation fund and compensated absences.
- (i) **Retirement benefit costs and termination benefits**  
Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.  
For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.
- (ii) **Defined benefit costs are categorised as follows:**  
– service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);  
– net interest expense or income; and  
– remeasurement  
For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.  
The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.
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## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

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- (iii) Short-term and other long-term employee benefits  
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.  
Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.  
Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.
- (s) Exceptional items  
Group recognises exceptional item when items of income and expense within the Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the group for the period.
- (t) Earnings per share  
Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income 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.
- (u) Government grants  
Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.  
Specifically, government grants whose primary condition is that the group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.  
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognised in profit or loss in the period in which they become receivable.
- (v) Rounding off amounts  
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimals thereof as per the requirements of Schedule III, unless otherwise stated.
- (w) Operating cycle  
Based on the nature of products / activities of the group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.
- (x) New standards and interpretations not yet adopted
- (i) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group is evaluating the effect of this on the financial statements.
- (ii) Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, the Ministry of Corporate Affairs notified Ind AS 115 Revenue from Contracts with Customers. The standard replaces Ind AS 11 Construction Contracts and Ind AS 18 Revenue.  
The new standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application - and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.  
The standard is effective for annual periods beginning on or after 1 April 2018. The group is currently evaluating the requirements of Ind AS 115 and has not yet determined the impact on the financial statements.
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## **BIMETAL BEARINGS LIMITED**

### **Notes to the Consolidated financial statements for the year ended March 31, 2018**

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(y) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 22

Estimation of current tax expense and payable – Note 32

Estimation of fair value of investment – Note 33

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 3. Property, Plant and Equipment

	Land	Building (Refer Note ii)	Plant and equipment	Furniture and fixtures	Vehicles	Total
Year ended March 31, 2017						
Gross carrying amount						
Opening gross carrying amount	23.49	381.43	3,014.67	41.83	79.87	3,541.29
Additions	-	41.27	604.44	17.41	7.88	671.00
Regroupings	-	-	(14.66)	15.29	(0.63)	(0.00)
Disposal	-	-	1.03	-	3.13	4.16
Closing gross carrying amount	23.49	422.70	3,603.42	74.53	83.99	4,208.13
Accumulated depreciation						
Opening accumulated depreciation	-	22.22	307.84	8.50	15.74	354.30
Depreciation charge during the year	-	19.44	320.86	21.20	18.12	379.62
Disposals	-	-	0.03	-	1.09	1.12
Closing accumulated depreciation	-	41.66	628.67	29.70	32.77	732.80
Net carrying amount March 31, 2017	23.49	381.04	2,974.75	44.83	51.22	3,475.33
Year ended March 31, 2018						
Gross carrying amount						
Opening gross carrying amount	23.49	422.70	3,603.42	74.53	83.99	4,208.13
Additions	-	189.84	827.68	13.12	-	1,030.64
Regroupings	-	-	-	-	8.30	8.30
Disposal	-	-	-	-	2.71	2.71
Closing gross carrying amount	23.49	612.54	4,431.10	87.65	89.58	5,244.36
Accumulated depreciation						
Opening accumulated depreciation	-	41.66	628.67	29.70	32.77	732.80
Depreciation charge during the year	-	22.87	358.61	12.89	19.40	413.78
Disposals	-	-	-	-	2.71	2.71
Closing accumulated depreciation	-	64.53	987.28	42.59	49.46	1,143.87
Net carrying amount March 31, 2018	23.49	548.01	3,443.82	45.06	40.12	4,100.49

Notes: (i) All fixed assets are owned by the Group, unless stated as taken on lease.

(ii) Gross carrying amount of cost of building as at March 31, 2018 includes INR 28.21 lakhs (March 31, 2017-INR 28.21 lakhs) being cost of buildings on lease hold land.

#### 4. Other intangible assets

	Computer software	Others-Technical know-how	Total
Year ended March 31, 2017			
Gross carrying amount			
Opening gross carrying amount	129.69	16.54	146.23
Additions	3.39	-	3.39
Regroupings	-	-	-
Disposal	-	-	-
Closing gross carrying amount	133.08	16.54	149.62
Accumulated depreciation			
Opening accumulated depreciation	29.56	10.03	39.59
Regroupings	4.41	(4.41)	-
Depreciation charge during the year	25.09	2.25	27.34
Disposals	-	-	-
Closing accumulated depreciation	59.06	7.87	66.93
Net carrying amount March 31, 2017	74.02	8.67	82.69
Year ended March 31, 2018			
Gross carrying amount			
Opening gross carrying amount	133.08	16.54	149.62
Additions	44.97	11.94	56.91
Regroupings	(8.30)	-	(8.30)
Disposal	-	-	-
Closing gross carrying amount	169.75	28.48	198.23
Accumulated depreciation			
Opening accumulated depreciation	59.06	7.87	66.93
Depreciation charge during the year	27.53	3.96	31.49
Disposals	-	-	-
Closing Accumulated depreciation	86.59	11.83	98.42
Net carrying amount March 31, 2018	83.16	16.65	99.81

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

5. Non current investments	Face Value	As at March 31, 2018		As at March 31, 2017	
	INR	Units	Market Value	Units	Market Value
(i) Investment in equity instruments (fully paid-up)					
At fair value through other comprehensive income					
Unquoted					
Amalgamations Repco Limited	10	1,20,750	156.98	1,20,750	156.98
Arkay Energy (Rameswaram) Limited	10	2,80,000	28.00	2,80,000	28.00
Madras Stock Exchange Ltd	1	4,55,620	11.99	4,55,620	11.99
South Asian Financial Exchange Limited	10	20,000	–	20,000	–
Stanes Amalgamated Estates Limited	10	6,380	8.29	6,380	3.19
Quoted					
Aditya Birla Nuvo Limited	10	–	–	1,400	21.26
Aditya Birla Fashion and Retail Ltd	10	7,280	10.98	7,280	11.20
Aditya Birla Capital Limited	10	5,040	7.36	–	–
Ashok Leyland Limited	1	11,000	16.00	11,000	9.30
Asian Paints (India) Limited	1	7,000	78.43	7,000	75.15
Axis Bank Limited	2	1,950	9.95	1,950	9.57
Bajaj Finance Limited	10	6,700	120.43	6,700	78.46
Bajaj Holdings and Investment Limited	10	950	25.31	950	20.56
Bajaj Auto Limited	10	1,900	52.15	1,900	53.30
Bajaj Finserve Limited	10	1,040	53.78	1,040	42.62
Bank of Baroda	2	18,500	26.33	18,500	32.00
Bank of India	10	900	0.93	900	1.25
Bharat Petroleum Corporation Limited	10	12,810	54.76	8,540	55.50
Biocon Limited	10	900	5.35	300	3.40
Canfin Homes Limited	10	1,000	4.85	200	4.24
Colgate-Palmolive (India) Limited	1	2,800	29.59	2,800	27.87
Cummins India Limited	2	1,960	13.72	1,960	18.61
G I C Housing Finance Limited	10	2,500	9.31	2,500	9.14
Gas Authority of India Limited	10	1,493	4.91	1,493	5.63
Glaxo Smithkline Beecham Consumer Health Care Limited	10	750	45.75	750	38.67
Grasim Industries Limited	10	3,600	37.83	1,500	15.74
Great Eastern Shipping Corporation Limited	10	1,080	3.57	1,080	4.50
Great Offshore Limited	10	270	0.03	270	0.04
HDFC Bank Limited	2	2,000	37.72	2,000	28.85
Hindustan Unilever Limited	10	400	5.33	400	3.65
Housing Development Finance Corporation Limited	10	30,000	550.60	30,000	450.63
ICICI Bank Limited	2	18,370	51.13	16,700	46.23
Indian Oil Corporation Limited	10	16,000	28.26	8,000	30.96
Indraprasth Gas Limited	10	2,500	6.99	500	5.07
Indusind Bank Limited	10	1,500	26.95	1,500	21.38
Industrial Development Bank of India	10	1,560	1.13	1,560	1.17
L.I.C.Housing Finance Limited	2	3,750	20.04	3,750	23.19
Mahindra and Mahindra Limited	5	4,000	29.56	2,000	25.74
Maruti Suzuki India	10	200	17.72	200	12.03
National Aluminium Company Limited	10	4,500	2.99	4,500	3.44
National Thermo Power Corporation Limited	10	1,500	2.55	1,500	2.49
Neyveli Lignite Corporation Limited	10	600	0.50	600	0.64
Nilkamal Plastics Limited	10	700	10.64	700	13.66
Oil and Natural Gas Corporation Limited	5	15,300	27.20	15,300	28.31
Petronet LNG Limited	10	2,000	4.62	1,000	4.03
Punjab National Bank	2	8,750	8.34	8,750	13.12
Reliance Industries Limited	10	2,670	23.57	1,335	17.63
Rural Electrification Corporation of India	10	2,120	2.64	2,120	3.84
Schaeffler India Limited (Formerly known as FAG Bearings India Limited)	10	600	31.21	600	27.47
State Bank of India	1	11,500	28.74	11,500	33.74
Sundaram Finance Limited	10	13,200	223.40	13,200	213.15
Sundaram Finance Holdings Limited	10	13,200	40.99	–	–
Tata Chemicals Ltd.	10	1,400	9.48	1,400	8.38
Tata Consultancy Services Limited	1	832	23.70	832	20.23
Tata Motors Limited	2	9,495	31.03	9,495	44.23
Tata Steel Limited	10	1,972	11.26	1,700	8.21
Tata Steel Limited	10	136	0.19	–	–
Tata Global Beverages Limited	1	13,000	33.64	13,000	19.57
The United Nilgiri Tea Estates Limited	10	17,264	59.01	17,264	62.67
Ultratech Cement Limited	10	171	6.75	171	6.81
Total (equity instruments - fully paid-up)			2,174.46		1,918.71

