

August 29, 2024

BSE Limited Corporate Relationship Department 1 <sup>st</sup> Floor, P.J. Towers, Dalal Street Mumbai 400 001	National Stock Exchange of India Limited Listing Department-Corporate Services Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1 Bandra Kurla Complex Bandra East, Mumbai 400051
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**Code No. 530367/ NRBBEARING**

**Sub: Notice of the 59<sup>th</sup> Annual General Meeting and Annual Report for FY 2023-24.**

Dear Sir/Madam,

This is to inform you that the 59<sup>th</sup> Annual General Meeting (AGM) of NRB Bearings Limited is scheduled to be held on Friday, September 20, 2024 at 11.30 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulation 34(1) and Regulation 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Annual Report for FY 2023-24, including the Notice of the AGM, which is being sent through electronic mode to the Members whose e-mail IDs are available with the Company.

The Annual Report is also available on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com).

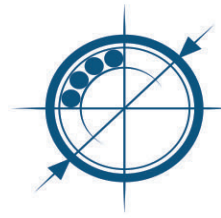
The Notice inter-alia provides the process and manner of remote e-voting / e-voting at the AGM and the instructions for participation at the AGM through VC/OAVM.

We request you to kindly take the same on record.

Thanking You,

Sincerely,  
**For NRB Bearings Limited**

Shruti Joshi  
Company Secretary



**NRB**  
**BEARINGS**

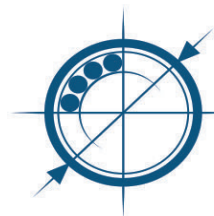
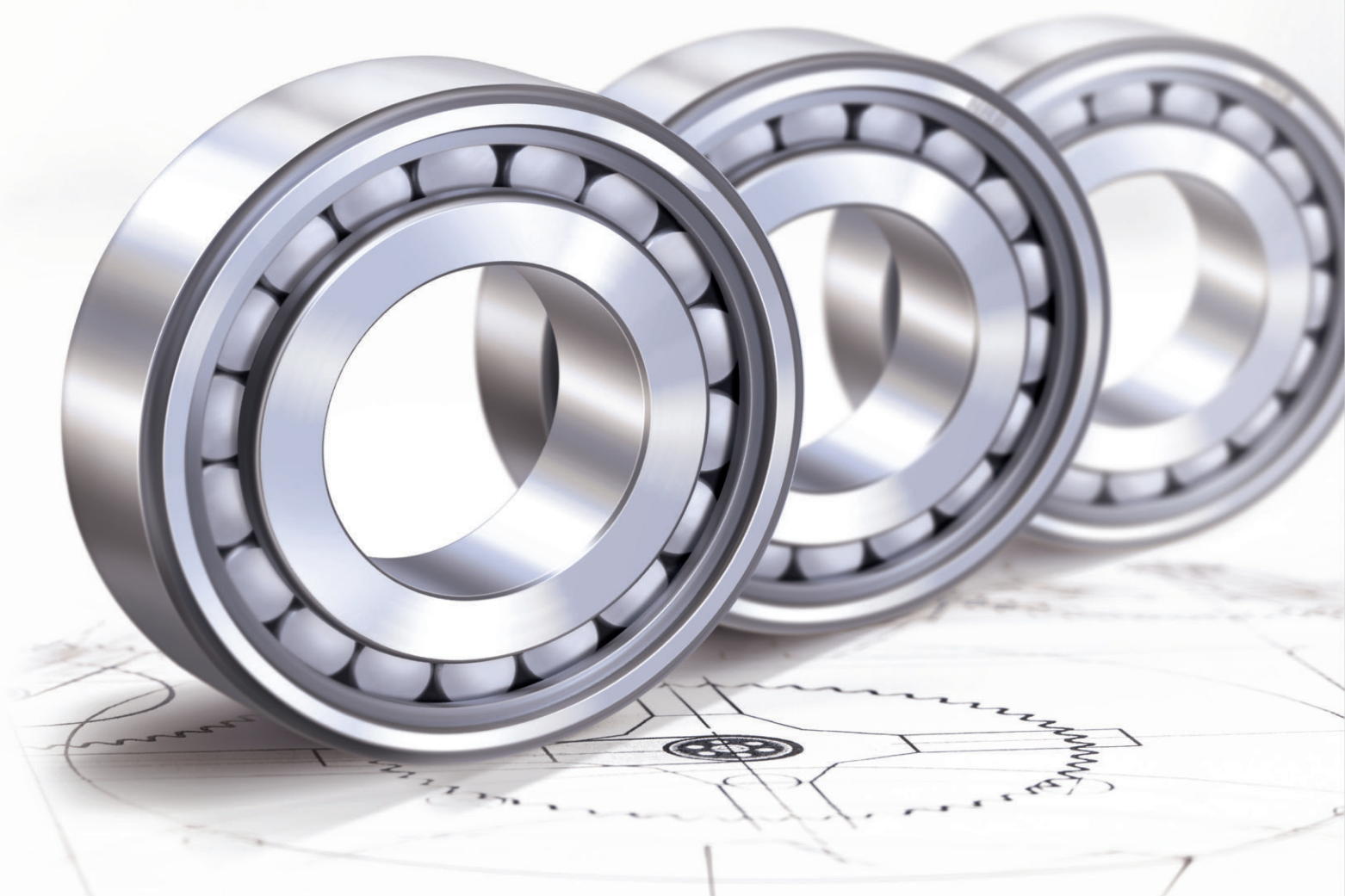


59<sup>th</sup>  
**ANNUAL**  
**REPORT**

2023-2024

[www.nrbbearings.com](http://www.nrbbearings.com)

# India's Premier Wide Range Bearing Manufacturer



**NRB**  
**BEARINGS**

**CIN : L29130MH1965PLC013251**

- Directors** : Ashank Desai - Chairman (w.e.f. August 12, 2024)  
Harshbeena Zaveri - Vice Chairman & Managing Director  
Satish Rangani  
Rustom Desai  
Jayavardhan Dhar Diwan  
Bapsy Dastur  
Tashwinder Singh (ceased to be director w.e.f. August 10, 2024)  
Vishakha R.M. (ceased to be director w.e.f. August 1, 2024)
- Company Secretary and Compliance Officer** : Shruti Joshi
- Bankers** : Hongkong and Shanghai Banking Corporation Limited  
Citibank N.A.  
HDFC Bank Limited  
DBS Bank  
Kotak Mahindra Bank Limited  
ICICI Bank Limited
- Auditors** : Walker Chandlok & Co. LLP
- Solicitors** : AZB Partners & Co.
- Registered Office** : Dhannur, 15, Sir P. M. Road, Fort,  
Mumbai - 400 001
- Works** : E-40, M.I.D.C. Industrial Area, Chikalthana,  
Aurangabad - 431 010  
  
C-6, Additional M.I.D.C. Industrial Area,  
Jalna, 431 203  
  
E-72, (I) & (II) M.I.D.C., Waluj,  
Aurangabad, 431 133  
  
A-5, Uppal Industrial Estate,  
Hyderabad, 500 039  
  
Plot No. 33, Sector - II,  
SIDCUL IIE Pantnagar,  
Udhamsingh Nagar, Uttarakhand 263 153
- Website** : [www.nrbbearings.com](http://www.nrbbearings.com)  
**E-mail** : [investorcare@nrb.co.in](mailto:investorcare@nrb.co.in)
- Registrar & Share Transfer Agent** : Link Intime India Private Limited  
C 101, Embassy 247, L.B.S.Marg, Vikhroli (West),  
Mumbai - 400083  
Tel Nos. 022 49186000, Fax: 022 49186000  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

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**NOTICE**

The Members,

NRB BEARINGS LIMITED

NOTICE is hereby given that the fifty-ninth Annual General Meeting of the Members of NRB Bearings Limited will be held on Friday, September 20, 2024 at 11:30 a.m. The Annual General Meeting shall be held by means of Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Audited Consolidated Financial Statements for the financial year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon.
2. To confirm the Interim Dividend paid by the Company, as final dividend for the year ended March 31, 2024.
3. To appoint a director in place of Mr. Satish Rangani (DIN 00209069) who retires by rotation and being eligible, has offered himself for re-appointment.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification or re-enactment thereof for the time being in force (hereinafter referred to as "the Act"), the remuneration of Rs. 1,30,000/- (Rupees One Lakh Thirty Thousand only) plus applicable taxes and out of pocket expenses payable to M/s R. Nanabhoy and Co., Cost Accountants (Firm Registration No. 7464) duly approved by the Board of Directors upon recommendation of the Audit Committee as Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2025, be and is hereby ratified and confirmed."

Place: Mumbai

Date : May 27, 2024

By Order of the Board

**Shruti Joshi**

Company Secretary

Membership No. A19112

**Notes**

1. A statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out all material facts relating to the relevant resolution of this Notice is annexed herewith and the same should be taken as part of this Notice.
2. The Register of Members of the Company and Transfer Books thereof will be closed from Saturday, September 14, 2024 to Friday, September 20, 2024 (both days inclusive).
3. The Members whose names appear in the Register of Members on Friday, September 13, 2024 shall be entitled to participate in remote e-voting / e-voting at the AGM (Record Date).
4. Members are requested to lodge change of address communication, mandates (if any) and are requested to register their email ids with the Company's Registrar and Share Transfer Agent (RTA) Link Intime India Private Limited, situated at, C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083 or email at rnt.helpdesk@linkintime.co.in
5. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through NACH to investors wherever NACH and bank details are available. In the absence of NACH facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend. SEBI has also mandated the submission of

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

6. The Company has transferred on due dates, the unpaid/unclaimed dividends for the financial year ended 2015-16 and 2016-17 to the Investor Education and Protection Fund (IEPF). The Company has uploaded such details on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com).
7. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2023-24, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for 7 (seven) consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the website [www.nrbbearings.com](http://www.nrbbearings.com). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
8. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned Members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact the RTA for lodging claim for refund of shares and / or dividend from the IEPF Authority.
9. SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, Members are requested to dematerialise shares held by them in physical form.
10. The statutory registers maintained under the Act will be available for inspection in electronic mode. Members seeking to inspect such registers are requested to write to the Company by sending an email at [59thagm@nrb.co.in](mailto:59thagm@nrb.co.in).
11. E-voting facility to all Members has been provided through the e-voting platform of CDSL and the Company has appointed Mr. Upendra Shukla, practicing Company Secretary, (Membership No.: FCS 2727) as Scrutinizer for the e-voting process. Instructions and manner of the process have been detailed below. The Scrutinizer will make a report to the Vice-Chairman & Managing Director of the Company, of the votes cast in favour and against and the results on the resolutions along with the scrutinizer's report will be available on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com) and at the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively within 2 (Two) Working Days of the same being passed.
12. Pursuant to the MCA Circular No.14/ 2020 dated April 8, 2020, MCA Circular No. 17/ 2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 5, 2020, MCA Circular No. 02/2021 dated January 13, 2021, MCA Circular No. 21/2021 dated December 14, 2021, MCA Circular No. 3/2022 dated May 05, 2022, MCA Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, and MCA Circular No. 9/2023 dated September 25, 2023, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD PoD-2/P/CIR/2023/167 dated October 07, 2023 electronic copies of the Annual Report and this Notice inter alia indicating the process and manner of e-voting along with instructions to attend the AGM through VC/OAVM are being sent by email to those Members whose email addresses have been made available to the RTA. Members who have not registered their email addresses, kindly send an email at [59thagm@nrb.co.in](mailto:59thagm@nrb.co.in) as copies of this Notice as well as the other documents will not be sent to them in physical mode and will be sent only by email, in view of the applicable circulars.

