

**Auditors' Report on Financial results of FAG Bearings India Limited  
pursuant to Clause 41 of Listing Agreement**


**To the Board of Directors  
FAG Bearings India Limited**

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of FAG Bearings India Limited ("the Company") for the quarter ended 30 June 2014 and the six months period ended on that date except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 31 July 2014. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of interim financial information performed by the Independent Auditor of the Entity". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BSR & Co.LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W



**Vijay Mathur**  
*Partner*

Membership No: 046476

Mumbai  
31 July 2014



**FAG BEARINGS INDIA LIMITED**

Regd. Office : Nariman Bhavan, 8th Floor, 227 Backbay Reclamation, Nariman Point, Mumbai - 400 021

**FAG**

(Rupees in million)

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2014**
**PART I**

Sr. No.	Particulars	THREE MONTHS ENDED			YEAR TO DATE FIGURE		YEAR ENDED
		Jun.30, 2014	Mar 31, 2014	Jun. 30, 2013	Jun.30, 2014	Jun.30, 2013	Dec. 31, 2013
		(UNAUDITED)			(UNAUDITED)		(AUDITED)
1	<b>Income from Operations</b>						
	(a) Net sales / Income from Operations ( Net of excise duty)	3,880.4	3,976.7	3,025.3	7,857.1	6,338.0	13,926.4
	(b) Other Operating Income	37.3	30.3	20.6	67.6	34.0	97.7
	<b>Total income from operations (Net)</b>	<b>3,917.7</b>	<b>4,007.0</b>	<b>3,045.9</b>	<b>7,924.7</b>	<b>6,372.0</b>	<b>14,024.1</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	1,584.5	1449.3	1,180.1	3033.8	2375.1	5,036.8
	(b) Purchase of Stock-in- trade	889.4	991.7	900.4	1,881.1	1,803.4	4,256.1
	(c) Changes in inventories of finished goods, Work in Progress and stock-in-trade	(102.4)	55.7	(283.8)	(46.7)	(250.2)	(322.0)
	(d) Employees benefit expense	337.7	374.8	317.6	712.5	617.0	1,191.3
	(e) Depreciation and amortisation expense	122.9	120.5	104.9	243.4	201.0	432.5
	(f) Other expenses	572.3	578.4	515.3	1,150.7	995.9	2,026.0
	<b>Total expenses</b>	<b>3,404.4</b>	<b>3,570.4</b>	<b>2,734.5</b>	<b>6,974.8</b>	<b>5,742.2</b>	<b>12,620.7</b>
3	<b>Profit from Operations before Other Income, finance costs and Exceptional Items (1-2)</b>	<b>513.3</b>	<b>436.6</b>	<b>311.4</b>	<b>949.9</b>	<b>629.8</b>	<b>1,403.4</b>
4	Other Income	107.4	90.9	78.6	198.3	150.8	458.6
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>620.7</b>	<b>527.5</b>	<b>390.0</b>	<b>1,148.2</b>	<b>780.6</b>	<b>1,862.0</b>
6	Finance cost	2.3	1.7	2.2	4.0	4.3	7.6
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5 -6)</b>	<b>618.4</b>	<b>525.8</b>	<b>387.8</b>	<b>1,144.2</b>	<b>776.3</b>	<b>1,854.4</b>
8	Exceptional Items	-	-	-	-	-	-
9	<b>Profit from Ordinary Activities before tax (7-8)</b>	<b>618.4</b>	<b>525.8</b>	<b>387.8</b>	<b>1,144.2</b>	<b>776.3</b>	<b>1,854.4</b>
10	Tax expense	210.7	179.0	132.0	389.7	266.0	636.1
11	<b>Net Profit from Ordinary Activities after tax (9-10)</b>	<b>407.7</b>	<b>346.8</b>	<b>255.8</b>	<b>754.5</b>	<b>510.3</b>	<b>1,218.3</b>
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-	-
13	<b>Net Profit for the period (11-12)</b>	<b>407.7</b>	<b>346.8</b>	<b>255.8</b>	<b>754.5</b>	<b>510.3</b>	<b>1,218.3</b>
14	Paid-up equity share capital (Face value of Rs.10/- per share)	166.2	166.2	166.2	166.2	166.2	166.2
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						9,708.9
16i	Earnings per share (before extraordinary items) (of Rs. 10 each) (not annualised)						
	(a) Basic	24.53	20.87	15.39	45.40	30.69	73.32
	(b) Diluted	24.53	20.87	15.39	45.40	30.69	73.32
16ii	Earnings per share (After extraordinary items) (of Rs. 10 each) (not annualised)						
	(a) Basic	24.53	20.87	15.39	45.40	30.69	73.32
	(b) Diluted	24.53	20.87	15.39	45.40	30.69	73.32