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

5. Non current investments – (Contd.)		Face Value INR	As at March 31, 2018 Units	As at March 31, 2018 Market Value	As at March 31, 2017 Units	As at March 31, 2017 Market Value
(ii)	Investment in equity instruments (partly paid-up)					
	Adyar Property Holding Company Limited (paid up Rs. 65 per share)	100	55	0.04	55	0.04
	Total (equity instruments - partly paid-up)			0.04		0.04
(iii)	Investment in bonds					
	At amortised cost					
	Quoted					
	8.00% Indian Railway Finance Corporation Limited Tax Free – Secured Redeemable Non-convertible Bonds	1,000	1,088	10.88	1,088	10.88
	8.20% Power Finance Corporation Limited Tax Free – Secured Redeemable Non-convertible Bonds	1,000	1,424	14.24	1,424	14.24
	7.19% Power Finance Corporation Limited – Tax Free Secured Bonds	1,000	1,200	12.00	1,200	12.00
	7.22% Rural Electrification Corporation Limited – Tax Free Secured Bonds	1,000	1,000	10.00	1,000	10.00
(iv)	Investment in debentures					
	At fair value through profit or loss					
	Quoted					
	8.49% SR-54 Non-Convertible Debentures of National Thermal Power Corporation Limited	12.50	1,500	0.20	1,500	0.19
	Total (bonds and debentures)			47.32		47.31
(v)	Investment in mutual funds					
	At fair value through profit or loss					
	Unquoted					
	Axis Equity Saver Fund - Growth	10	11,74,362	138.46	11,74,362	128.24
	Axis Dynamic Equity Fund - Growth	10	2,70,120	27.96	–	–
	Aditya Birla Sun Life Medium Term Plan -Growth	10	1,86,030	40.89	1,86,030	37.97
	Aditya Birla Sun Life Equity Savings Fund - Growth	10	92,593	11.97	–	–
	Aditya Birla Sun Life Balanced Advantage Fund - Growth	10	72,088	35.87	–	–
	DSP Black Rock Income Opportunities Fund - Regular Plan - Growth	10	51,560	14.75	51,560	13.86
	DSP Black Rock Balanced Fund - Growth	10	30,680	43.70	30,680	40.60
	Franklin India Monthly Income Plan - Plan A - Growth	10	88,161	46.41	88,161	44.08
	Franklin India Balanced Fund - Growth	10	68,974	77.48	25,283	26.36
	HDFC Focused Equity Fund - Plan B	10	60,000	7.77	60,000	7.30
	HDFC MF Monthly Income Plan - Growth	10	60,352	26.08	60,352	25.00
	HDFC Equity Savings Fund - Growth	10	34,692	11.99	–	–
	ICICI Prudential Balanced Fund - Regular Plan - Dividend	10	2,09,429	50.37	2,09,429	51.71
	ICICI Prudential Multiple Yield Fund Series 6 - Plan - F - Growth	10	–	–	1,20,000	15.26
	ICICI Prudential Growth Fund Series 1	10	–	–	1,12,848	13.69
	ICICI Prudential Growth Fund Series 4	10	60,000	6.41	60,000	7.73
	ICICI Prudential Capital Protection Oriented Fund - Series VII - Plan A - 1285 Days	10	–	–	90,000	10.86
	ICICI Capital Protection Oriented Fund Series VII - 1284 Days - Plan H	10	–	–	1,00,000	11.39
	ICICI Prudential Capital Protection Oriented Fund VIII - 1101 Days - Plan D	10	–	–	1,50,000	16.87
	ICICI Prudential Balanced Fund - Regular Plan - Growth	10	10,525	13.15	10,525	12.03
	ICICI Prudential Balanced Advantage Fund - Dividend	10	2,06,705	31.17	2,06,705	33.28
	ICICI Prudential Balanced Advantage Fund - Growth	10	1,23,588	40.92	85,876	25.97
	ICICI Prudential MIP-25 - Growth	10	3,02,804	119.26	1,68,165	61.39
	Kotak Capital Protection Oriented Scheme -Series 1 Growth	10	1,00,000	11.65	1,00,000	10.98
	Kotak Balance - Growth	10	1,18,805	28.28	58,371	13.08
	Kotak Equity Savings Fund - Growth	10	2,52,359	33.31	–	–
	LIC Nomura MF CPOF Series 3 - Growth	10	–	–	60,000	7.35
	Reliance Equity Savings Fund - Dividend Plan	10	90,951	10.36	90,951	10.42
	Reliance Equity Savings Fund - Growth Plan	10	4,68,030	57.99	2,05,497	23.55
	Reliance Monthly Income Plan - Growth	10	2,89,269	118.49	–	–
	SBI Mutual Fund- Gold Exchange Traded Scheme- Growth Open	10	200	5.58	200	5.24
	SBI Dynamic Bond Fund	10	73,133	15.56	73,133	15.06
	SBI Magnum Balanced Fund - Dividend	10	1,03,492	28.71	1,03,492	28.15
	SBI Magnum Balanced Fund - Growth	10	11,994	14.73	–	–
	SBI Dual Advantage Fund Series II - Growth	10	–	–	1,20,000	15.01
	SBI Equity Opportunities Fund	10	–	–	60,000	8.52
	SBI Dual Advantage Fund Series V - Growth	10	–	–	2,10,000	24.40
	SBI Equity Savings Fund - Dividend	10	1,20,000	14.30	1,20,000	13.64
	SBI Equity Savings Fund - Growth	10	6,47,781	80.33	6,47,781	74.74
	SBI Dual Advantage Fund - Series XV - Regular	10	1,18,758	13.60	1,18,758	12.80
	Sundaram Monthly Income Plan - Aggressive Reg - Quarterly Dividend	10	1,48,516	21.61	1,48,516	21.00
	Tata Balanced Fund	10	20,245	14.59	20,245	15.15
	Tata Dual Advantage Fund - Series 2 - Scheme A - Plan A - Growth	10	–	–	1,20,000	14.95
	UTI Wealth Builder Fund - Growth	10	3,47,898	115.02	2,73,802	84.67
	UTI Dynamic Bond Fund - Growth	10	78,806	15.80	78,806	15.12
	UTI-Capital Protection Oriented Fund Scheme - Series V- I (1163 Days)-Regular Plan - Growth	10	–	–	90,000	10.34
	Total (mutual funds)			1,344.52		1,007.88
	Total			3,566.34		2,973.94
	Aggregate amount of quoted investments and market value thereof			2,016.52		1,765.87
	Aggregate amount of unquoted investments			1,549.82		1,208.07



## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

6. Other financial assets	As at March 31, 2018		As at March 31, 2017	
	Curent	Non-Curent	Curent	Non-Curent
Financial assets at fair value				
(i) Derivatives financial instruments not designated as hedging carrying at fair value				
Foreign currency forward contracts	–	–	34.39	–
(ii) Financial assets at amortised cost				
Intercorporate deposits	316.00	332.00	281.00	361.00
Interest accrued on deposits	3.14	–	7.25	–
Interest accrued on investments	1.93	–	1.59	–
Security deposits	2.40	180.51	7.48	178.50
Receivable from related parties	–	–	2.50	–
Others - insurance claims	89.95	–	528.91	–
Total other financial assets	413.42	512.51	863.12	539.50
7. Current tax assets (net)		As at March 31, 2018		As at March 31, 2017
Advance income tax*		48.45		345.21
Advance fringe benefit tax*		–		0.37
Total current tax assets (net)		48.45		345.58
*Net of provision				
– for income tax		351.81		4,999.80
– for fringe benefit tax		–		73.50
8. Other non-current assets				
Capital advances for capital work-in-progress		53.49		54.77
Prepayments		5.31		–
Advance income tax*		376.48		–
Total other non-current assets		435.28		54.77
*Net of provision				
– for income tax		4,946.41		–
9. Inventories				
Raw materials*		1,388.28		1,868.41
Work-in-progress**		1,766.12		1,336.44
Finished goods		764.27		1,033.65
Stock-in-trade acquired for trading		53.14		55.54
Stores, spares and packing material		285.13		266.33
Total inventories		4,256.94		4,560.37
*Goods in transit		260.26		406.77
**Includes manufactured strips and powder		1,253.81		992.49

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to INR 81.63 lakhs (March 31, 2017 - INR 82.09 lakhs). These were recognised as an expense during the year and included in 'the changes in inventories of finished goods, work-in-progress and stock-in-trade' in statement of profit and loss.