Members who have not updated their latest email addresses in the records of their depository participants or to the RTA are requested to complete the same at the earliest. The Notice and the documents will be sent by email only to those Members who have registered their email addresses.

13. **The Company is pleased to provide two-way facility of VC/OAVM of the AGM on Friday, September 20, 2024 from 11.30 a.m. onwards. The Members are requested to log on the e-voting website, to access the weblink, in order to join the proceedings of the AGM.**

The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 and the MCA Circulars.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the relevant MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a Member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large shareholders (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
18. In conformity with the applicable regulatory requirements, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
19. The Notice calling the AGM has been uploaded on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com) and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

**INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Tuesday, September 17, 2024, at 9:00 a.m. (IST) and ends on Thursday, September 19, 2024 at 5:00 p.m. (IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 13, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Electronic Voting Sequence Number (EVSN): 240826035**

- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its Members, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.



(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by listed companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their Mobile No. and Email ID in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, login method for e-voting and joining virtual meetings for Individual Members holding securities in Demat mode CDSL/NSDL is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting</li> </ol>
Individual Members (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

<b>Login type</b>	<b>Helpdesk details</b>
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-voting and joining virtual meetings for physical Members and Members other than individual holding in Demat form.

- 1) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Members" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in physical form should enter folio number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical Members and other than individual Members holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

After entering these details appropriately, click on "SUBMIT" tab.

- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN (240826035) for the relevant Company Name (NRB Bearings Limited) on which you choose to vote.

- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xv) Additional Facility for Non-Individual Members and Custodians –For remote voting only.
  - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non - Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [59thagm@nrb.co.in](mailto:59thagm@nrb.co.in), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting and e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Members who have voted through remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [59thagm@nrb.co.in](mailto:59thagm@nrb.co.in). The Members who do not

wish to speak during the AGM but have queries may send their queries in advance atleast 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at 59thagm@nrb.co.in. These queries will be replied to by the Company suitably by email.

8. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

**PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical Members- please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat Members- Please update your Email ID and Mobile No. with your respective Depository Participant (DP).
3. For Individual Demat Members- Please update your Email ID and Mobile No. with your respective Depository Participant (DP) which is mandatory while e-voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

**Item No. 4:**

The Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, mandate the audit of the cost accounting records of the Company in respect of its products. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on May 27, 2024, appointed M/s R. Nanabhoy & Co, Cost Accountants (Firm Registration No: 7464) as the Cost Auditor of the Company for conducting the audit of the cost records, for the financial year ending March 31, 2025 at a remuneration of Rs. 1,30,000/- (Rupees One Lakh Thirty Thousand only), plus applicable taxes and reimbursement of out of pocket expenses. M/s R. Nanabhoy & Co. have vide their letter dated April 10, 2024 confirmed their eligibility and granted consent to act as the Cost Auditors of the Company for FY 2024-25. Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 4 of the Notice. None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 4 of the Notice.

The Board recommends the Resolution under Item No. 4 of the Notice for approval of the Members as an Ordinary Resolution.

As required by SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015, the statement below gives the relevant details of the Directors being re-appointed as per the accompanying Notice:

Name of Director	Mr. Satish Rangani
DIN	00209069
Date of Birth	November 13, 1948
Nationality	Indian
Date of appointment on Board	July 24, 2013
Brief Resume and Expertise in specific functional areas	Refer to paragraph below
Shareholding in Company as on March 31, 2024	9,000 Equity Shares
Number of meetings of the Board attended during FY 2023-24.	8
List of Directorships held in other Companies in the last three years (excluding foreign, private and section 8 Company)	SNL Bearings Limited NRB Bearings Thailand Limited
Qualification	Qualified Company Secretary and a member of the ICSI. Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies. Bachelors of Commerce from the University of Mumbai
Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies	SNL Bearings Limited- Stakeholders Relationship Committee, Member Corporate Social Responsibility Committee, Member
Disclosure of relationships with Directors inter se	None

Brief Resume and Expertise in specific functional areas:

Mr. Satish Rangani (DIN 00209069), is the Non-Executive, Non-Independent Director of the Company. Mr. Satish Rangani, is a qualified Company Secretary and a Fellow Member of the Institute of Company Secretaries of India and has completed Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies, after completion of Bachelors of Commerce degree from University of Mumbai. He has been associated with the Company for a period of more than 30 years and has extensive experience and expertise in the areas of finance, strategy, legal and compliance. His expertise also includes execution of projects across a wide range of industries. Mr. Rangani has been associated with the Company since February 22, 1993 and has been a member of the Board since July 24, 2013. Mr. Rangani is also a member of the Corporate Social Responsibility Committee and Risk Management Committee of the Company.

By Order of the Board

Place: Mumbai  
Date : May 27, 2024

**Shruti Joshi**  
Company Secretary  
Membership No. A19112

## BOARD'S REPORT

To  
The Members  
NRB BEARINGS LIMITED

Your Directors have pleasure in presenting their fifty-ninth Report together with the standalone and consolidated Audited Financial Statements for the year ended March 31, 2024.

### 1. Financial Results

Particulars	Consolidated		Standalone	
	31.03.2024 Rs. Lacs	31.03.2023 Rs. Lacs	31.03.2024 Rs. Lacs	31.03.2023 Rs. Lacs
Revenue from operations (Net)	109,403	105,716	102,272	102,310
Profit before tax	31,586	12,762	31,822	11,380
Provision for taxation				
Current tax (net)	6,628	3,539	6,010	3,098
Deferred tax	794	(403)	765	(298)
Tax pertaining to earlier years	14	11	-	-
Profit after taxation	24,151	9,615	25,047	8,580
Add: Balance brought forward	49,337	41,878	48,053	41,404
Add: Other Comprehensive Income for the year	215	455	367	(175)
Appropriation:				-
Dividend	(4,943)	(1,398)	(4,943)	(1,938)
Profit and Loss Account	68,495	49,337	68,314	48,053

### 2. Dividend

Considering the profits for the year under review your Directors hereby inform you that the Interim Dividend of 205 per cent (Two Hundred and Five) per cent i.e. Rs. 4.10 per equity share of face value Rs. 2.00 each paid by the Company on June 20, 2023, shall be considered as the final dividend for the year ended March 31, 2024.

In terms of the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as "the Listing Regulations", the Company has formulated a Dividend Distribution Policy. The Policy is available on the website of the Company at <https://www.nrbbearings.com/resources/investorrelations/policy/NRB-Dividend-Distribution-Policy.pdf>.

### 3. Transfer to Reserves:

During the year under review, there was no transfer to the General Reserve.

### 4. Material changes and commitments, if any, affecting the financial position of the Company

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the close of the financial year on March 31, 2024 to which the financial statements relate and the date of this Report.

### 5. State of Company's affairs, operations and outlook:

In line with the economy and industry sentiments, the revenue from operations for your Company increased by approx. 3.49 per cent. The increase was noticed across all segments. During the year under review, on a consolidated basis your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 1,09,403 lacs as against Rs. 1,05,716 lacs for the last fiscal. The Company recorded a net profit of Rs. 24,151 lacs, an increase of 151.17 per cent over Rs. 9,615 lacs for the last fiscal.

On a standalone basis your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 1,02,272 lacs a decrease of 0.04 per cent over Rs. 102,310 lacs of the last fiscal. The Company recorded a net profit of Rs. 25,047 lacs, with an increase of 191.92 per cent over the net profit of Rs. 8,580 lacs for the last fiscal.

India's economic performance in recent years demonstrates substantial growth, with a 7.2 per cent expansion in 2022-23 and an impressive 8.7 per cent growth in 2021-22. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key drivers of the GDP in FY 2023-24. The strength in domestic demand, driven by private consumption and investment, to government reforms and initiatives implemented over the past decade. Investments in both physical and digital infrastructure, along with measures to boost manufacturing, have bolstered the supply side, providing a significant boost to economic activity in the country. India is expected to become the fourth-largest economy in the world by 2025. The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. The share of the automobile sector in the national GDP increased from 2.77 per cent in 1992-1993 to around 7.1 per cent presently. The Indian auto component industry, being a critical part of the OEM value chain, has grown at a healthy pace over the past few years. The production and demand of the auto component industry is directly proportional to that of the automobile industry. With strong macroeconomic indicators, conducive government policies and over 7 per cent growth projection for the Indian GDP, it is expected that the auto component industry will continue to perform well in FY 2024-25. The Production Linked Incentive Scheme and the Automotive Mission Plan by the government has ensured the growth of the sector.

In the future, the industry shall actively explore emerging markets, such as aerospace, high-speed rail, new energy, and other fields, to achieve greater development space. At the same time, with the in-depth development of global industrialization, there are still huge opportunities in the market. Developing environmentally friendly materials and optimizing production processes will become new highlights. In order to improve the load-bearing capacity and service life of products, companies have begun to develop and apply new materials, such as high-temperature ceramic materials and engineering plastics. These new materials will help improve performance and life to attract customers.

As the industry dynamics and the new product lines get redefined, the Company is preparing to:

- Focus on component categories that could contribute more to vehicle costs as these provide higher margins,
- Components which are not likely to be replaced with the advent of electric vehicle (EV) and new products for EV, and
- Expanding our portfolio to serve adjacent industries.

During the year, a fire incident occurred at Waluj Plant of the Company. However, there was no loss or injury to human life or other casualty due to the fire incident. An auto-product assembly line was majorly damaged and the fire spread to the adjacent stores department damaging the ready components and other production related stores and spares. The Company has adequate insurance coverage for the assets in the premises of the said Plant.

## **6. Finance**

The Company has been rated AA-/Stable long term borrowings and A1+ for short term borrowings. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters are continuously monitored. Driving operational efficiencies and prudence with respect to capital expenditure, capturing opportunities are the other focus areas for the Company.

### **a. Public Deposits**

The Company has not taken fixed deposits during the year under review. There are no unclaimed deposits.

### **b. Particulars Loans, Guarantees or Investments**

As on March 31, 2024, the outstanding principal amount for the loan given to NRB Holdings Limited, wholly owned subsidiary of the Company was USD 8.80 million and there was interest outstanding of USD 0.09 million.

Details of loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## **7. Directors and Key Managerial Personnel**

During the year under review, Mr. Devesh Singh Sahney (DIN 00003956) ceased to be the Director of the Company with effect from September 29, 2023 as the resolution for his re-appointment as a Director retiring by rotation was not passed by the shareholders at the 58th Annual General Meeting of the Company.

Mr. Satish Rangani (DIN: 00209069), shall continue as a non-executive, non-independent Director with effect from January 24, 2024. The continuation of Mr. Satish Rangani who had attained the age of 75 (Seventy-Five) years, was recommended by the Nomination and Remuneration Committee at its meeting held on January 11, 2024 and approved by the Board of Directors vide resolution passed through circulation on January 17, 2024 and by the Members vide Special Resolution passed through Postal Ballot on February 25, 2024.