**PART II**
**SELECT INFORMATION FOR THE QUARTER AND SIX MONTHS ENDED**

Sr. No.	Particulars	THREE MONTHS ENDED			YEAR TO DATE FIGURE		YEAR ENDED
		Jun.30, 2014	Mar 31, 2014	Jun. 30, 2013	Jun.30, 2014	Jun.30, 2013	Dec. 31, 2013
		(UNAUDITED)			(UNAUDITED)		(AUDITED)
A	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public Shareholding						
	-Number of shares	8088087	8088087	8088087	8088087	8088087	8088087
	-Percentage of shareholding	48.7	48.7	48.7	48.7	48.7	48.7
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	-Number of Shares	-	-	-	-	-	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	-Number of Shares	8529183	8529183	8529183	8529183	8529183	8529183
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
	-Percentage of shares (as a % of the total share capital of the company)	51.3	51.3	51.3	51.3	51.3	51.3
	Particulars						3 Months ended June 30, 2014
B	<b>INVESTOR COMPLAINTS</b>						
	Pending at the beginning of the quarter						-
	Received during the quarter						1
	Disposed of during the quarter						1
	Remaining unresolved at the end of the quarter						-

Cont..



Sr. No.	STANDALONE STATEMENT OF ASSETS AND LIABILITIES Particulars	AS AT	AS AT
		Jun.30, 2014 (UNAUDITED)	Dec. 31,2013 (AUDITED)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' funds</b>		
	(a) Share Capital	166.2	166.2
	(b) Reserves & Surplus	10,483.5	9,729.3
	<b>Shareholders' Funds</b>	<b>10,649.7</b>	<b>9,895.5</b>
3	<b>Non-current liabilities</b>		
	(a) Deferred tax liabilities	168.3	174.1
	(b) Other long-term liabilities	17.2	16.1
	(c) Long-term Provisions	214.6	205.0
	<b>Non Current Liabilities</b>	<b>400.1</b>	<b>395.2</b>
4	<b>Current Liabilities</b>		
	(a) Trade payables	2,090.9	2,404.7
	(b) Other current liabilities	480.1	488.5
	(c) Short-term provisions	169.2	148.8
	<b>Current Liabilities</b>	<b>2,740.2</b>	<b>3,042.0</b>
	<b>TOTAL- EQUITY AND LIABILITIES</b>	<b>13,790.0</b>	<b>13,332.7</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Fixed assets	3,986.7	4,123.2
	(b) Non-current investments	43.5	43.5
	(c) Long-term loans and advances	848.0	1,765.1
	(d) other non-current assets	4.6	4.6
	<b>Non-current assets</b>	<b>4,882.8</b>	<b>5,936.4</b>
2	<b>Current assets</b>		
	(a) Inventories	1,858.0	1,705.8
	(b) Trade receivables	2,932.0	2,906.0
	(c) Cash and cash equivalents	2,687.5	2,376.6
	(d) Short-term loans and advances	1,372.2	347.1
	(e) other current assets	57.5	60.8
	<b>Current assets</b>	<b>8,907.2</b>	<b>7,396.3</b>
	<b>TOTAL- ASSETS</b>	<b>13,790.0</b>	<b>13,332.7</b>
<b>Notes</b>			
1	The business of the Company falls under a single primary segment i.e." Ball / Roller Bearings and related components " for the purpose of Accounting Standard AS - 17.		
2	The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on July 31,2014		
3	The Statutory Auditors have performed a "Limited Review" of the above financial results for the six months ended June 30, 2014		
4	The figures of the previous periods have been regrouped wherever necessary to conform to the current period's presentation.		
	Per our report attached of even date B S R & Co. LLP Chartered Accountants Firm Reg. No. 101248W Vijay Mathur Partner Membership No. 046476 New Delhi / July 31, 2014		For FAG Bearings India Ltd.  Rajendra Anandpara Managing Director