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

10. Current Investments	Face Value INR	As at March 31, 2018		As at March 31, 2017	
		Units	Market Value	Units	Market Value
(i) Investment in bonds					
At amortised cost					
Unquoted					
9.20% Central Bank of India Tier II Bonds (Series XII)		-	-	1	10.00
Total (bonds)			-		10.00
(ii) Investment in mutual funds					
At Fair value through Profit or Loss					
Unquoted					
ICICI Capital Protection Oriented Fund VI - 1100 Days Plan H	10	-	-	90,000	10.81
ICICI Prudential Multiple Yield Fund - Series VII - Plan F - 1100 Days	10	-	-	90,000	10.69
ICICI Prudential Capital Protection Oriented Fund – Series VII - Plan A - 1285 Days	10	90,000	11.54	-	-
ICICI Capital Protection Oriented Fund Series VII - 1284 Days - Plan H	10	1,00,000	11.95	-	-
ICICI Prudential Capital Protection Oriented Fund VIII - 1101 Days - Plan D	10	1,50,000	17.64	-	-
Kotak Bond (Short Term) - Growth	10	2,03,854	66.13	1,56,714	48.17
Kotak Low Duration Fund	10	965	20.48	-	-
Reliance Dual Advantage Fixed Tenure Fund-II-Plan G - Dividend	10	-	-	1,17,277	18.51
Reliance Dual Advantage Fixed Tenure Fund V Plan B - Growth	10	-	-	1,20,000	14.32
Reliance Dual Advantage Fixed Tenure Fund V Plan G - Growth	10	-	-	1,00,000	12.81
Reliance Dual Advantage Fixed Tenure Fund VI - Plan A - Growth	10	-	-	2,40,000	27.81
SBI Short Term Debt Fund - Growth	10	76,644	15.35	-	-
UTI-Capital Protection Oriented Fund Scheme – Series V- I (1163 Days) - Regular Plan - Growth	10	90,000	10.91	-	-
Total (mutual funds)			154.00		143.12
Total non-current investments carrying value			154.00		153.12
Aggregate amount of Unquoted investments			154.00		153.12
11. Trade receivables				As at March 31, 2018	As at March 31, 2017
Unsecured and considered good					
Trade receivables				4,509.23	3,045.56
Receivables from related parties				595.29	703.57
Total trade receivables				5,104.52	3,749.13
Trade receivables stated above includes :					
Debts due by private companies in which directors are directors				493.39	615.43
12. Cash and cash equivalents					
Unrestricted balances with banks					
- in current accounts				267.26	342.98
- in EEFC accounts				117.05	141.24
- in deposit accounts with original maturity less than 3 months				7.64	7.14
Cash in hand				1.46	1.07
Cheques on hand				-	16.10
Total Cash and cash equivalents				393.41	508.53
Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.					
13. Other bank balances					
Deposit with maturity period more than 3 months but less than 12 months				30.00	30.00
In unpaid dividend account*				19.53	22.04
Margin money deposits (Refer note below)				30.00	30.00
Total other bank balances				79.53	82.04
*Earmarked for payment of unclaimed dividend					
Note: Balances with bank held as margin money for guarantees				30.00	30.00

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
14 Loans		
<i>(Unsecured, considered good)</i>		
Loans to employees	6.87	4.56
Total loans	6.87	4.56
15. Other current assets		
Prepayments	88.15	67.85
Advances to suppliers	61.55	30.89
Balance with government authorities (other than income tax)	206.10	814.98
Other advances	9.19	21.47
Advances to employees	4.06	0.64
Gratuity	159.76	92.80
Total other current assets	528.81	1,028.63

Note: Refer Note 22 for disclosure of Gratuity

	Number of shares	Amount
16. Equity share capital		
Authorised:		
(i) Equity shares of INR. 10 each with voting rights		
As at April 1, 2016	62,50,000	625.00
Movement during the year	-	-
As at March 31, 2017	62,50,000	625.00
Movement during the year	-	-
As at March 31, 2018	62,50,000	625.00
(ii) Redeemable cumulative preference shares of INR 100 each		
As at April 1, 2016	1,25,000	125.00
Movement during the year	-	-
As at March 31, 2017	1,25,000	125.00
Movement during the year	-	-
As at March 31, 2018	1,25,000	125.00
Issued, subscribed and fully paid up :		
(i) Equity shares of INR 10 each with voting rights		
As at April 1, 2016	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2017	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2018	38,25,000	382.50
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:		
Equity shares with voting rights		
As at March 31, 2016	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2017	38,25,000	382.50
Movement during the year	-	-
As at March 31, 2018	38,25,000	382.50
(ii) Terms and rights attached to equity shares		

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company in proportion to their shareholding.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 16. Equity share capital – (Contd.)

- (iii) Details of shares of the company held by holding company and their subsidiaries and details of shareholders holding more than 5% shares in the company:

	As at March 31, 2018			As at March 31, 2017		
	Number of shares	Amount	% of holding in that class of shares	Number of shares	Amount	% of holding in that class of shares
Amalgamations Private Limited, the holding company	9,69,000	96.90	25.33%	9,69,000	96.90	25.33%
India Pistons Limited, step down subsidiary of Amalgamations Private Limited	7,65,000	76.50	20.00%	7,65,000	76.50	20.00%
Simpson & Company Limited, a subsidiary of Amalgamations Private Limited	11,11,411	111.14	29.06%	11,11,411	111.14	29.06%
Associated Printers (Madras) Private Limited, a subsidiary of Amalgamations Private Limited	2,040	0.20	0.05%	2,040	0.20	0.05%
Higginbothams Private Limited, a subsidiary of Amalgamations Private Limited	3,975	0.40	0.10%	3,975	0.40	0.10%
Sri Rama Vilas Service Limited, a step down subsidiary of Amalgamations Private Limited	12,500	1.25	0.33%	12,500	1.25	0.33%
	28,63,926	286.39	74.87%	28,63,926	286.39	74.87%
17. Other equity				As at March 31, 2018	As at March 31, 2017	
Capital reserve				–	3.81	
General reserve				13,703.81	13,500.00	
Retained earnings				1,284.39	714.62	
Other reserves				2,139.18	1,765.75	
Total reserves and surplus				17,127.38	15,984.18	
(a) Capital reserve						
Any profit or loss on purchase, sale, issue or cancellation of Group's own equity instruments is transferred to capital reserve						
Opening balance				3.81	3.81	
Less: Transferred to General Reserve				(3.81)	–	
Closing balance				–	3.81	
(b) General reserve						
This represents appropriation of profit by the Group						
Opening balance				13,500.00	13,350.00	
Add: Transferred from Capital Reserve				3.81	–	
Add: Transferred from Retained earnings				200.00	150.00	
Closing balance				13,703.81	13,500.00	
(c) Retained earnings						
Retained earnings comprise of the Group's prior years undistributed earnings after taxes.						
Opening balance				714.62	802.28	
Profit for the year				1,115.05	407.62	
Less: Appropriations						
(i) Transferred to General Reserve				(200.00)	(150.00)	
(ii) Dividend on equity shares				(286.88)	(286.88)	
(iii) Dividend distribution tax on above				(58.40)	(58.40)	
Closing balance				1,284.39	714.62	
(d) Other reserves						
Other items of other comprehensive income consist of currency translation, fair value changes on FVTOCI financial assets and financial liabilities and remeasurement of net defined benefit liability/asset.						
Opening balance				1,765.75	1,318.77	
Add: Movement in OCI (Net) during the year				373.43	446.98	
Closing balance				2,139.18	1,765.75	
Nature and purpose of other reserves						
FVOCI equity investments						
The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.						

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017			
18. Deferred tax liabilities (Net)					
The balance comprises temporary differences attributable to:					
Deferred tax liabilities					
Property, plant and equipment	407.59	485.09			
Other timing differences	52.73	44.02			
Total deferred tax liabilities	460.32	529.11			
Set-off of deferred tax assets pursuant to					
Provision for compensated absences	37.96	44.61			
MAT credit entitlement	54.44	74.00			
Other timing differences	81.52	22.80			
Net deferred tax liabilities	286.40	387.70			
Movement in deferred tax liabilities	Depreciation	Provision for compensated absences	MAT credit	Other timing differences	Total
At April 1, 2016	419.00	(51.03)	–	(13.95)	354.02
Charged/(credited):					
– to statement of profit and loss	66.09	6.42	(74.00)	8.82	7.33
– to other comprehensive income	–	–	–	26.35	26.35
At March 31, 2017	485.09	(44.61)	(74.00)	21.22	387.70
Charged/(credited):					
– to statement of profit and loss	(77.50)	6.65	19.56	(2.16)	(53.45)
– to other comprehensive income	–	–	–	(47.85)	(47.85)
At March 31, 2018	407.59	(37.96)	(54.44)	(28.79)	286.40
19. Trade payables	As at March 31, 2018	As at March 31, 2017			
Trade Payables (Refer note below)					
(a) Total outstanding dues of micro enterprises and small enterprises	55.33	110.90			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,383.47	2,242.86			
Total trade payables	2,438.80	2,353.76			
Note: The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows:					
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	40.70	81.11			
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	14.63	29.79			
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	221.14	406.01			
Interest paid, other than Section 16 of MSMED Act, to supplier registered under the MSMED Act, beyond the appointed day during the year.	–	–			
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	–	–			
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	3.21	18.34			
Further interest remaining due and payable for earlier years	11.42	21.51			
20. Other financial liabilities					
A. Other Financial liabilities measured at amortised cost					
Unpaid Dividend [Refer note (a)]	19.53	22.04			
Creditors for capital supplies / services	87.48	63.03			
B. Other financial liabilities measured at fair value					
Foreign currency forward contracts	8.56	–			
Total other financial liabilities	115.57	85.07			