In accordance with the provisions of section 152 and the Articles of Association of the Company, Mr. Satish Rangani (DIN: 00209069) will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Ms. Bapsy Dastur (DIN: 09623277) and Mr. Jayavardhan Dhar Diwan (DIN: 01565319) are appointed as Independent Directors (Additional) with effect from May 27, 2024 subject to approval of the Shareholders by way of Special Resolution at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Mr. Pankaj Khemka resigned as the Chief Financial Officer of the Company with effect from December 31, 2023. The Board of Directors, at its meeting held on February 13, 2024, approved the appointment of Mr. Raman Malhotra as the Chief Financial Officer of the Company with effect from February 15, 2024.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Board duly meets the criteria stipulated in Section 152 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the following were the Key Managerial Personnel of the Company during the year under review:

- Ms. Harshbeena Zaveri – Vice Chairman & Managing Director
- Mr. Satish Rangani – Executive Director (upto January 23, 2024)
- Mr. Pankaj Khemka – Chief Financial Officer (Ceased to be CFO on December 31, 2023)
- Mr. Raman Malhotra – Chief Financial Officer (Appointed as CFO w.e.f. February 15, 2024)
- Ms. Shruti Joshi – Company Secretary and Compliance Officer

### **Familiarisation Programme for Independent Directors**

In order to familiarize the Independent Directors with the business, the Company makes a presentation covering nature and scope of business, nature of industry in which the Company operates, profitability and future scope. Regularly at meetings updates, are given to the Board, by the Company's senior management in areas of operations, industry and regulatory trends, competition and future outlook. The familiarization programme is available on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com).

### **Board Evaluation**

The Board has carried out an annual performance evaluation of its own performance and that of its Committees and the Directors individually. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The process endorsed the confidence of the Directors in the ethical standards of the



Company and its strategies for growth. In the coming year, the Board intends to enhance focus on exploring new drivers for continuing growth.

The Independent Directors have also met separately on March 9, 2024.

### **Remuneration Policy**

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration. As part of its policy the Company strives to ensure that the remuneration to Directors, Key Managerial Personnel (KMP) and senior management involves a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The remuneration policy is available on the website of the Company [www.nrbbearings.com](http://www.nrbbearings.com). Details of remuneration paid to Executive Directors and KMP and the Independent Directors form part of the Corporate Governance Report attached to this Report.

### **Meetings**

During the year 8 (eight) Board Meetings were convened and held (details in Corporate Governance Report) and the gap between any 2 (two) consecutive meetings did not exceed 120 days. The date for the next meeting is fixed in advance at the previous meeting both for board and committee meetings.

## **8. Subsidiaries**

As at March 31, 2024, the Company has 2 (two) subsidiaries viz. SNL Bearings Limited and NRB Holdings Limited. As at March 31, 2024, NRB Bearings, USA Inc, NRB Bearings Europe GmbH and NRB Bearings (Thailand) Limited, are wholly owned subsidiaries of NRB Holdings Limited and step-down subsidiaries of the Company.

SNL Bearings Limited (SNL), in which your Company holds 73.45 per cent equity, has reported profit after tax of Rs. 782 lacs (previous year Rs. 818.00 lacs), lower by 4.40 per cent. Revenue from Operations during the year at Rs. 4,769 lacs is lower by 0.38 per cent over the previous year. SNL is working on projects to improve its financial results in the coming years by enhancing operational efficiencies and scaling up manufacturing capacities.

NRB Holdings Limited (NHL), a wholly owned subsidiary, was incorporated on October 14, 2021, in Dubai, United Arab Emirates for the growth of the global business. During the financial year ended March 31, 2024, NHL recorded a revenue of USD 887,911 (Rs. 735.40 lacs) and the resultant loss after tax was USD 137,309 (Rs. 113.72 lacs).

As a part of comprehensive international strategy of the Company, NRB Bearings Europe GmbH, NRB Bearings (Thailand) Limited and NRB Bearings USA Inc., which were set up to support increasing exports to Europe, Thailand and North America respectively, were acquired by NHL. The companies provide marketing and customer support services. The income during the year is EURO 11,475,085.60 (Rs. 10,304.46 lacs), THB 4,86,915,623 (Rs. 11,431.32 lacs) and USD 52,37,124 (Rs. 4,337.56 lacs) respectively and the resultant profit after tax is EURO 406,174.91 (Rs. 364.74 lacs), 3,11,52,733 THB (Rs. 731.37 lacs) and USD 3,34,903 (Rs. 277.38 lacs) respectively.

Pursuant to section 129 (3) read with rule 5 of Companies (Accounts) Rules, 2014 details of financial statements of subsidiary companies and the step-down subsidiaries have been given in **Annexure 1** (AOC-1) forming part of this statement.

During the year under review, no subsidiary of the Company met with a criterion to become material subsidiary as mentioned in SEBI (LODR) Regulations, 2015.

## **9. Business Risk Management**

The Company has in place a risk management framework to identify risks and minimize their adverse impact on business and strives to create transparency which in turn enhances the Company's competitive advantage. The Company has identified the risks associated with its operations and an action plan for mitigation has been identified. The Company has constituted a Risk Management Committee which is responsible for timely identification and mitigation of business and operational risks. The Risk Management Policy is available on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com).

## **10. Internal Financial Control Systems and Adequacy**

The Company's internal control systems are commensurate with the nature of business, the size and complexity of its operations and such internal financial controls, with reference to the Financial Statements, are adequate.

## **11. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

Information pursuant to Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules 2014 has been given in the **Annexure 2** forming part of this report.

## **12. Industrial Relations/Vigil Mechanism and Whistle Blower Policy**

During the year, the Company maintained cordial relations with the workmen's unions at all plants. There was no major issue/dispute between management and unions at any of the plants of the Company.

Our people approach is reflected in the team work and the implementation of the number of initiatives involving employees and their families to share and promote organizational values. Regular training programmes are conducted for imparting understanding of bearings and engineering principles, modern manufacturing practices and attitudinal and behavioral aspects.

The Company has a Vigil Mechanism and Whistle Blower Policy which provides for adequate safeguards to employees using such mechanism. It also allows direct access to the Audit Committee in appropriate cases. Details of the same is given in **Annexure 3** forming part of this report, and is also available on the website of the Company, [www.nrbearings.com](http://www.nrbearings.com).

Your Company hereby affirms that no complaints were received during the year, under the Vigil Mechanism.

## **13. Safety, Health and Environment**

The Company is committed to establishing and maintaining safe working environment that promotes good health and high performance of the employees, and simultaneously takes measures to protect the environment. We also ensure that safety behavior is well demonstrated by our employees while working on the shop floor by using personal protective equipment as required.

Your Company has been accredited with internationally acclaimed certification viz. ISO 14001:2015 to identify and control environmental impact and constantly improve the environmental performance; ISO 45001:2018 occupational health and safety management system; and IATF16949:2016 for Quality Management System.

The commitment towards environment preservation extends beyond regulatory compliances; ambient air, noise levels and waste monitoring through ETP/STP treatment is being carried out. Initiatives are taken across the Company to conserve natural resources by reduction and recycling of wastes and adherence to emission norms.

During the year there have been numerous initiatives by the Company towards safety and environment awareness among employees:

1. "Safety first and always first" is accorded the highest priority in the Company.
2. Safety Week celebration to create safety awareness among employees, activities and competitions such as safety posters as well as slogans conducted. Environment day celebrations to create awareness for environment and natural resource conservation by tree plantation in premises and awareness sessions.
3. ETP upgradation for separating the ETP and STP effluents and disposing to the CETP for the safe disposal of treated effluent.
4. Water conservation through re-use of waste water and rain water harvesting at plants—capacity to harvest up to 3.06 crore litres rain water every year to increase ground water level.
5. Energy conservation activities replacement of traditional bulbs with LED lamps to reduce the electrical consumption.
6. Conducted awareness program on food waste from external NGOs.
7. Training and awareness sessions on process safety and Environmental resource conservation.

8. Annual Health Check-up for all the employees.
9. Special initiatives have been taken up such as theme based walk, leading and lagging indicators, mock drills, up-gradation and revamping of fire hydrants/protection systems, safety training to employees, organizing safety awareness week, reporting of near-miss incidents and first aid across the plant. The Company strives to achieve "Zero-Accident Tolerance".
10. On time testing of stack emission, water testing, ambient and work zone air testing, earth pit testing, testing of all safety and environmental equipment calibration, ultrasonic and hydraulic test of air receiver tank, pressure vessel testing, manual and electrical stacker testing, safety harness testing and calibration.
11. Strict policy for non-consumption of tobacco and intoxicating materials to protect the mental and physical health of employees. Regular awareness programs like "Vyasana Mukti" and "Yoga Classes" conducted to educate employees to get rid of evils of intoxication and stressful work life and embrace good health and work-life balance.

#### **14. Corporate Social Responsibility**

In line with the activities specified in schedule VII relating to the provisions of sections 135 of the Companies Act, 2013, your company has been focusing on:

- Promotion of education.
- Promoting gender equality and empowering women.
- Employment enhancing vocational skills.
- Promotion of social business projects including ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources.
- Promoting healthcare including preventive healthcare with specific emphasis on women, children and girl child.

In terms of the above the Company has been contributing for primary education, secondary education particularly STEM (study of sciences, maths and engineering) and also for impactful social projects like Antim Sanskar Seva (to redevelop the Worli Smashan Bhumi to provide dignified funeral and cremation community service). The Company has continued its support to the Ashoka University which is devoted to transforming Indian higher education based on the principles of multidisciplinary education delivered by exceptional faculty members and providing ivy-league quality education at an affordable price. The liberal education helps develop intellect, nurture critical thinking and provides specialization with a broader foundation of knowledge. The Company has been the chief supporter to IIT-Bombay for its Racing Car Project and has been associated with the project since the last 7 (seven) years.

The Annual Report on CSR activities in pursuance of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure 4**.

During the year under review, the Company has spent an amount of Rs. 170.00 lacs on CSR projects.

#### **15. Corporate Governance**

Pursuant to the Listing Regulations, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report. Details of Board meetings held during the year under review and the composition of the various committees are included therein.

The Code of Conduct for Directors and senior management of the Company, as approved by the Board, has been affirmed on an annual basis by all the Directors and the senior management personnel of the Company.

The relevant certification on the various matters specified under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been done by the Vice Chairman & Managing Director and the Chief Financial Officer of the Company.

During the year under review the Company has complied with all the applicable Secretarial Standards.

All pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company along with criteria

for such payments and disclosures on remuneration of Directors along with their shareholding are disclosed in Form MGT- 9, which forms a part of this Report.

There are no relationships between the Directors of the Company.

Members desirous of receiving the full Report and Accounts of the subsidiaries will be provided the same on receipt of a written request from them or on submission of their e-mail IDs for forwarding documents through electronic mode. This will help save considerable cost in connection with printing and mailing of the Report and Accounts. This measure would be in line with the green initiative for paperless communications. The same shall also be kept for inspection by any Member at the registered office of the Company and of the respective subsidiary Company concerned and shall also be posted on the website of the Company viz. [www.nrbbearings.com](http://www.nrbbearings.com).

## **16. Directors' Responsibility Statement**

In accordance with Section 134 of the Companies Act, 2013 (the Act), the Directors state that:

- i. in the preparation of annual accounts, all applicable accounting standards have been followed and no material departures have been made from the same;
- ii. accounting policies selected were consistently applied. Reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit of the Company for the accounting year ended on that day;
- iii. proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv. the Annual Accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company have been laid down and are adequate and were operating effectively;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and all such systems were adequate and operating effectively.

## **17. Related Party transactions (RPT)**

All RPT that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant RPT by the Company with promoters, directors, key managerial personnel or other designated persons.

All RPT are placed before the Audit Committee for approval and are noted by the Board. Prior approval of the Audit Committee is obtained on periodic basis for transactions which are foreseen and repetitive in nature. The compliance of the transfer pricing norms in relation to such transactions is certified by the tax advisors.