Note (a): There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2018	As at March 31, 2017	
21. Current liabilities				
Statutory dues-taxes payable(other than income tax)		134.18	155.34	
Advance received from customers		5.10	21.14	
Total current liabilities		139.28	176.48	
22. Provisions				
	As at March 31, 2018	As at March 31, 2017		
Provisions for employee benefits:	Current	Non-current	Current	Non-current
Provision for compensated absences	27.67	103.96	21.78	107.13
Total provisions	27.67	103.96	21.78	107.13
Employee benefits plan				
(i) Defined contribution plan		For the year ended March 31, 2018	For the year ended March 31, 2017	
The Group makes Provident Fund, Superannuation fund and Employee State Insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.				
– Contribution to Provident fund		101.67	100.32	
– Contribution to Superannuation fund		13.72	11.37	
– Employee State Insurance scheme		8.02	4.52	
The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.				
(ii) Defined benefit plans				
A. Change in present value of the obligation during the year ended				
1. Opening present value of the obligation		610.04	662.63	
2. Current service cost		–	37.15	
3. Past service cost		21.85	–	
4. Interest Cost		41.08	49.13	
5. Benefits paid		(62.84)	(65.46)	
6. Experience (gains)/losses		1.79	–	
7. (Gain)/loss from change in demographic assumptions		(7.23)	(73.41)	
8. (Gain)/loss from change in financial assumptions		(71.88)	–	
9. Closing present value of obligation		532.81	610.04	
B. Change in assets during the year				
1. Opening fair value of plan assets		(702.84)	(620.98)	
2. Expected return on plan assets		(47.67)	(49.59)	
3. (Gain)/loss from change in financial assumptions		(4.90)	(2.73)	
4. Contribution made		62.84	(95.00)	
5. Benefits paid		–	65.46	
6. Actuarial gain/(loss) on plan assets		–	–	
7. Closing fair value of plan assets		(692.57)	(702.84)	
C. Net (asset)/liability recognised in the Balance Sheet				
1. Opening present value of the obligation		610.04	662.63	
2. Fair Value of plan assets		(692.57)	(702.84)	
3. Funded status surplus/(deficit)		(77.23)	(52.59)	
4. Closing net (asset)/liability recognised in the Balance Sheet		(159.76)	(92.80)	
D. Expenses recognised during year				
1. Current service cost		–	37.15	
2. Past service cost		21.85	–	
3. (Gains) and losses on curtailment and settlement		(82.22)	(76.14)	
4. Interest expense/(income)		(6.60)	(0.46)	
5. Total expenses to be recognised in statement of profit and loss		15.25	36.69	
6. Total expenses to be recognised in Other Comprehensive Income		(82.22)	(76.14)	

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Note 22 – (Contd.)	For the year ended March 31, 2018	For the year ended March 31, 2017				
(iii) Post-employment benefits						
Significant estimates: actuarial assumptions and sensitivity						
Discount rate	7.62%	7.10%				
Salary growth rate	3.74%	5.18%				
Attrition rate	4.80%	5.64%				
(iv) Major category of plan assets as a % of total plan assets						
	March 31, 2018	March 31, 2017				
Insurer managed assets –						
Balance with Life Insurance Corporation (LIC) of India	100.00%	100.00%				
The details with respect to the composition of investments in the fair value of plan assets managed by LIC have not been disclosed in the absence of the above said information.						
The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.						
These plans typically expose the Group to risks such as interest rate risk, longevity risk and salary risk.						
Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.						
Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.						
Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.						
Significant actuarial assumptions for the determination of the defined obligation are discount rate, and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.						
(v) Sensitivity analysis						
	March 31, 2018	March 31, 2017				
A. Discount rate +50 BP	8.12%	7.60%				
Defined benefit obligation [PVO]	516.23	591.82				
B. Discount rate –50 BP	7.12%	6.60%				
Defined benefit obligation [PVO]	550.32	629.27				
C. Salary escalation rate +50 BP	4.24%	5.68%				
Defined benefit obligation [PVO]	550.59	629.69				
D. Salary escalation rate –50 BP	3.24%	4.68%				
Defined benefit obligation [PVO]	515.86	591.23				
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.						
(vi) Expected cash flows						
Expected employer contribution/additional provision for future years are as follows:						
	Year 1	Year 2	Year 3	Year 4	Year 5	Next 5 years
March 31, 2018	57.81	43.06	38.56	70.96	65.81	331.39
March 31, 2017	53.13	63.60	59.31	146.60	64.24	308.49

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31 ,2018	For the year ended March 31 ,2017
23. Revenue from operations		
(a) Revenue from sale of products (including excise duty)	17,909.42	15,178.27
(b) Other operating revenue		
Duty drawback and Export benefit	72.66	109.41
Scrap sales (including excise duty)	595.96	687.85
<b>Total revenue from operations</b>	<b>18,578.04</b>	<b>15,975.53</b>
24. Other income		
Dividend income from equity investment designated at fair value through other comprehensive income (i)	17.08	26.45
Dividend income from investment carried at cost	0.60	–
Dividend income from investment mandatorily measured at fair value through profit or loss	22.07	29.40
Fair value gains on derivatives not designated as hedges (net)	–	20.30
Interest income on financial assets at amortised cost	83.08	171.84
Liabilities no longer required written back	142.73	20.47
Net gain on financial assets carried at fair value through profit or loss	57.71	81.50
Forex gain (net)	113.90	127.25
Net gain on sale of Financial assets	6.14	28.14
Other non-operating income	4.46	1.28
Profit on sale of Property, Plant and equipment sold (net)	0.90	0.59
<b>Total other income</b>	<b>448.67</b>	<b>507.22</b>
Note: All dividends from equity investments designated at FVTOCI relate to investments held at the end of the reporting period. There was no derecognition of such investments during the reporting period.		
25. Cost of materials consumed		
Raw materials at the beginning of the year	1,868.41	1,691.54
Add: Purchases*	8,712.89	7,327.82
Less: Raw materials at the end of the year	1,388.28	1,868.41
<b>Total Cost of materials consumed</b>	<b>9,193.02</b>	<b>7,150.95</b>
* Also refer Note 31		
26. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the beginning of the year		
Finished goods	1,033.65	1,319.97
Stock-in-trade	55.54	64.97
Work-in-progress	1,336.44	1,098.93
<b>Total opening balance</b>	<b>2,425.63</b>	<b>2,483.87</b>
Inventories at the end of the year		
Finished goods	764.27	1,033.65
Stock-in-trade	53.14	55.54
Work-in-progress	1766.12	1,336.44
<b>Total closing balance</b>	<b>2583.53</b>	<b>2,425.63</b>
Insurance claim on stock damaged on account of cyclone/ flood	–	(250.06)
<b>Total changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>(157.90)</b>	<b>(191.82)</b>
27. Employee benefit expense		
Salaries and wages, including bonus	2,054.27	1,878.14
Contribution to provident and other funds	130.64	148.38
Staff welfare expenses	292.41	268.67
	<b>2,477.32</b>	<b>2,295.19</b>
Less:		
Recovery for seconded services	3.75	14.19
Expense related to self constructed assets	43.39	5.51
<b>Total employee benefit expense</b>	<b>2,430.18</b>	<b>2,275.49</b>



## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31 ,2018	For the year ended March 31 ,2017
28. Finance cost		
Interest expense - others	4.48	15.68
Total finance cost	4.48	15.68
29. Depreciation and amortisation expense		
Depreciation of property, plant and equipment	413.78	379.62
Amortisation of intangible assets	31.49	27.34
Total depreciation and amortisation expense	445.27	406.96
30. Other expenses		
Consumption of stores and spare parts	983.80	800.36
Consumption of loose tools	198.39	106.15
Consumption of packing materials	385.70	318.71
Increase/(decrease) of excise duty on inventory	(92.21)	(48.60)
Sub contracting charges	574.21	544.22
Power and Fuel	1,042.80	912.74
Rent	38.71	37.77
Repairs and maintenance		
– Buildings	118.21	72.98
– Machinery	171.06	165.06
– Others	62.66	66.48
Contract labour cost	223.81	204.00
Insurance	49.83	53.64
Rates and taxes	146.26	130.21
Travelling expenses	240.11	232.96
Communication costs	42.46	48.41
Packing and forwarding expenses	379.20	341.52
Payment to auditor (Refer Note (i) below)	22.50	30.36
Directors' sitting fees	7.00	5.00
Sales promotional expenses	109.72	52.86
Bank charges and commission	32.13	22.16
Professional and consultancy charges	201.97	167.74
Expenditure on Corporate Social Responsibility (CSR) (Refer Note (ii) below)	13.70	12.15
Donations	0.23	0.28
Watch and ward expenses	101.76	103.35
Bad debts	–	2.01
Miscellaneous expenses	116.39	135.43
	5,170.40	4,517.95
Less : Expenses related to self constructed assets	2.61	0.66
Total other expenses	5,167.79	4,517.29
Note (i) Payment to auditor		
Particulars		
Statutory audit fee	22.50	25.00
Reimbursement of expenses	–	0.36
Other services	–	5.00
Total	22.50	30.36
Note (ii) on CSR expenditure		
Amount required to be spent as per Section 135 of the Act	13.70	12.25
Amount spent during the year on:		
(i) Construction/ acquisition of an asset		
(ii) On purpose other than (i) above		
– Sri Paramakalyani Educational Society	10.00	10.00
– Sri Ganga Plastic Reconstructive and Microsurgery Trust	–	2.15
– Vathsalyam	3.70	–
Total CSR expenditure	13.70	12.15