The policy on RPT as approved by the Board is available on the Company's website. Form AOC-2 for disclosure of particulars of contracts has been enclosed as **Annexure 5**.

## **18. Auditors**

### **Statutory Auditors**

Appointment of M/s Walker Chandiook & Co. LLP, Chartered Accountants as statutory auditors was approved at the Annual General Meeting held on September 29, 2023 for a second term of 5 (five) consecutive years.

### **Cost Auditors**

Pursuant to the Rules issued by Ministry of Corporate Affairs under Companies (Cost records and Audit) Rules 2014, your Company is subject to cost audit during the year and M/s. R. Nanabhoy & Co., Cost Accountants were appointed to undertake the same.

The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1)

of the Act.

#### **Secretarial Audit**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. U. C. Shukla, Practising Company Secretary to undertake the Secretarial Audit of the Company. The report is annexed as **Annexure 6**.

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the auditors' reports

There have been no disqualifications, reservations, adverse remarks or disclaimers in any of the auditors' reports except by the Secretarial Auditor who has mentioned that the term of Mr. Satish C Rangani, who attained the age of 75 years on 13/11/2023, as Executive Director expired on 23/01/2024 and As per regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to pass Special Resolution prior to 23/01/2024 i.e. before the change in designation from Executive Director to Non-Executive Director. The Company has obtained the approval of the Members vide Special Resolution through Postal Ballot on 25/02/2024.

#### **19. Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure 7.

#### **20. Particulars of Employees**

The information required pursuant to section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act the Report and Accounts are being sent to the Members excluding this information.

#### **21. Significant and Material Orders passed by the Regulators or the Courts or the Tribunal**

There are no significant and material orders passed by the Regulators or the Courts or the Tribunals impacting the going concern status and Company's operations in future.

#### **22. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status.**

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2023-24.

#### **23. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.**

The provision regarding difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable to the Company for the financial year 2023-24.

#### **24. Change in nature of business**

During the year under review there was no change in the nature of the business carried on by the Company.

#### **25. Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up 6 (six) Internal Committees (IC) to redress complaints. During the year under review nil complaint were received.

**26. Acknowledgement**

The Directors wish to record their appreciation of the contribution made by employees at all the levels by their hard work, solidarity and support, and for the confidence and loyalty shown by our customers. The Directors also wish to thank the Members, suppliers, bankers and all other business associates for the continuous support given by them to the Company and for their confidence in its management.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

## ANNEXURE 1

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

#### Part "A": Subsidiaries

1. Name of the subsidiary	NRB Bearings (Thailand) Limited (step down subsidiary)	NRB Bearings Europe GmbH (step down subsidiary)	NRB Bearings, USA Inc (step down subsidiary)	SNL Bearings Limited (Rs. In lacs)	NRB Holdings Limited
2. The date since the subsidiary was acquired	March 31,2007	June 27,2014	August 26, 2019	June 1, 2000	October 14, 2021
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	THB USD=36.4915 THB	EURO = Rs. 89.97	USD USD = Rs. 83.4	INR	USD = Rs. 83.4
5. Share capital (Rs.)	THB 147 Million	EURO 25,000	USD 20,000	INR 361	USD 3,500,000
6. Reserves & surplus	THB (6.37) million	EURO 473,698	USD 448,894	INR 5591	USD (988,041)
7. Total assets	THB 625.53 million	EURO 9,255,939	USD 3,707,867	INR 6652	USD 11,782,528
8. Total Liabilities	THB 485.24 million	EURO 8,757,241	USD 3,238,973	INR 700	USD 9,270,569
9. Investments	-	-	-	INR 1422	USD 2,000,000
10. Turnover	THB 486.92 million	EURO 11,475,085.6	USD 5,237,124	INR 4769	USD 887,911
11. Profit /(Loss) before taxation	THB 35.59 million	EURO 478,117	USD 485,366	INR 1073	USD (137,309)
12. Provision for taxation	THB 4.44 million	EURO 157,508	USD 150,463	INR 291	-
13. Profit /(Loss) after taxation	THB 31.15 million	EURO 320,609	USD 334,903	INR 782	USD (137,309)
14. Proposed Dividend	-	-	-	-	-
15. Extent of shareholding (in percentage)	100	100	100	73.45	100

The following information shall be furnished:-

1. Names of subsidiaries which are yet to commence operations – N.A.
2. Names of subsidiaries which have been liquidated or sold during the year- N.A.

**Part "B": Associates and Joint Ventures –**  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates or Joint Ventures	Not Applicable
Latest audited Balance Sheet Date	Not Applicable
Date on which the Associate or Joint Venture was associated or acquired	Not Applicable
Shares of Associate/Joint Ventures held by the company on the year end	Not Applicable
i. No.	Not Applicable
ii. Amount of Investment in Associates/Joint Venture	Not Applicable
iii. Extend of Holding %	Not Applicable
Description of how there is significant influence	Not Applicable
Reason why the associate/joint venture is not consolidated	Not Applicable
Networth attributable to Shareholding as per latest audited Balance Sheet	Not Applicable
Profit / Loss for the year	Not Applicable
i. Considered in Consolidation	Not Applicable
ii. Not Considered in Consolidation	Not Applicable

The following information shall be furnished:-

1. Names of subsidiaries which are yet to commence operations – NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. – NA

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024



## ANNEXURE 2

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

#### A. Conservation of Energy

(i) and (ii) The steps taken or impact on conservation of energy and the steps taken by the Company for utilizing alternate sources of energy:

The Company has always been conscious of the need for conservation of energy. Efforts for conservation of energy in all areas are made on a continuous basis with energy audits highlighting areas for the same - maximizing use of daylight, using energy efficient lamps, optimum utilization of furnaces, providing variable speed drive for motors on machines, arresting leakages in compressed air piping and electrical systems, upgrading old machines and moving to automated assembly lines. The major areas where specific energy conservation measures have been implemented during the year are: -

- Merged 11KV power in 33KV by PD of 11KV: - Optimal use of 33 KV power by authorization process from MSED CL. 1050KVA -1050 KW/month saving costing 499/- per KVA
- Eliminated the individual chillers of 4.5 Tones capacity on Single line of Shell manufacturing Unit 1: - 79248 KWH-savings/Year and Energy cost saving 4.75 lacs/Year.
- Eliminated Direct expansion units (DX) in Audi line area and Shell manufacturing area by converting air cooled units to water cooled units by optimization of central chiller unit
- Electrical energy saving by installing idle running timer for stopping the machine after completion of dressing cycle on GN 120 T1 (Needle) and now Hydraulic power pack motor is not running continuously, run only for 10 min dressing cycle: 3324 KWH/ per year
- Safed 1 Cooling tower, used 1.1 KW motor for fume extraction purpose in place of 2.2 KW which is running continuously in 3 shifts 24X7:- 7300 KWH per year.
- New Reactive Power (Statcom solution) panel with thyristor control for power factor maintaining and monitoring.

Benefits are:

- A. Harmonic level maintained from 13 % to 4%: - As per MSEB norms
- B. Maintaining power factor of 0.99 to unity through continuous energy monitoring in leading and lagging condition and by unbalanced load controlling through statcom.
- Installation done of new standard bonfiglioli make G/B with VFD provide soft start on Single barrel machine: - 18,537 KWH saving per year.
- Replaced 20HP motor with 10 HP motor on pickling blower:- resulting in savings of 67,971 KWH per year
- Replaced Contactor logic with VFD for motor soft start on Hammering Barrel-30:- resulting in savings of 21,627 KWH per year
- In IPSEN furnace installed additional thirster module for increase the current to Zone heaters for reducing the cycle time of HT process and conserve the energy resulting in savings of 15,000 KWH per year
- Timer provided to polishing barrel machine motor to stop the motor after cycle completion resulting in savings of 3,500 KWH per year
- Maintaining power factor of 0.99 through continuous energy monitoring and installing capacitors with increase inductive load.
- MO-62 Filling 3 machines provided with VFDs resulting in savings of 1,200 KWH per year
- In ELPN 100T Hydraulic press motor replaced with energy efficient motor and hydraulic pump to reduce power consumption. Replaced the contactor/relay logic electrical panel with PLC panel for efficient operation with no vibrations and reduced cycle time and noise level, resulting in savings of 7,920 KWH per year
- Eliminated 1hp motors of 4 ID de-flash machines and replaced with pneumatic grinding machines in FS cage post operation lines resulting in savings of 1,200 KWH per year

**B. The capital investment on energy conservation equipment is- Rs. 0.26 lacs.****C. Technology Absorption**

(i) The efforts made towards technology absorption:

During the year under review, your Company continues to focus on friction reduction by design and precision improvement, NVH reduction, products for electric vehicles (EV) with insulation protection through core competency development, design and development competency development for EV aggregates and their design automation, based on employee strengths, engineering and manufacturing infrastructure. The Company has achieved remarkable success in these key areas essential for EV market penetration. While continuing with these areas, company has been successful in enhancing high speed capabilities of our bearing products through advanced CAE techniques most of which are developed inhouse by the company. Product diagnostics and monitoring is becoming a vital area for the vehicle users. For this new expectation from consumer, extensive research and product prototyping is undertaken by the company. Company has been quite successful in bringing up the products with microcontroller diagnostics capabilities for efficient condition monitoring. The Company has achieved the breakthrough in developing bearings for defence segment. New greases with shape retaining capabilities have been successfully tried for polyamide cage products for EV segments.

The Company has continued its sustained focus on technology development of light weight, fuel efficient, reduced noise and ceramic bearings with enhanced product performance. The development is primarily motivated by the Company's desire to be in EV and internal combustion engine vehicles with more efficient bearing products for high speeds, high loads, low friction, and improved durability and NVH performance. The company has successfully demonstrated friction reduction and precision improvement for IC engine bearings.

There is a continuing programme to enhance the Company's range of products and allied parts to meet the future needs of the evolving market by providing a strong proposition for its customers and aiming to be a global player in the mobility business by providing multiple solutions for customer requirements. As part of this business programme, its engineering and technology development centers have carried out improvements as detailed below:

- 1) Light weighting of big end bearings with noise reduction. The Company has been successful in demonstrating friction reduction by 40 percent in big end bearings.
- 2) Low friction alternative seals for rotor bearings wherein sealing friction reduces with reduction in RPM. Efforts are ongoing to develop these bearings by production route.
- 3) Hybrid bearing with ceramic balls for EV applications requiring electric discharge insulation, lower inertia, lower friction, high temp capability. The Company is now ready to offer these bearings for EV motors.
- 4) For new applications, large length, and large diameter polyamide cages are no longer a constraint due to advent of new polyamide segment joining technique developed by the Company.
- 5) The Company has successfully developed one way clutch bearings as new product line which expands the Company's product range and application portfolio.
- 6) Greases with shape retaining capabilities have been successfully casted to work as separator cage resulting in cost reduction, light weighting and self-lubrication.
- 7) The Company identified physical testing needs which only tell about the end result and not about how the end result is achieved. Such tests are effectively simulated through CAE simulations and thus helped the Company to increase productivity and usefulness of test lab.
- 8) Precision improvement of rocker arm bearings and stringent variation control has demonstrated 48 per cent friction reduction and is significant achievement.
- 9) Digitization of design process has been successfully implemented for aggregate development through software development and integration of parametric platforms with CAE.
- 10) Inhouse development of AI algorithms and software to study NVH of gearbox application.

(ii) Specific areas in which R&D is carried out by the Company and benefits derived

Prime focus throughout the year was on:

- Process Innovation for Sustainable Development (PISD)-non cubicle, non-hierarchical, research oriented space.
- Tool validation prior to mass manufacturing.
- Process design to make the products 'First Time Right' and use of 3D printing for faster prototype development.
- Process optimization to get precise parts at economical cost.
- Evolving solutions with a structured method.

- Generating High Definition Surface finish on Rolling elements, for specific applications.

Benefits derived as a result of the above R&D

- Enabling current workforce to develop cognitive out of the box modes of manufacturing
- Faster product development with reduced time to market
- Prevention of defect in-process, even before it is generated by following a systematic process
- Range Expansion
- Expansion of services beyond friction solutions
- Effective utilization of resources
- Productivity and quality improvement

Future plan of action

- IOT based manufacturing for real time production tracking, and monitoring machine performance and utilization
- Academia-Industry tie up to co-create neo-lean and sustainable product designs
- Use of wind and solar energy for generating power to drive equipment in the Process Innovation Centre
- Precision transmission and engine components
- REACH compliance

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)  
:Nil

a) The details of technology imported: N.A.

b) The year of import: N.A.

c) Whether the technology has been fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv) The expenditure incurred on Research and Development- During the year an amount of Rs. 2,005.22 lacs incurred on revenue and capital account for Research and Development expenses.

#### **D. Foreign exchange earnings and outgo**

Foreign exchange earnings	Rs. 24,330 lacs
Foreign exchange outgo	Rs. 19,262 lacs

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

## **ANNEXURE-3**

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

#### **1. Introduction**

While every employee's contract of employment stipulates that he will not disclose confidential information about the employer's affairs, in order to bring about accountability and transparency, there should be a mechanism to enable employees to voice their concerns where they discover information which they believe shows serious malpractice, impropriety, abuse or wrong doing within the organization. The employees should be encouraged and assisted to raise concerns without any fear of victimization, subsequent discrimination or disadvantage. If the employee has acted in good faith it does not matter if one is mistaken and the Company shall ensure protection from any harassment or victimization of/against the disclosing employee.

#### **2. Applicability of the Policy**

This policy applies to all permanent employees of the Company including those who are on probation and is in effect from April 1, 2014.

#### **3. Policy and Procedure for Disclosure, Enquiry and Disciplinary Action**

##### **3.1 Concerns which may be raised -illustrative list**

A whole variety of issues could fall under malpractice, impropriety, abuse and wrong doing, some of which are listed below:

- Breach of any Policy or Manual or Code adopted by the Company
- Fraud and corruption (e.g. receiving bribes)
- Health and safety risks, including risks to the public as well as other employees (e.g. faulty electrical equipment)
- Any sort of financial malpractice
- Abuse of power (e.g. Bullying/harassment)
- Any unlawful act, including failure to comply with legal or statutory obligation for and on behalf of the Company
- Any other unethical or improper conduct

##### **3.2 Concerns – how to raise/whom to disclose**

The concern should be disclosed through letter, e-mail, telephone, fax or any other method to any of the following persons, who shall comprise the Corporate Compliance Committee, headed by the Vice Chairman & Managing Director reporting directly to the Audit Committee of the Board.

The Corporate Compliance Committee comprises the Vice Chairman & Managing Director, the Non-Executive Director, the CFO and the VP-HR.

All relevant information regarding the Concern should be disclosed not later than 1 (one) year from the date on which the employee came to know of the Concern. Upon receipt of the disclosure, the member of the Compliance Committee receiving the same shall furnish a copy to the Vice Chairman & Managing Director who shall decide which member shall be responsible for the investigation.

##### **3.3 Procedure for investigation**

- Obtain full details and clarifications of the complaint
- Consider the involvement of the Company's Auditors or any other external investigation agency or person
- Fully investigate into the allegation with the assistance where appropriate of other individuals/bodies
- Prepare a detailed written report and submit the same to the Compliance Committee not later than 30 days from the date of disclosure of the Concern.

Based on the findings in the written report and after conduct of such further investigation as it may deem fit, the Compliance Committee shall take a decision in the matter not later than 30 days from the date of the written report. If the complaint is shown to be justified then they shall invoke disciplinary or other appropriate action against the

defaulting employee.

All decisions of the Committee shall be by way of simple majority. In case of a tie the matter shall be referred to the Audit Committee for a final decision in the matter.

A copy of all decisions of the Compliance Committee shall be placed before the Audit Committee at the meeting held immediately after such final decision.

If the Complainant or the person complained against is not satisfied with the decision of the Compliance Committee, then either of the parties could prefer an appeal against this decision before the Audit Committee whose decision in the matter will be final and binding on all the parties.

The employee making the disclosure as well as all other persons involved in the investigation and the members of the Compliance Committee shall not make public the concern disclosed except with the prior written permission of the Audit Committee, except where the employee is called upon to disclose this by any judicial process.

If an employee believes there has been a retaliation against him for disclosing concern under this policy by way of an adverse personnel action (which may include a disciplinary suspension, unsatisfactory performance evaluation which results in loss of promotion or normal salary increase, rejection during probation, involuntary reassignment to a position with demonstrably less responsibility or status as compared to the present position, or an unfavourable change in the general terms and conditions of employment) he may file a written complaint to the Audit Committee requesting suitable remedy.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

## ANNEXURE 4

### Annual Report on Corporate Social Responsibility Activities

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

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.  
 As a responsible corporate citizen the Company takes pride in taking effective CSR initiatives which are vital towards fulfilling critical societal gaps not only in the communities it operates in but also society at large on a sustainable basis. The CSR Policy of the Company duly approved by the Board of Directors promotes the following objectives:

- Promotion of education,
- Promoting gender equality and empowering women,
- Employment enhancing vocational skills,
- Promotion of social business projects including ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources,
- Promoting healthcare including preventive healthcare with specific emphasis on women, children and girl child.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Harshbeena Zaveri	Chairperson, (Vice Chairman & Managing Director)	1	1
2.	Mr. Ashank Desai	Member, (Non- Executive / Independent Director)		1
3.	Mr. Satish Rangani	Member, (Non-Executive Director)		1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.  
 Link : [www.nrbbearings.com](http://www.nrbbearings.com)
4. Details of executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).  
 Not Applicable
- 5.
- a) Average Net Profit of the Company as per sub-section (5) of section 135 : Rs. 8479.48 Lacs
  - b) Two percent of average Net Profit of the Company as per sub-section (5) of section 135: Rs. 169.59 Lacs
  - c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
  - d) Amount required to be set off for the financial year, if any: Rs. 2.78 Lacs
  - e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 166.81 Lacs

6.

a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes / No)	Location of the Project		Amount spent for the project (Rs. In lacs)	Mode of implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promotion of education	Yes	No	Haryana	National Capital Region	50.00	Yes	Ashoka University	
2	Promotion of education	Yes	Yes	Maharashtra	Mumbai	17.00	Yes	IIT Bombay	
3	Promoting education and employment, enhancing vocational skills	Yes	Yes	Maharashtra	Mumbai	15.00	No	ASSEMA Charitable Trust	CSR00004000
4	Promoting education and vocational training projects	Yes	Yes	Maharashtra Telangana, Karnataka	Mumbai, Hyderabad, Bangalore	10.00	No	321 Education Foundation	CSR00000739
5	Vocational development projects	Yes	Yes	Maharashtra	Mumbai	5.00	No	The Ap-apprenticeship Project	CSR00001497
6	Promotion of social business projects	Yes	Yes	Maharashtra	Mumbai	15.00	No	Hiralal Parikh Parivar Charitable Trust	CSR00000249
7	Healthcare projects	Yes	Yes	Maharashtra	Aurangabad	5.00	No	Aastha Foundation	CSR00006769
8	Promotion of social business projects	Yes	Yes	Maharashtra	Aurangabad	6.00	No	Aarambh society	CSR00003004
9	Promotion of education	Yes	No	Maharashtra	Pune	10.00	Yes	Gyan Prakash Foundation	CSR00006310
10	Healthcare	Yes	No	Maharashtra	Mumbai	6.00	Yes	Indian Cancer Society	CSR00000792
11	Social Business Projects	Yes	No	PAN India	PAN India	20.00	Yes	Goonj	CSR00000291
12	Social Business Projects	Yes	No	Maharashtra	Mumbai	11.00	Yes	Rotary Club	CSR00004479

b) Amount spent in Administrative Overheads. : Nil

c) Amount spent on Impact Assessment, if applicable.: Not Applicable

d) Total amount spent for the Financial Year [(a)+(b)+(c)].: Rs. 170 Lacs

e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. In Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
170.00	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	166.81
(ii)	Total amount spent for the Financial Year	170
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3.19

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-1				Not Applicable			
2	FY-2				Not Applicable			
3	FY-3				Not Applicable			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR	Name	Registered
					Registration		address
					Number, if		
					applicable		
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/



Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

**ANNEXURE 5**

Form No. AOC-2

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

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

<b>1. Details of contracts or arrangements or transactions not at arm's length basis</b>	<b>N.A.</b>
(a) Name(s) of the related party and nature of relationship:	N.A.
(b) Nature of contracts/arrangements/transactions:	N.A.
(c) Duration of the contracts / arrangements / transactions:	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	N.A.
(e) Justification for entering into such contracts or arrangements or transactions:	N.A.
(f) Date(s) of approval by the Board:	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	N.A.

**2. Details of material contracts or arrangement or transactions at arm's length basis****(a) Name(s) of the related party and nature of relationship:**

i) NRB Holdings Limited	-	Subsidiary Company
ii) SNL Bearings Limited	-	Subsidiary Company
iii) NRB Bearings (Thailand) Limited	-	Step-down Subsidiary Company
iv) NRB Bearings Europe GmbH	-	Step-down Subsidiary Company
v) NRB Bearings, USA Inc	-	Step-down Subsidiary Company
vi) NRB Industrial Bearings Limited	-	A Company in which Director of the Company is also a Director and holds along with his relatives, more than two percent of its paid-up share capital
vii) First Technologies BV	-	Body Corporate in which relative of Director is a Member / Director
viii) Cube Capital Consultancy Private Limited	-	Company in which relative of Director is Member/ Director
ix) First Engineering Technologies Private Limited	-	Private Company in which a Director is a Director
x) SZWW General Trading Private Limited	-	Private Company in which a Director is a Director
xi) New Indo Trading	-	Firm in which Director is a Partner
xii) Trilochan Singh Sahney Trust 1	-	Trust in which Director has significant influence
xiii) Ms. Hanwantbir Kaur Sahney	-	Relative of Key Managerial Personnel
xiv) Ms. Harshbeena Zaveri	-	Key Managerial Personnel
Mr. Satish Rangani	-	Key Managerial Personnel upto January 23, 2024
Mr. Devesh Singh Sahney	-	Non-Executive Director upto September 29, 2023
Mr. Tashwinder Singh	-	Independent Director
Mr. Ashank Desai	-	Independent Director
Mr. Rustom Desai	-	Independent Director
Ms. Vishakha R. M.	-	Independent Director

Mr. Pankaj Khemka	- Chief Financial Officer upto December 31, 2023
Mr. Raman Malhotra	- Chief Financial Officer w.e.f. February 15, 2024
Ms. Shruti Joshi	- Company Secretary and Compliance Officer
xv) NRB Bearings Limited Staff Gratuity Fund	- Trust
NRB Bearings Limited Officers Gratuity Fund	- Trust