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 31. Exceptional items

Exceptional items comprises of the following -

- (i) During the last year the Parent Company factories located at Sembiam and Thoraipakkam were affected by Vardah cyclone. The loss arising from the same including the related insurance settlement have been disclosed as an exceptional item. Previous year exceptional items pertain to loss incurred (net of insurance settlement) on account of damage arising from flood to the Company's fixed asset and stock located at Sembiam and Thoraipakkam factories.

Exceptional item of the previous year also includes an insurance settlement pertaining to a fire damage at Company's factory at Hosur in the financial year 2014-15.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Vardah cyclone/ Flood damage		
Raw materials damaged	-	(65.28)
Work-in-progress damaged	-	(242.97)
Finished goods damaged	-	(7.09)
Other expenses resulting from damage to inventory	-	(34.22)
Scrap proceeds from disposal of above inventory	-	75.02
Expenses incurred on repair of fixed assets	-	(120.93)
Insurance claim received/ receivable on relating to current year loss	-	381.96
Insurance claim received/ receivable relating to prior year loss	-	118.55
<b>Total exceptional items arising from damage/ insurance settlements</b>	<b>-</b>	<b>105.04</b>
(ii) During the year ended March 31, 2017 the Management has performed an impairment assessment of its investment in its associate (IPL Green Power Limited). Based on the assessment, the Management is of the opinion that the current project of IPL Green Power Limited may not be viable and accordingly the amount of investment in IPL Green Power Limited may not be recoverable. Accordingly an impairment charge of INR 27.13 lakhs representing the carrying amount in the Group's Consolidated Financial Statement as at the date of assessment has been considered in the account for the year ended March 31, 2017 which has been presented as an exceptional item.	-	(27.13)
<b>Total Exceptional items (i+ii)</b>	<b>-</b>	<b>77.91</b>
<b>32. Income tax expense</b>		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	351.81	158.00
<b>Total current tax expense</b>	<b>351.81</b>	<b>158.00</b>
Deferred tax		
Increase in deferred tax liabilities	(73.01)	81.33
MAT Credit entitlement	19.56	(74.00)
<b>Total deferred tax expense</b>	<b>(53.45)</b>	<b>7.33</b>
<b>Income tax expense</b>	<b>298.36</b>	<b>165.33</b>
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before tax	1,413.41	572.95
Tax at the Indian tax rate of 34.608% (FY 2016-2017 – 33.063%)	489.15	189.43
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Group's after tax share of loss in associate and joint venture	(34.49)	46.01
Weighted deduction on research and development expenditure	(42.08)	(29.36)
Dividend income from Mutual funds and equity instruments exempted under the Income tax act	(13.76)	(19.66)
Corporate social responsibility expenditure (net of 80G benefit)	4.74	2.07
Interest on MSME payments	1.17	2.74
Profit on sale/ fair valuation of investment, as the same is set off against carry forward of losses on which no deferred tax had been recognised	(11.62)	(36.25)
Impact of loss on fair valuation of investment	-	-
Disallowance under section 14A relating to expenditure on exempt income	7.93	6.98
Impact of remeasurement of opening deferred tax liability	-	-
Unrecognised deferred tax on Impairment of investment in associate in the absence of reasonable certainty on the realisability	-	8.97
Income that is exempt from taxation	(44.29)	-
Difference arising from measurement of deferred tax at 34.608% as against the current tax rate of 33.063%	(53.45)	4.36
Others	(4.94)	(9.96)
<b>Income tax expense</b>	<b>298.36</b>	<b>165.33</b>

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 32. Income tax expense – (Contd.)

(c) Unused tax losses for which no deferred tax asset has been recognised	March 31, 2018	March 31, 2017
Date of expiry of carry forward loss		
March 31, 2018	–	9.81
March 31, 2019	–	0.28
March 31, 2020	77.40	82.19
March 31, 2021	33.99	33.99
March 31, 2022	16.99	16.99
March 31, 2023	17.89	17.89
March 31, 2024	40.23	40.23
March 31, 2025	24.00	24.00
Total of unused tax capital loss	210.50	225.38
Potential tax benefit @ 20%	42.10	45.08

#### 33. Fair value measurements

Financial instruments by category	As at March 31, 2018			As at March 31, 2017		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
– Equity instruments	–	2,174.50	853.31	–	1,918.77	752.21
– Mutual funds	1,498.53	–	–	1,150.98	–	–
– Preference, bonds and debentures	0.20	–	47.12	0.19	–	57.12
Trade receivables	–	–	5,104.52	–	–	3,749.13
Loans	–	–	6.87	–	–	4.56
Cash and cash equivalents	–	–	393.41	–	–	508.53
Bank balances other than above	–	–	79.53	–	–	82.04
Intercorporate deposit	–	–	648.00	–	–	642.00
Security deposits	–	–	182.91	–	–	185.98
Other claims and receivables	–	–	95.02	–	–	540.25
Derivative financial asset	–	–	–	34.39	–	–
Total financial assets	1,498.73	2,174.50	7,410.69	1,185.56	1,918.77	6,521.82
Financial liabilities						
Trade payables	–	–	2,438.80	–	–	2,353.76
Capital creditor	–	–	87.48	–	–	63.03
Unpaid dividends	–	–	19.53	–	–	22.04
Derivative Financial Liability	–	–	8.56	–	–	–
Total financial liabilities	–	–	2,554.37	–	–	2,438.83

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 33. Fair value measurements – (Contd.)

##### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL					
Mutual Funds	5, 10	1,150.98	–	–	1,150.98
Preference shares, bonds and debentures	5	0.19	–	57.12	57.31
Financial Investments at FVOCI					
Listed Equity Investments	5	1,718.56	–	–	1,718.56
Unquoted equity investments	5	–	200.20	752.21	952.40
Derivatives not designated as hedges					
Forward Contracts	6	–	34.39	–	34.39
Others					
Trade receivables	11	–	3,749.13	–	3,749.13
Loans	14	–	–	4.56	4.56
Cash and cash equivalents	12	–	508.53	–	508.53
Bank balances other than above	13	–	82.04	–	82.04
Intercorporate deposit	6	–	–	642.00	642.00
Security deposits	6	–	–	185.98	185.98
Other claims and receivables	6	–	–	540.25	540.25
<b>Total financial assets</b>		<b>2,869.73</b>	<b>4,574.29</b>	<b>2,182.12</b>	<b>9,626.13</b>
Financial liabilities					
<b>Total financial liabilities</b>		<b>–</b>	<b>2,438.83</b>	<b>–</b>	<b>2,438.83</b>

#### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL					
Mutual Funds	5, 10	1,498.53	–	–	1,498.53
Preference shares, bonds and debentures	5	0.20	–	47.12	47.32
Financial Investments at FVOCI					
Listed Equity Investments	5	1,969.20	–	–	1,969.20
Unquoted equity investments	5	–	205.30	853.31	1,058.61
Others					
Trade receivables	11	–	5,104.52	–	5,104.52
Loans	14	–	–	6.87	6.87
Cash and cash equivalents	12	–	393.41	–	393.41
Bank balances other than above	13	–	79.53	–	79.53
Intercorporate deposit	6	–	–	648.00	648.00
Security deposits	6	–	–	182.91	182.91
Other claims and receivables	6	–	–	95.02	95.02
<b>Total financial assets</b>		<b>3,467.93</b>	<b>5,782.76</b>	<b>1,833.23</b>	<b>11,083.92</b>
Financial Liabilities					
<b>Total financial liabilities</b>		<b>–</b>	<b>2,554.37</b>	<b>–</b>	<b>2,554.37</b>

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

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#### 33. Fair value measurements – (Contd.)

##### Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

##### Level 2:

The fair value of financial instruments that are not traded in an active market (for example: traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

##### Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

During the year ended March 31, 2018, the Group transferred an unquoted equity investment from level 3 to level 2 as there was an observable market data available in the form of a buy back offer.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instrument.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of certain financial instruments have been determined based on the buy back offer made by the originator of the instrument.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

#### (iii) Valuation processes

The Group performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted equity securities used by the Group are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a post tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion. As part of this discussion the team presents a report that explains the reason for the fair value movements.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for bonds and debentures, intercorporate deposits, security deposits and other deposits were calculated based on cash flows discounted using the current interest rate as at the respective reporting date for a similar instrument. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

### 34. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Liabilities	Rolling cash flow forecasts	Availability of liquid investments, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – security prices	Investments in equity securities Investments in mutual funds	Sensitivity analysis	Portfolio Diversification

The Company's risk management is carried out by the Chief Financial Officer under policies approved by the Board of Directors. The Chief Financial officer identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

#### (A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

##### (i) Credit risk management

Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1 : High-quality assets, negligible credit risk

C2 : Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are included –

- Internal credit rating
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increase in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management (Contd.)

##### (ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Internal credit rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	Loans and Deposits	Trade receivables
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
C2	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

For the Year ended March 31, 2017 to March 31, 2018:

##### (a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2017: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

##### (b) Expected credit loss for trade receivables under simplified approach

Customer credit risk is managed by the Company based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal credit rating system. Outstanding customer receivables are regularly monitored and assessed for its recoverability. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers has sufficient capacity to meet the obligations and the risk of default is negligible.

##### (iii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2016	-
Changes in loss allowance	-
<u>Loss allowance on March 31, 2017</u>	<u>-</u>
Changes in loss allowance	-
<u>Loss allowance on March 31, 2018</u>	<u>-</u>

##### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

##### (i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	March 31, 2018	March 31, 2017
- Expiring beyond one year (bank overdraft)	550.00	550.00

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management – (Contd.)

##### (ii) Maturities of financial liabilities

The tables below analyses the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
March 31, 2018						
Non-derivatives						
Trade payables	2,438.80	-	-	-	-	2,438.80
Other financial liabilities	115.57	-	-	-	-	115.57
Total non-derivative liabilities	2,554.37	-	-	-	-	2,554.37
March 31, 2017						
Non-derivatives						
Trade payables	2,353.76	-	-	-	-	2,353.76
Other financial liabilities	85.07	-	-	-	-	85.07
Total non-derivative liabilities	2,438.83	-	-	-	-	2,438.83

#### (C) Market risk

##### (i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR, GBP and JPY. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows:

	Financial assets				Financial Liabilities		
	Trade Receivables	Balance in EEFC Account	Foreign exchange forward contract (Sell foreign currency)	Net exposure to foreign currency risk (assets)	Trade Payables	Foreign exchange forward contract	Net exposure to foreign currency risk (liabilities)
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
March 31, 2018							
USD	1,292.53	116.21	(1,337.79)	70.95	-	-	-
(Previous year)	699.55	72.60	(611.51)	160.64	94.28	-	94.28
EUR	44.18	0.84	(26.22)	18.80	28.07	-	28.07
(Previous year)	157.84	68.64	(200.89)	25.59	127.65	-	127.65
GBP	15.36	-	-	15.36	-	-	-
(Previous year)	4.15	-	-	4.15	-	-	-
JPY	-	-	-	-	616.88	-	616.88
(Previous year)	-	-	-	-	519.23	(242.62)	276.61



## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 34. Financial risk management – (Contd.)

	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs	In Foreign currency Lakhs
March 31, 2018							
USD	19.13	1.80	20.35	41.28	–	–	–
(Previous year)	10.87	1.13	(8.95)	3.05	1.45	–	1.45
EUR	0.56	0.01	0.32	0.89	0.34	–	0.34
(Previous year)	2.32	1.01	(2.78)	0.55	1.82	–	1.82
GBP	0.17	–	–	0.17	–	–	–
(Previous year)	0.05	–	–	0.05	–	–	–
JPY	–	–	–	–	989.06	–	989.06
(Previous year)	–	–	–	–	872.07	(419.93)	452.14

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Impact on profit after tax  
March 31, 2018 March 31, 2017

USD sensitivity		
INR/USD increases by 5%*	2.32	2.17
INR/USD decreases by 5%*	(2.32)	(2.17)
EURO sensitivity		
INR/EURO increases by 5%*	(0.30)	(3.34)
INR/EURO decreases by 5%*	0.30	3.34
GBP sensitivity		
INR/GBP increases by 5%*	0.50	0.14
INR/GBP decreases by 5%*	(0.50)	(0.14)
JPY sensitivity		
INR/JPY increases by 5%*	20.17	9.04
INR/JPY decreases by 5%*	(20.17)	(9.04)

\*Holding all other variables constant

#### (ii) Price risk

The Company's exposure to equity securities and mutual fund price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities and mutual fund, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company. The majority of the Company's equity investments are publicly traded and are included in the NSE Nifty 50 index.

#### Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

	Impact on profit after tax		Impact on other components of equity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
NSE Nifty 50 – increase 5%	74.93	57.55	98.46	85.93
NSE Nifty 50 – decrease 5%	(74.93)	(57.55)	(98.46)	(85.93)

Profit for the period would increase/decrease as a result of gains/losses on mutual fund classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

#### 35. Capital management

##### (a) Dividends

##### (i) Equity shares

Final dividend for the year ended March 31, 2017 of INR 7.50  
(March 31, 2016 of INR 7.50) per fully paid share

March 31, 2018 March 31, 2017

286.88 286.88

##### (ii) Dividends not recognised at the end of the reporting period (Refer Note 39)

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

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#### 36 Related party transactions

(a) Name of the related parties and nature of relationship:

(i) Where control exist:

Holding company Amalgamations Private Limited

(ii) Other related parties with whom transactions have taken place during the year

Joint venture BBL Daido Private Limited

Associates IPL Green Power Limited

Fellow Subsidiaries

Simpson & Company Limited

Addison & Company Limited

Amco Batteries Limited

Amco Saft India Limited

Amalgamations Repco Limited

Associated Printers (Madras) Private Limited

George Oakes Limited

India Pistons Limited

IP Rings Limited

IP Pins & Liners Limited

L M Van Moppes Diamond Tools India Private Limited

Shardlow India Limited

Simpson and General Finance Company Limited

Speed-A-Way Private Limited

Sri Rama Vilas Service Limited

Stanes Amalgamated Estates Limited

T.Stanes & Company Limited

Tractors and Farm Equipment Limited

TAFE Motors & Tractors Limited

The Madras Advertising Company Private Limited

Wheel and Precision Forgings India Limited

Wallace Cartwright & Company Limited

The United Nilgiri Tea Estates Company Limited

TAFE Access Limited

Higginbothams Private Limited

Addisons Paints & Chemicals Limited

Key management personnel

Mr. A. Krishnamoorthy, Managing Director

Mr. S. Narayanan, Whole Time Director

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Particulars of transactions with related parties

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Transaction during the year										
Sale of goods	-	-	1,038.23	853.50	1,089.70	1,162.36	-	-	2,127.93	2,015.86
Simpson & Company Limited	-	-	-	-	444.24	455.38	-	-	444.24	455.38
George Oakes Limited	-	-	-	-	289.19	326.96	-	-	289.19	326.96
Speed-A-Way Private Limited	-	-	-	-	354.79	374.01	-	-	354.79	374.01
BBL Daido Private Limited	-	-	1,038.23	853.50	-	-	-	-	1,038.23	853.50
TAFE Motors and Tractors Limited	-	-	-	-	1.48	6.01	-	-	1.48	6.01
Claims reimbursement against credit note (sales)	-	-	-	29.78	1.55	9.24	-	-	1.55	39.02
Simpson & Company Limited	-	-	-	-	-	7.14	-	-	-	7.14
George Oakes Limited	-	-	-	-	0.52	0.56	-	-	0.52	0.56
Speed-A-Way Private Limited	-	-	-	-	1.03	1.54	-	-	1.03	1.54
BBL Daido Private Limited	-	-	-	29.78	-	-	-	-	-	29.78
Rendering of services	-	-	3.75	14.19	-	-	-	-	3.75	14.19
BBL Daido Private Limited	-	-	3.75	14.19	-	-	-	-	3.75	14.19
Interest received	-	-	14.72	-	-	-	-	-	14.72	-
BBL Daido Private Limited	-	-	14.72	-	-	-	-	-	14.72	-
Dividend received	-	-	-	14.36	0.60	4.23	-	-	0.60	18.59
Amalgamation Repco Limited	-	-	-	-	-	3.63	-	-	-	3.63
BBL Daido Private Limited	-	-	-	14.36	-	-	-	-	-	14.36
Stanes Amalgamated Estates Limited	-	-	-	-	0.13	0.13	-	-	0.13	0.13
Others	-	-	-	-	0.47	0.47	-	-	0.47	0.47
Purchase of goods	-	-	115.48	9.12	12.33	20.07	-	-	127.81	29.19
Addison & Company Limited	-	-	-	-	2.98	7.04	-	-	2.98	7.04
Associated Printers (Madras) Private Limited	-	-	-	-	0.49	2.72	-	-	0.49	2.72
L M Van Moppes Diamond Tools India Private Limited	-	-	-	-	2.46	1.97	-	-	2.46	1.97
IP Rings Limited	-	-	-	-	5.16	8.26	-	-	5.16	8.26
BBL Daido Private Limited	-	-	115.48	9.12	-	-	-	-	115.48	9.12
Others	-	-	-	-	1.24	0.08	-	-	1.24	0.08