**(b) Nature of contracts/arrangements/transactions:**

i) NRB Bearings (Thailand) Limited	- Sale of Finished Goods Purchase of Raw Materials Components Sale of Property, Plant & Equipment Inter Corporate Deposit repayment received Income on Inter Corporate Deposit Reimbursement of Expenses
ii) NRB Bearings Europe GmbH	- Sales Promotion Expenses Reimbursement of Expenses Sale of Finished Goods
iii) NRB Holdings Limited	- Investment in equity shares Inter Corporate Deposit disbursed Interest Income on Inter Corporate Deposit
iv) SNL Bearings Limited	- Sale of Finished Goods Purchase of Raw Materials/ Components Sale of Property, Plant & Equipment Dividend Income
v) NRB Bearings, USA Inc	- Sales Promotion Expenses Advance received for Sales Promotion Expenses Sale of Finished Goods
vi) NRB Industrial Bearings Limited	- Purchase/Sale of Finished Goods
vii) First Technologies BV	- Consultancy fees
viii) Cube Capital Consultancy Private Limited	- Consultancy fees for a period of three months w.e.f February 1, 2024
ix) First Engineering Technologies Private Limited	- Purchase of Raw Materials/Components
x) New Indo Trading	- Service Charges
xi) Trilochan Singh Sahney Trust 1	- Dividend
xii) Ms. Hanwantbir Kaur Sahney	- Lease Agreement
xiii) Ms. Harshbeena Zaveri	- Remuneration, commission and dividend
Mr. Satish Rangani	- Commission, sitting fees and dividend
Mr. Devesh Singh Sahney	- Sitting fees and dividend
Mr. Tashwinder Singh	- Sitting fees and commission
Mr. Ashank Desai	- Sitting fees and commission
Mr. Rustom Desai	- Sitting fees and commission
Ms. Vishakha R. M.	- Sitting fees and commission
Mr. Pankaj Khemka	- Remuneration

- |   |                                 |
|---|---------------------------------|
| Mr. Raman Malhotra                            | - Remuneration                  |
| Ms. Shruti Joshi                              | - Remuneration                  |
| xiv) NRB Bearings Limited Staff Gratuity Fund | - Contribution to Gratuity Fund |
| NRB Bearings Limited Officers Gratuity Fund   | - Contribution to Gratuity Fund |

**(c) Duration of the Contracts/ Arrangements/ Transactions:**

Ongoing Related Party Transactions.

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

**1. Salient terms of Contract/ Arrangements/ Transaction:** As mentioned below:

Sr. No.	Name of the Related Parties	Nature of Contract/ arrangements/ transactions	Salient Terms of Contract/ arrangements/ transactions
1.	NRB Bearings (Thailand) Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products.
2.	NRB Bearings Europe GmbH	- Sale of Finished Goods - Business Support Activities (Sale of Service & Business Development)	As per terms and conditions of inter- company agreement
3.	NRB Holdings Limited	- Investments in equity shares - Sale of investments in equity shares	- As per terms and conditions of inter- company agreement
4.	SNL Bearings Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products
5.	NRB Bearings, USA Inc	- Sale of Finished Goods - Business Support Activities (Sale of Service & Business Development)	- At Par - As per terms and conditions of inter- company agreement
6.	First Technologies BV	Consultancy fees	As per terms and conditions of agreement
7.	Cube Capital Consultancy Private Limited	Consultancy fees	As per terms and conditions of the agreement
8.	First Engineering Technologies Private Limited	Purchase of Goods, Miscellaneous expenses and Sales promotion	As per Purchase Orders placed for their requirements of Components and Finished Products and services
9.	New Indo Trading	Service Charges	As per terms and conditions of agreement
10.	Ms. Hanwantbir Kaur Sahney	Lease Agreement	As per terms and conditions of agreement
11.	Trilochan Singh Sahney Trust 1	Dividend	As declared by Company
12.	Key Managerial Persons Ms. Harshbeena Zaveri , Vice Chairman & Managing Director, Mr. Satish Rangani, Non-Executive Director Mr. Devesh Singh Sahney, Director Others (Independent Directors) Mr. Pankaj Khemka and Mr. Raman Malhotra, Chief Financial Officer Ms. Shruti Joshi, Company Secretary	Remuneration, Commission, Sitting Fees, and Dividend	As per terms and conditions on appointment / re-appointment  As declared by Company

## 2. Value of the transactions with the related parties: As mentioned below:

(Rupees in lacs)

i) NRB Bearings (Thailand) Limited	- Sale of finished goods	874
	- Sale of Property, Plant & Equipment	4
	- Purchase of raw materials	7,133
	- Reimbursement of expenses	-
	- Inter Corporate Deposit repayment received (Including interest received and foreign exchange adjustment)	1,282
	- Interest income on Inter Corporate Deposit	26
ii) NRB Bearings Europe GmbH	-Sales promotion expenses	103
	-Sales of finished goods	10,650
iii) SNL Bearings Limited	- Sales of finished goods	28
	- Purchase of raw materials	1,579
	- Sales of property, plant and equipment	7
	- Dividend received on equity shares	172
	- Reimbursement of Expenses from Company	4
iv) NRB Bearings, USA Inc	- Sales promotion expenses	-
	- Advance received for sales promotion expenses	78
	- Sales of finished goods	3,205
v) First Technologies BV	- Consultancy fees	319
vi) Cube Capital Consultancy Private Limited	- Consultancy fees	10
vii) First Engineering Technologies Private Limited	- Purchase of raw materials / components	3
viii) New Indo Trading	- Service charges	5
ix) NRB Holdings Limited	- Inter corporate deposit disbursed	4,970
	- Interest income on inter corporate deposits	500
x) Trilochan Singh Sahney Trust 1	- Dividend	1,724
xi) Mrs. Hanwantbir Kaur Sahney	- Rental Income	-
xii) Key Managerial Personnels		
Ms. Harshbeena Zaveri	- Remuneration and Commission	376
	- Dividend	577
Mr. Satish Rangani	- Remuneration	135
	- Dividend	*
	- Sitting Fees	2
Mr. Devesh Singh Sahney	- Sitting Fees	1
	- Dividend	43
Others (Independent Directors)	- Sitting Fees and Commission to Independent Directors	50
Mr. Pankaj Khemka	- Remuneration	67
Mr. Raman Malhotra	- Remuneration	18
Ms. Shruti Joshi	- Remuneration	85

(\*) Amount less than 1 Lac.

- (e) **Date(s) of approval by the Board, if any:**
- i) May 31, 2023
  - ii) August 11, 2023
  - iii) November 13, 2023
  - iv) February 13, 2024
- (f) **Amount paid as advances, if any:**

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

Place: Mumbai  
Date: May 24, 2024

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

**ANNEXURE 6**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

To,  
The Members,  
NRB Bearings Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NRB Bearings Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the NRB Bearings Limited for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder except the composition of Corporate Social Responsibility Committee was effected during the period 24/01/2024 to 24/02/2024 under Section 135 of the Act;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing;

As confirmed by the Management, the Company does not have Foreign Director Investment and External Commercial Borrowing.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except composition of the Board of Directors was effected during the period 24/01/2024 to 24/02/2024 under Regulation 17(1)(c) read with Regulation 17(1A).

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

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1918;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Share Based Employees Benefit and Sweat Equity) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
- (vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

- a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules Regulations, Guidelines, Standards, etc. mentioned above except subject to following observation:

Term of Mr. Satish C. Rangani as Executive Director, expired on 23/01/2024 and he was re-designated as Non-Executive Director on 24/02/2024. He had attained 75 years of age on 13/11/2023. As per Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company was required to pass Special Resolution prior to 23/01/2024 i.e. before the change in designation from Executive to Non-Executive Director. Hence, during the period 24/01/2024 to 24/02/2024 –

- (a) constitution of Board of Directors was effected during the period 24/01/2024 to 24/02/2024 under Regulation 17(1)(c) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015; and
- (b) constitution of Corporate Social Responsibility Committee of which Mr. Satish C Rangani was the Member, was effected under Section 135 of the Companies Act, 2013.

I further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except during the period 24/01/2024 to 24/02/2024 the constitution of the Board of Directors was effected as observed herein above. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

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

I further report that during the audit period, the Company had no specific events/actions having a major bearing on the Company's affairs in pursuance to the laws, rules, regulations, standard and guidelines, etc. referred to above, having major bearing on the Company's affairs.

UDIN: F002727F000461482  
Peer Review Certificate No.1882/2022  
Place: Mumbai  
Date: 27/05/2024

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



**ANNEXURE A**

To,  
The Members,  
NRB Bearings Limited,

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 the test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: 27/05/2024

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

## ANNEXURE 7

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN as on March 31, 2024**

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

### I. REGISTRATION AND OTHER DETAILS:

i) CIN	: L29130MH1965PLC013251
ii) Registration Date	: June 30, 1965
iii) Name of the Company	: NRB BEARINGS LIMITED
iv) Category / Sub-Category of the Company	: Company Limited by Shares
v) Address of the Registered office and contact details	: Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400001 Maharashtra.
	Email id. : investorcare@nrb.co.in
	Web address : www.nrbbearings.com
	Telephone No. : 022 22664160
	Fax No. : 022 2266041
vi) Whether listed Company Yes/ No	: Yes (The National Stock Exchange of India and BSE Limited)
vii) Name, Address and Contact details of Share Transfer Agent, if any.	: M/s. Link Intime Securities India Private Limited Unit: NRB Bearings Limited C 101, Embassy 247, L.B.S.Marg, Vikhroli West, Mumbai 400 083.
Email id.	: rnt.helpdesk@linkintime.co.in
Web address	: www.linkintime.co.in
Telephone No.	: 022 49186000
Fax No	: 022 49186000

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Needle roller bushes and cages	2913	66
2.	Ball and roller bearings	2913	23
3.	Automobile components	2913	11

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	SNL Bearings Limited Dhannur, 15 Sir P.M.Road, Fort, Mumbai 400 001	L99999MH1979PLC134191	Subsidiary	73.45	2(46)
2.	NRB Bearings (Thailand) Limited 300/69, MOO1, T:Tasit, A:Pluak Daeng, Province, Rayong, Thailand 21140	Foreign Company	Subsidiary	100	2(46)

3.	NRB Bearings Europe GmbH, Office # 521, Regus Business Center Konigstrasse 10C, Stuttgart Baden Wurttemberg 70173, Germany.	Foreign Company	Subsidiary	100	2(46)
4.	NRB Bearings, USA Inc 480 Troywood Drive, Troy, MI 48083	Foreign Company	Subsidiary	100	2(46)
5.	NRB Holdings Limited GV-00-04-03-BC-29-0, Gate Village Building 04, Dubai International Financial Centre, Level 14, The Gate, P. O. Box 74777, Dubai UAE	Foreign Company	Subsidiary	100	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2371105	0	2371105	2.44	2373005	0	2373005	2.45	0.01
b) Central Govt.	0	0	0	0.00	0	0	0	0	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0.00	5	0	5	0	0.00
e) Banks/ FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other (Trust)	33809300	0	33809300	34.88	33809300	0	33809300	34.88	0.00
<b>Sub-total (A) (1)</b>	<b>36180405</b>	<b>0</b>	<b>36180405</b>	<b>37.32</b>	<b>36182310</b>	<b>0</b>	<b>36182310</b>	<b>37.33</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	12383165	0	12383165	12.78	12946125	0	12946125	13.35	0.58
b) Other - Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks/ FI	0	0	0	0.00	0	0	0	0	0.00
e) Any Other ...	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (A) (2)</b>	<b>12383165</b>	<b>0</b>	<b>12383165</b>	<b>12.78</b>	<b>12946125</b>	<b>0</b>	<b>12946125</b>	<b>13.35</b>	<b>0.58</b>
<b>Total Shareholding of Promoters (A) = (A) (1)+(A)(2)</b>	<b>48563570</b>	<b>0</b>	<b>48563570</b>	<b>50.10</b>	<b>49128435</b>	<b>0</b>	<b>49128435</b>	<b>50.69</b>	<b>0.59</b>