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Receiving of services (Including reimbursement of expense incurred by the related party on behalf of the Company)	71.40	56.28	0.09	3.70	103.66	146.30	-	-	175.15	206.28
Amalgamations Private Limited	71.40	56.28	-	-	-	-	-	-	71.40	56.28
Sri Rama Vilas Service Limited	-	-	-	-	6.85	66.36	-	-	6.85	66.36
Simpson & Company Limited	-	-	-	-	37.06	34.46	-	-	37.06	34.46
Simpson & General Finance Company Limited	-	-	-	-	18.12	20.22	-	-	18.12	20.22
BBL Daldo Private Limited	-	-	0.09	3.70	-	-	-	-	0.09	3.70
The Madras Advertising Company Private Limited	-	-	-	-	16.87	5.26	-	-	16.87	5.26
India Pistons Limited	-	-	-	-	1.32	0.20	-	-	1.32	0.20
Shardlow India Limited	-	-	-	-	8.03	6.54	-	-	8.03	6.54
Others	-	-	-	-	15.41	13.26	-	-	15.41	13.26
Discount and Rebates	-	-	-	-	24.89	22.65	-	-	24.89	22.65
George Oakes Limited	-	-	-	-	7.71	7.74	-	-	7.71	7.74
Speed-A-Way Private Limited	-	-	-	-	17.18	14.91	-	-	17.18	14.91
Rent	-	-	-	-	28.85	30.03	-	-	28.85	30.03
Simpson & Company Limited	-	-	-	-	8.94	10.03	-	-	8.94	10.03
George Oakes Limited	-	-	-	-	6.88	7.63	-	-	6.88	7.63
Wheel & Precision Forgings India Limited	-	-	-	-	10.20	9.57	-	-	10.20	9.57
Amalgamations Repco Limited	-	-	-	-	2.83	2.80	-	-	2.83	2.80
Dividend Paid	72.68	72.68	-	-	142.14	142.13	0.02	0.03	214.84	214.84
Amalgamations Private Limited	72.68	72.68	-	-	-	-	-	-	72.68	72.68
Simpson & Company Limited	-	-	-	-	83.36	45.30	-	-	83.36	45.30
India Pistons Limited	-	-	-	-	57.38	95.43	-	-	57.38	95.43
Others	-	-	-	-	1.40	1.40	0.02	0.03	1.42	1.43
Key Management personnel compensation	-	-	-	-	-	-	134.63	122.93	134.63	122.93
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	-	-
Short-term employee benefits	-	-	-	-	-	-	58.13	54.62	58.13	54.62
Other long-term benefits	-	-	-	-	-	-	6.30	6.30	6.30	6.30
Mr. S. Narayanan	-	-	-	-	-	-	-	-	-	-
Short-term employee benefits	-	-	-	-	-	-	66.78	58.59	66.78	58.59
Other long-term benefits	-	-	-	-	-	-	3.42	3.42	3.42	3.42

# BIMETAL BEARINGS LIMITED

## Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

Description	Holding Company		Joint Venture		Fellow Subsidiaries		Associate		Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Balance at Year end												
Investments	-	-	794.76	794.76	224.28	222.84	75.00	75.00	-	-	1,094.04	1,092.60
Amalgamations Repco Limited	-	-	-	-	156.98	156.98	-	-	-	-	156.98	156.98
BBL Daido Private Limited	-	-	794.76	794.76	-	-	-	-	-	-	794.76	794.76
Sianes Amalgamated Estates Limited	-	-	-	-	8.29	3.19	-	-	-	-	8.29	3.19
IPL Green Power Limited (Refer Note 32)	-	-	-	-	-	-	75.00	75.00	-	-	75.00	75.00
The United Nilgiri Tea Estates Limited	-	-	-	-	59.01	62.67	-	-	-	-	59.01	62.67
Trade Receivables	-	-	344.04	511.97	251.26	191.60	-	-	-	-	595.30	703.57
Simpson & Company Limited	-	-	-	-	83.50	34.07	-	-	-	-	83.50	34.07
George Oakes Limited	-	-	-	-	65.35	69.39	-	-	-	-	65.35	69.39
Speed-A-Way Private Limited	-	-	-	-	101.91	88.14	-	-	-	-	101.91	88.14
BBL Daido Private Limited	-	-	344.04	511.97	-	-	-	-	-	-	344.04	511.97
TAFE Motors and Tractors Limited	-	-	-	-	0.50	-	-	-	-	-	0.50	-
Short-term loans and advances	-	-	-	2.36	-	-	-	-	-	-	-	2.36
BBL Daido Private Limited	-	-	-	2.36	-	-	-	-	-	-	-	2.36
Amco Safil India Limited	-	-	-	-	-	-	-	-	-	-	-	-
Amounts Payable	13.87	20.67	56.47	12.82	45.59	44.27	-	-	9.90	22.28	125.83	100.04
Amalgamations Private Limited	13.87	20.67	-	-	-	-	-	-	-	-	13.87	20.67
BBL Daido Private Limited	-	-	56.47	12.82	-	-	-	-	-	-	56.47	12.82
Simpson & Company Limited	-	-	-	-	10.61	9.33	-	-	-	-	10.61	9.33
Simpson & General Finance Company Limited	-	-	-	-	8.48	9.12	-	-	-	-	8.48	9.12
Sri Rama Vilas Service Limited	-	-	-	-	0.04	7.20	-	-	-	-	0.04	7.20
IP Pins & Liners Limited	-	-	-	-	-	0.62	-	-	-	-	-	0.62
The Madras Advertising Company Limited	-	-	-	-	0.25	1.13	-	-	-	-	0.25	1.13
IP Rings Limited	-	-	-	-	3.29	4.09	-	-	-	-	3.29	4.09
George Oakes Limited	-	-	-	-	4.55	6.10	-	-	-	-	4.55	6.10
Associated Printers (Madras) Private Limited	-	-	-	-	4.57	-	-	-	-	-	4.57	-
Mr.A.Krishnamoorthy, Managing Director	-	-	-	-	-	-	-	-	-	8.68	-	8.68
Mr.S.Narayanan, Whole-time Director	-	-	-	-	-	-	-	-	9.90	13.60	9.90	13.60
Others	-	-	-	-	13.80	6.68	-	-	-	-	13.80	6.68

### Notes:

- There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.
  - Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
  - No amount is/has been written off or written back during the year in respect of debts due from or to related party.
  - The above transactions are compiled from the date these parties became related and do not include reimbursement of expenses which are accounted in the natural head of accounts.
- (c) Terms and conditions  
Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
37. Contingent liabilities		
Claim against the group not acknowledged as debt:		
Income tax matters	363.32	409.00
Sales tax matters	8.89	8.89
Electricity matters	464.26	464.26
Claims by workmen pending before labour court	6.65	6.65
– Future cash flows in respect of above is determinable only on receipts of judgement / decision pending with relevant authorities.		
– The Group has filed responses / appeals against above matters which is pending disposal.		
38. Capital and other commitments		
(a) Capital commitments		
Estimated value of contracts in capital account remaining to be executed	183.66	115.06
Investment partly paid - equity shares of Rs. 100 each in Adyar Property Holding Company Limited (INR 65 paid up)	0.02	0.02
Investment partly paid - equity shares of INR 615 each in TATA steel Limited (INR 154 paid up)	0.63	–
(b) Other commitments	–	–
39. Events after the reporting period		
The Board of Directors have recommended dividend of INR 9 per fully paid up equity share of INR 10 each, aggregating INR 344.25 lakhs and INR 71.02 Lakhs dividend distribution tax for the financial year 2017-18, which is based on relevant share capital as on March 31, 2018. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.		
40. Earnings per share		
For the purpose of computing the earnings per share, the net profit after tax has been used as the numerator and the weighted average number of shares outstanding has been considered as the denominator.		
	For the year ended March 31, 2018	For the year ended March 31, 2017
Particulars		
Net profit attributable to shareholders	1,115.05	407.62
Profit attributable to equity shareholders	1,115.05	407.62
Weighted average number of equity shares of INR 10 each, for Basic EPS	38,25,000	38,25,000
Earning per share - Basic	29.15	10.66
Net profit for the year	1,115.05	407.62
Net Profit for the year attributable to the equity shareholders	1,115.05	407.62
Weighted average number of equity shares of INR 10 each, for Diluted EPS	38,25,000	38,25,000
Earnings per share - Diluted	29.15	10.66
41. Research and development expenditure incurred during the year		
Expenditure on R&D (DSIR approved R&D Centres)		
Capital Expenditure	42.13	7.88
Revenue Expenditure		
Consultancy charges	25.50	20.40
Stay expenses	2.43	2.79
Research and development expenses included under various heads of Statement of Profit and Loss	77.02	86.01

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 42. Segment Reporting

The Managing Director of the Company has been identified as being the chief operating decision maker. Based on the internal reporting to the Chief operating decision maker, the Group has identified that the Group has only one segment which is manufacture and sale of plain shaft bearings and accordingly there are no other reportable segments.