<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	11139743	0	11139743	11.49	18017972	0	18017972	18.59	7.09
b) Banks/ FI	60	0	60	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs / FPIs	20633496	0	20633496	21.29	13877385	0	13877385	14.31	-6.97
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0	0.00
Alternate Investment Fund	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B) (1)</b>	<b>31773299</b>	<b>0</b>	<b>31773299</b>	<b>32.78</b>	<b>31895357</b>	<b>0</b>	<b>31895357</b>	<b>32.90</b>	<b>0.12</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	598104	4000	602104	0.62	462961	4000	466961	0.48	-0.13
ii) Overseas	0	0	0	0.00	0	0	0	0	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.2 Lakh	11698276	278510	11976786	12.36	11914399	259510	12173909	12.29	-0.05
ii) Individual Shareholders holding nominal share capital in excess of Rs.2 Lakh	2535499	0	2535499	2.62	1184190	0	1184190	1.48	-1.14
c) Any Other									
i) Non Resident Indians (Non Repat and Repat)	639293	0	639293	0.66	1498059	0	1498059	1.55	0.89
ii) Clearing Members	14352	0	14352	0.01	5	0	5	0	-0.01
iii) Foreign Nationals	1000	0	1000	0.00	0	0	0	0	0.00
iv) Trusts	287	0	287	0.00	287	0	287	0	0.00
v) Foreign Portfolio Investment Corporation	0	0	0	0.00	0	0	0	0	0.00

vii) Body Corporate : Limited Liability Partnership	69757	0	69757	0.07	63589	0	63589	0.07	0.00
viii) Foreign Portfolio Investors (Individual)	0	0	0	0.00	12103	0	12103	0.01	0.01
ix) NBFC	17000	0	17000	0.02	0	0	0	0	-0.01
x) HUF	629762	0	629762	0.65	408124	0	408124	0.42	-0.22
xi) IEPF Authority	90881	0	90881	0.09	94980	0	94980	0.10	0.00
xii) Friends & Associates	10	0	10	0.00	10	0	10	0.00	0.00
xiii) Other Directors / Relatives	9000	0	9000	0.01	9000	0	9000	0.01	0.00
<b>Sub-total (B) (2)</b>	<b>16303221</b>	<b>282510</b>	<b>16585731</b>	<b>17.11</b>	<b>15643418</b>	<b>263510</b>	<b>15906928</b>	<b>16.41</b>	<b>0.69</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>48076520</b>	<b>282510</b>	<b>48359030</b>	<b>49.89</b>	<b>47538775</b>	<b>263510</b>	<b>47802285</b>	<b>49.32</b>	<b>-0.57</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>96640090</b>	<b>282510</b>	<b>96922600</b>	<b>100.00</b>	<b>96659090</b>	<b>263510</b>	<b>96922600</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in shareholding during the year
1	Aarti D. Sahney	411900	0.43	0.00	411900	0.43	0.00	0.00
2	Bhupinder Singh Sahney	26680	0.03	0.00	28580	0.03	0.00	0.00
3	Devesh Singh Sahney	850089	0.88	0.31	850089	0.88	0.00	0.00
4	Hanwantbir Kaur Sahney	0	0.00	0.00	0	0.00	0.00	0.00
5	Harshbeena Zaveri	11266892	11.62	0.00	11467826	11.83	0.00	0.20
6	Jasjiv Singh Devinder Singh Sahney	303495	0.31	0.00	303495	0.31	0.00	0.00
7	Rajiv Devinder Sahney	0	0.00	0.00	0	0.00	0.00	0.00

8	Sahir Zaveri	19752	0.02	0.00	19752	0.02	0.00	0.00
9	Trilochan Singh Sahney	1000	0.00	0.00	1000	0.00	0.00	0.00
10	Trilochan Singh Sahney Trust 1	33809300	34.88	0.00	33809300	34.88	0.00	0.00
11.	Aziz Y Zaveri	1096521	1.13	0.00	1458547	1.50	0.00	0.37
12.	Mallika Sahney	4920	0.01	0.00	4920	0.01	0.00	0.00
13.	Anupa Rajiv Sahney	773021	0.80	0.00	773021	0.80	0.00	0.00
14.	SZWW General Trading Private Limited	0	0.00	0.00	5	0.00	0.00	0.00
	Total	48563570	50.10	0.31	49128435	50.69	0.00	0.57

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Aarti D. Sahney				
	At the beginning of the Year	411900	0.42		
	Date wise Increase/ Decrease	Nil	Nil	411900	0.42
	At the End of the Year			411900	0.42
2.	Bhupinder Singh Sahney				
	At the beginning of the Year	26680	0.03		
	15-09-2023- Purchase	1900	0.00	28580	0.03
	At the End of the Year			28580	0.03
3.	Devesh Singh Sahney				
	At the beginning of the Year	850089	0.88		
	At the End of the year			850089	0.88
4.	Hanwantbir Kaur Sahney				
	At the beginning of the Year	0	0		
	Date wise Increase/ Decrease	Nil	Nil	0	0
	At the End of the Year			0	0
5.	Harshbeena Zaveri				
	At the beginning of the Year	11266892	11.62		
	09-06-2023 Purchase	11675	0.01	11278567	11.63
	25-08-2023 Purchase	123943	0.12	11402510	11.76
	01-09-2023 Purchase	6249	0.00	11408759	11.77
	22-09-2023 Purchase	4091	0.00	11412850	11.77
	17-11-2023 Purchase	7572	0.00	11420422	11.78
	24-11-2023 Purchase	24342	0.02	11444764	11.80

	01-12-2023 Purchase	3923	0.00	11448687	11.81
	22-03-2024 Purchase	19139	0.01	11467826	11.83
	At the End of the Year			11467826	11.83
6.	Jasjiv Singh Devinder Singh Sahney				
	At the beginning of the Year	303495	0.31		
	Date wise Increase/ Decrease	Nil	Nil	303495	0.31
	At End of the Year			303495	0.31
7.	Rajiv Devinder Sahney				
	At the beginning of the Year	0	0		
	Date wise Increase/ Decrease	Nil	Nil	0	0
	At the End of the Year			0	0
8.	Sahir Zaveri				
	At the beginning of the Year	19752	0.02		
	Date wise Increase/ Decrease	Nil	Nil	19752	0.02
	At the End of the Year			19752	0.02
9.	Trilochan Singh Sahney				
	At the beginning of the Year	1000	0.00		
	Date wise Increase/ Decrease	Nil	Nil	1000	0.00
	At the End of the Year			1000	0.00
10.	Trilochan Singh Sahney Trust 1				
	At the beginning of the Year	33809300	34.88		
	Date wise Increase/ Decrease	Nil	Nil	33809300	34.88
	At the End of the Year			33809300	34.88
11.	Aziz Y Zaveri				
	At the beginning of the Year	1096521	1.13		
	09-06-2023 Purchase	121041	0.12	1217562	1.25
	25-08-2023 Purchase	187194	0.01	1404756	1.44
	01-09-2023 Purchase	49923	0.19	1454679	1.50
	01-12-2023 Purchase	3868	0.00	1458547	1.50
	At the End of the Year			1458547	1.50
12.	Mallika Sahney				
	At the beginning of the Year	4920	0.01		
	Date wise Increase/ Decrease	Nil	Nil	4920	0.01
	At the End of the Year			4920	0.01
13.	Anupa Rajiv Sahney				
	At the beginning of the Year	773021	0.80		
	Date wise Increase/ Decrease	Nil	Nil	773021	0.80
	At the End of the Year			773021	0.80

14.	SZWW General Trading Private Limited				
	At the beginning of the Year	0	0.00		
	05-01-2024 Purchase	5	0.00	5	0.00
	At the End of the Year			5	0.00

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

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Nalanda India Equity Fund Ltd.				
	At the beginning of the Year	9682667	9.99		
	Date wise Increase/ Decrease	Nil	Nil	9682667	9.99
	At the End of the Year			9682667	9.99
2	Mirae Asset Elss Tax Saver Fund				
	At the beginning of the Year	0	0		
	21-07-2023 Purchase	416368	0.42	416368	0.42
	28 07 2023 Purchase	742376	0.76	1158744	1.19
	04 08 2023 Purchase	712412	0.73	1871156	1.93
	11 08 2023 Purchase	355025	0.36	2226181	2.29
	18 08 2023 Purchase	1074999	1.10	3301180	3.40
	25 08 2023 Purchase	185659	0.19	3486839	3.59
	01 09 2023 Purchase	683676	0.70	4170515	4.30
	08 09 2023 Purchase	4205270	4.33	8375785	8.64
	15 09 2023 Purchase	468472	0.48	8844257	9.12
	22 09 2023 Purchase	534081	0.55	9378338	9.67
	27 09 2023 Purchase	178414	0.18	9556752	9.86
	01 12 2023 Purchase	102791	0.10	9659543	9.96
	05 01 2024 Sale	-244414	0.25	9415129	9.71
	12 01 2024 Sale	-81981	0.08	9333148	9.62
	19 01 2024 Sale	-125773	0.12	9207375	9.49
	26 01 2024 Sale	-65534	0.06	9141841	9.43
	02 02 2024 Sale	-50508	0.05	9091333	9.38
	09 02 2024 Sale	-3955	0.00	9087378	9.37
	16 02 2024 Sale	-90737	0.09	8996641	9.28
	23 02 2024 Sale	-59781	0.06	8936860	9.22
	01 03 2024 Sale	-1559	0.00	8935301	9.21
	08 03 2024 Sale	-26818	0.02	8908483	9.19
	15 03 2024 Purchase	26818	0.02	8935301	9.21
	30 03 2024 Sale	-8129554	8.38	805747	0.83
	At the End of the Year			805747	0.83
3	HDFC Small Cap Fund				
	At the beginning of the Year	8963982	9.24		