The Group is domiciled in India. Information about entity wide disclosures as mandated under Ind AS 108 are as below:

(i) Secondary geographic segment information			
Geographic Segment	Revenues for the year ended March 31, 2018	Segment assets as at March 31, 2018	Capital expenditure incurred during the year ended March 31, 2018
Outside India	3,839.56	1,352.07	57.96
	(2,832.50)	(861.54)	-
India	14,738.48	19,269.49	1,029.59
	(13,143.03)	(18,637.06)	(674.39)
Total	18,578.04	20,621.56	1,087.55
	(15,975.53)	(19,498.60)	(674.39)

Notes:

(i) There are two customers contributing more than 10% of the total revenue. For previous year no single customer contributes more than 10% of the total revenue. Two customers accounted for more than 10% of the receivables as at March 31, 2018 and three customers accounted for more than 10% of the receivables as at March 31, 2017

(ii) Previous year's figures are shown in brackets.

#### 43.1 Operating lease

As Lessor:	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	The Group has entered into operating lease arrangements for certain surplus facilities. The lease is cancellable and are usually renewable by mutual consent on mutually agreeable terms. Lease income recognised in the Statement of Profit and Loss.	0.07	0.07

As Lessee:

The Group has entered into operating lease arrangements for premises like (factories, sales depots and godowns etc.). These leasing arrangements are cancellable and are usually renewable by mutual consent on mutually agreeable terms. Lease payments recognised in the Statement of Profit & Loss.	38.71	37.77
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#### 43.2 The Consolidated Financial Statements of the group for the year ended March 31, 2017, were audited by the Price Waterhouse Chartered Accountants LLP, the Predecessor Auditor.

#### 44. Interest in other entities

##### (i) Interest in associates and joint ventures

Set out below are the associates and joint ventures of the group as at March 31, 2018. The entities listed below have share capital consisting solely of equity shares (in the case of associate) and equity shares and preference shares (in the case of joint venture), which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the company	Place of incorporation and principal place of business	Proportion of the ownership interest	Relationship	Quoted fair value		Carrying amount	
				March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
BBL Daido Private Limited	Chennai, India	20.00%	Joint Venture	*	*	853.31	752.21
IPL Green Power Limited	Chennai, India	24.19%	Associate	*	*	-	-

#### Principal activity

BBL Daido Private Limited manufactures steel-backed bushes and thrust washers with a license and technical assistance agreement with Daido Metal, Japan

IPL Green Power Limited is a public incorporated, non-government Company. It had been incorporated with the objective of engaging in production, collection and distribution of electricity.

\*Unlisted entity – no quoted price available.

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 44. Interest in other entities – (Contd.)

(ii) Commitments and contingent liabilities in respect of associates and joint ventures	March 31, 2018	March 31, 2017
<i>Contingent liabilities - Joint venture</i>		
Share of joint ventures contingent liability in respect of legal matters against the entity	46.92	52.92
(iii) Summarised financial information for associates and joint ventures		

The tables below provide summarised financial information for the joint venture and associates as at the end of the reporting period. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Bimetal Bearings Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including modifications for differences in accounting policies.

Summarised balance sheet	BBL Daido Private Limited		IPL Green Power Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current assets				
Cash and cash equivalents	128.61	31.58	**	**
Other assets	4,654.47	3,927.06	**	**
Total Current assets	4,783.08	3,958.64	45.51	43.54
Total Non Current assets	7,343.45	7,349.92	-	-
Current liabilities				
Financial liabilities	4,468.91	3,849.09	**	**
Other liabilities	118.65	8.30	**	**
Total Current liabilities	4,587.56	3,857.39	11.72	11.12
Non Current liabilities				
Financial liabilities	3,240.95	3,673.02	**	**
Other liabilities	17.91	16.17	**	**
Total Non Current liabilities	3,258.86	3,689.19	-	-
Net assets	4,280.11	3,761.98	33.79	32.42

\*\*Indicates Disclosures that are not required for investments in associates as per Ind AS

#### Reconciliation to carrying amounts

	BBL Daido Private Limited		IPL Green Power Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Opening net assets	3,761.98	4,479.78	32.42	97.30
Additional investment made	-	-	-	-
Add:				
Profit for the year	510.85	(622.81)	1.37	(64.88)
Other comprehensive income	7.28	(8.57)	-	-
Less:				
Dividends paid	-	(71.80)	-	-
Dividend distribution tax paid	-	(14.62)	-	-
Closing net assets	4,280.11	3,761.98	33.79	32.42
Group's share in %	20%	20%	24.19%	24.19%
Group's share in INR	856.02	752.40	8.17	7.85
Goodwill	-	-	19.28	19.28
Reconciliation :				
Unrealised Gain on stock	(2.71)	(0.19)	-	-
Impairment of investment in associate	-	-	(27.45)	(27.13)
Carrying Amount	853.31	752.21	-	-



## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 44. Interest in other entities – (Contd.)

##### Summarised statement of profit and loss

	BBL Daido Private Limited		IPL Green Power Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Revenue from operations	7,336.45	5,452.61	2.47	5.67
Interest income	0.74	5.57	**	**
Depreciation and amortization expense	510.20	392.93	**	**
Interest expense	405.90	299.57	**	**
Income tax expense	65.62	–	**	**
Profit / (loss) for the year	510.85	(622.81)	1.37	(64.88)
Other comprehensive income/ (loss) for the year	7.28	(8.57)	–	–
Total comprehensive income/ (loss) for the year	518.13	(631.38)	1.37	(64.88)
Dividends received	–	14.36	–	–

\*\*Disclosures that are not required for investments in associates as per Ind AS

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

#### 45. Additional information required by Schedule III

Name of the Entity	Net assets (Total Assets - Total Liabilities)		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated comprehensive income	Amount	As a % of consolidated comprehensive income	Amount
Parent								
Bimetal Bearings Limited								
March 31, 2018	95%	16,656.57	91%	1,015.40	100%	371.97	93%	1,387.37
March 31, 2017	95%	15,614.47	134%	546.78	100%	448.69	117%	995.47
Joint Venture								
(investment as per equity method)								
BBL Daido Private Limited								
March 31, 2018	5%	853.31	9%	99.65	0%	1.46	7%	101.11
March 31, 2017	5%	752.21	-30%	(123.47)	0%	(1.71)	-15%	(125.18)
Associate								
(investment as per equity method)								
IPL Greenpower Limited								
March 31, 2018	0%	-	0%	--	0%	-	0%	-
March 31, 2017	0%	--	-4%	(15.69)	0%	-	-2%	(15.69)
Total								
March 31, 2018	100%	17,509.88	100%	1,115.05	100%	373.43	100%	1,488.48
March 31, 2017	100%	16,366.68	100%	407.62	100%	446.98	100%	854.60

## BIMETAL BEARINGS LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2018

(All amounts are in INR Lakhs, unless otherwise stated)

46 Form AOC-1 - Statement containing salient features of the financial statements of associate/ joint venture

Part B - Associates and Joint ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Name of the Associate or Joint ventures	BBL Daido Private Limited	IPL Green Power Limited
Latest audited Balance sheet date	March 31, 2018	March 31, 2018
Date on which the Associate or Joint venture was associated or acquired	April 17, 2002	August 04, 2014
Shares of Associate or Joint venture held by the Company on the year end		
No. of shares	29,00,000*	7,50,000
Amount of investment in associate or Joint venture	794.76*	75.00
Extent of Holding (in percentage)	20.00%	24.19%
Description of how there is significant influence	Joint control as per Joint venture agreement	Shareholding of more than 20%
Reason why the associate/ joint venture is not consolidated	NA. Accounted for using the equity method as per the requirements of the applicable accounting standard	NA. Accounted for using the equity method as per the requirements of the applicable accounting standard
Networth attributable to shareholding as per latest audited Balance Sheet	856.02	8.17
Profit or (loss) for the year		
(i) Considered in Consolidation	102.17	-
(ii) Not Considered in Consolidation	408.68	1.37

\* Includes investment in 3,00,000 fully convertible preference shares of the joint venture amounting to INR 300.00 lakhs, which the Company has determined to be in the nature of equity interest.

47. Investment in IPL Green Power Limited

Consequent to the inordinate delay in getting statutory approvals, the Management of IPL Green Power Limited (the associate) is of the opinion that the current project may not be viable. Therefore the Management is contemplating withdrawal of the application pending with the Regulators/ State Government and consider other viable projects in due course. Considering this, on a prudent basis the financial statements of the associate are prepared not on a going concern basis and accordingly adjustments have been made to the Statement of financial position of the associate by restating of amounts to their net realisable value, to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and current liabilities.

As explained in Note 32, considering the above the Group has assessed the impairment of carrying value of its investment accounted for under the equity method in its associate and accordingly an impairment charge of INR 27.13 lakhs has been considered during the previous year.

## **BIMETAL BEARINGS LIMITED**

### **Notes to the Consolidated financial statements for the year ended March 31, 2018**

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

For and on behalf of Board of Directors

A. Krishnamoorthy  
Managing Director  
DIN: 00001778

P.M. Venkatasubramanian  
Director  
DIN: 00124505

K. Vidhya Shankar  
Company Secretary

Place : Chennai  
Date : May 30, 2018

S. Narayanan  
Whole-time Director  
DIN: 03564659

N. Venkataramani  
Director  
DIN: 00001639

N. Venkataraman  
Chief Financial Officer