	01 12 2023 Sale	-27000	0.02	8936982	9.22
	15 12 2023 Sale	-28000	0.02	8908982	9.19
	22 12 2023 Sale	-10000	0.01	8898982	9.18
	29 12 2023 Sale	-22100	0.02	8876882	9.15
	05 01 2024 Sale	-47900	0.04	8828982	9.10
	26 01 2024 Sale	-20000	0.02	8808982	9.08
	02 02 2024 Sale	-40052	0.04	8768930	9.04
	09 02 2024 Sale	-19948	0.02	8748982	9.02
	At the End of the Year			8748982	9.02
4	Acadian Emerging Markets Small Cap Equity Fund LLC				
	At the beginning of the Year	833059	0.86		
	Date wise Increase/ Decrease	Nil	Nil	833059	0.86
	At the End of the Year			833059	0.86
5	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)				
	At the beginning of the Year	430506	0.44		
	Date wise Increase/ Decrease	Nil	Nil	430506	0.44
	At the End of the Year			430506	0.44
6	Vijaya S				
	At the beginning of the Year	286064	0.30		
	01 12 2023 Purchase	11600	0.01	297664	0.30
	08 12 2023 Purchase	100	0.00	297764	0.30
	15 12 2023 Purchase	1900	0.00	299664	0.30
	29 12 2023 Purchase	2500	0.00	302164	0.31
	At the End of the Year			302164	0.31
7	Buma-Universal-Fonds I				
	At the beginning of the Year	288665	0.30		
	Date wise Increase/ Decrease	Nil	Nil		
	At the End of the Year			288665	0.30
8	The University of Texas System-Acadian Asset Management				
	At the beginning of the Year	301588	0.31		
	01 03 2024 Sale	-24545	0.02	277043	0.29
	At the End of the Year			277043	0.29
9	Franklin Build India Fund				
	At the beginning of the Year	1100000	1.13		
	28 04 2023 Sale	200000	0.20	900000	0.92
	09 06 2023 Sale	73000	0.07	827000	0.85
	16 06 2023 Sale	27000	0.02	800000	0.82
	07 07 2023 Sale	50000	0.05	750000	0.77
	14 07 2023 Sale	2723	0.00	747277	0.77
	21 07 2023 Sale	97277	0.10	650000	0.67
	28 07 2023 Sale	50000	0.05	600000	0.61

	11 08 2023 Sale	50000	0.05	550000	0.56
	01 09 2023 Sale	50000	0.05	500000	0.51
	22 12 2023 Sale	3534	0.00	496466	0.51
	05 01 2024 Sale	96466	0.09	400000	0.41
	12 01 2024 Sale	50000	0.05	350000	0.3
	15 03 2024 Sale	22218	0.02	327782	0.33
	22 03 2024 Sale	18556	0.01	309226	0.31
	30 03 2024 Sale	46971	0.04	262255	0.27
	At the End of the Year			262255	0.27
10	Nozer Jasi Shroff				
	At the beginning of the Year	250000	0.25		
	01 03 2024 Sale	-25000	0.02	225000	0.23
	01 03 2024 Sale	-25000	0.02	200000	0.20
	At the End of the Year			200000	0.20
11	Acacia Conservation Fund, LP				
	At the beginning of the Year	2067800	2.13		
	01 09 2023 Sale	-300000	0.30	1767800	1.82
	08 09 2023 Sale	-1767800	1.82	0	0.00
	At the End of the Year			0	0.00
12	Acacia Partners, LP				
	At the beginning of the Year	2067800	2.13		
	08 09 2023 Sale	-2067800	2.13	0	0.00
	At the End of the Year			0	0.00
13	Acacia Institutional Partners, LP				
	At the beginning of the Year	1920100	1.98		
	01 09 2023 Sale	-200000	0.20	1720100	1.77
	08 09 2023 Sale	-1720100	1.77	0	0.00
	At the End of the Year			0.00	0.00
14	SBI Magnum Midcap Fund				
	At the beginning of the Year	1075761	1.11		
	28 07 2023 Sale	-175000	0.18	900761	0.92
	04 08 2023 Sale	-200761	0.20	700000	0.72
	11 08 2023 Sale	-46142	0.04	653858	0.67
	18 08 2023 Sale	-653858	0.67	0	0.00
	At the End of the Year			0	0.00
15	Acacia Banyan Partners				
	At the beginning of the Year	584855	0.60		
	23 06 2023 Sale	-584855	0.60	0	0.00
	At the End of the Year			0	0.00

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

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Harshbeena Zaveri				
	At the beginning of the Year	11266892	11.62		
	09-06-2023 Purchase	11675	0.01	11278567	11.63
	25-08-2023 Purchase	123943	0.12	11402510	11.76
	01-09-2023 Purchase	6249	0.00	11408759	11.77
	22-09-2023 Purchase	4091	0.00	11412850	11.77
	17-11-2023 Purchase	7572	0.00	11420422	11.78
	24-11-2023 Purchase	24342	0.02	11444764	11.80
	01-12-2023 Purchase	3923	0.00	11448687	11.81
	22-03-2024 Purchase	19139	0.01	11467826	11.83
	At the End of the Year			11467826	11.83
2.	Satish Rangani				
	At the beginning of the Year	9000	0.01		
	Date wise Increase/ Decrease	Nil	Nil	9000	0.01
	At the End of the Year			9000	0.01
3.	Tashwinder Singh				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00
	At the End of the Year			0	0.00
4.	Vishakha R. M.				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00
	At the End of the Year			0	0.00
5.	Ashank Desai				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00
	At the End of the Year			0	0.00
6.	Rustom Desai				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00

	At the End of the Year			0	0.00
7.	Pankaj Khemka				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00
	At the End of the Years			0	0.00
8.	Raman Malhotra				
	At the beginning of the Year	0	0.00		
	Date wise Increase/ Decrease	Nil	Nil	0	0.00
	At the End of the Years			0	0.00
9.	Shruti Joshi				
	At the beginning of the Year	10	0.00		
	Date wise Increase/ Decrease	Nil	Nil	10	0.00
	At the End of the Year			10	0.00

## VI. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness (Rs.in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,436	146	-	56,582
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	120	-	-	120
<b>Total (i+ii+iii)</b>	29,556	146	-	29,702
Change in Indebtedness during the financial year				
i) Addition	39,853	907	-	40,760
ii) Reduction	(57,714)	(73)	-	(57,787)
Net Change	(17,861)	834	-	(17,027)
Indebtedness at the end of the financial year				
i) Principal Amount	11,645	980	-	12,625
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	50	-	-	50
<b>Total (i+ii+iii)</b>	11,695	980	-	12,675

**VII. Remuneration of Directors and Key Managerial Personnel**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager for 2023-24: (In Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ms. Harshbeena Zaveri (Vice Chairman & Managing Director)	Mr. Satish Rangani (Executive Director- upto January 23, 2024)	
1.	Gross salary: (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2,35,71,206	1,10,98,057	3,46,69,263
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission: - as % of profit - Others, please specify (Variable Pay / Ex-gratia)	125,00,000 -	- -	125,00,000 -
5.	Others, please specify - Retirals - Variable pay / Ex-gratia - Remuneration from NRB Holdings Limited	15,21,985 - 2,96,68,031	5,84,516 18,00,000 -	21,06,501 18,00,000 2,96,68,031
	<b>Total (A)</b>	<b>6,72,61,222</b>	<b>1,34,82,573</b>	<b>8,07,43,795</b>
	Ceiling as per the Act	Rs. 12,69,00,000/-		

Note :

Ms. Harshbeena Zaveri, Vice Chairman and Managing Director was appointed as the Executive Director of NRB Holdings Limited, (NHL) a wholly owned subsidiary of the Company w.e.f. November 1, 2021. During the year under review Ms. Zaveri received part of remuneration from NHL amounting to Rs. 2,96,68,031 /-. The remuneration drawn by Ms. Zaveri was divided between the Company and NHL based on the parameters fixed by the Board.

B. Remuneration to Other Directors for 2023-24: (In Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors					
		Mr. Devesh Singh Sahney	Mr. Tashwinder Singh	Mr. Ashank Desai	Mr. Rustom Desai	Ms. Vishakha R.M	*Mr. Satish Rangani
1.	Independent Directors						
	Fee for attending board / committee meetings	-	6,30,000	3,30,000	3,80,000	6,10,000	-
	Commission	-	12,00,000	5,25,000	4,50,000	6,00,000	-
	<b>Total (1)</b>	-	18,30,000	8,55,000	8,30,000	12,10,000	-
2.	Other Non-Executive Directors						
	Fee for attending board / committee meetings	1,20,000	-	-	-	-	1,50,000
	Commission	-	-	-	-	-	2,25,000
	<b>Total (2)</b>	1,20,000	-	-	-	-	3,75,000
	<b>Total (B)=(1+2)</b>	1,20,000	18,30,000	8,55,000	8,30,000	12,10,000	3,75,000
	Overall ceiling as per the Act	Rs. 1,26,90,000/-					

\* Mr. Satish Rangani (Non-Executive Director w.e.f January 24, 2024)

C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Directors and/or Manager for 2023-24: (In Rs.)

Sr. No.	Particulars of Remuneration	Name of Manager (KMP)			Total Amount
		Mr. Pankaj Khemka Chief Financial Officer (from April 7, 2023 to December 31, 2023)*	Mr. Raman Malhotra Chief Financial Officer (from February 15, 2024)	Ms. Shruti Joshi Company Secretary & VP Legal	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961/ Variable Pay	64,25,707	7,47,882	71,53,626	1,43,27,215
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission: -as % of profit -Others, please specify	- -	- -	- -	- -
5.	Others, please specify - Retirals - Variable pay / Ex-gratia	2,83,360 -	33,986 10,25,000	3,22,056 10,26,000	6,39,402 20,51,000
	<b>Total (A)</b>	<b>67,09,067</b>	<b>18,06,868</b>	<b>85,01,682</b>	<b>1,70,17,617</b>

\*Due to resignation tendered by Mr. Pankaj Khemka, remuneration has been paid for part of the financial year i.e. from the date of his appointment upto the date of his separation from the Company (April 7, 2023 to December 31, 2023)

**VIII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ Compounding fees Imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
Other Officers in Default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

**ANNEXURE 8**
**Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 and Rule 5(1) of the Companies (Appointment And Remuneration) Rules, 2014.**
**A. STATEMENT SHOWING DETAILS OF MEDIAN REMUNERATION OF THE DIRECTOR/KMP OF THE COMPANY:**

- a. The ratio of the remuneration of each Executive Director/KMP to the median remuneration of the employees of the Company for FY 2023-24

Name of Directors	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In Lacs)	Ratio
Ms. Harshbeena Zaveri, Vice Chairman & Managing Director	375.93	5.40	69.62
Mr. Satish Rangani, Whole Time Director#	134.83	5.40	24.97
Mr. Pankaj Khemka (CFO)*	67.09	5.40	12.42
Mr. Raman Malhotra (CFO)**	18.07	5.40	3.35
Ms. Shruti Joshi (CS)	85.02	5.40	15.74

\* Due to resignation tendered by Mr. Pankaj Khemka, remuneration has been paid for part of the financial year i.e. upto the date of his separation from the Company (April 7, 2022 to December 31, 2023).

\*\* Mr. Raman Malhotra was appointed as CFO of the Company w.e.f. February 15, 2024.

# Mr. Satish Rangani's designation was changed with effect from January 24, 2024 from Executive Director to Non-Executive, Non-Independent Director of the Company.

- b. The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in FY 2023-24:

Name of Executive Directors / KMP	Percentage increase in remuneration in the Financial year.
Ms. Harshbeena Zaveri, Vice Chairperson & Managing Director	(26.98) per cent
Mr. Satish Rangani, Whole Time Director (upto January 23, 2024)	(01.23) per cent
Mr. Pankaj Khemka (CFO) (upto December 31, 2023)	-
Mr. Raman Malhotra (CFO) (w.e.f February 15, 2024)	-
Ms. Shruti Joshi (CS)	16.46 per cent

- c. The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees of the Company has increased by 1.85 per cent during financial year 2023-24. (Rs 5,50,000 p.a. to Rs 5,40,000 p.a.).

- d. The Company has 1289 number of permanent employees on the rolls of company as on March 31, 2024.
- e. Average percentile decrease already made in the salaries of employees other than the managerial personnel and its comparison with the percentile increase in the managerial remuneration and justification thereof.
- f. Average percentile decrease in the salaries of employees other than Managerial Personnel is 4.47 per cent while decrease in the Managerial Remuneration is (21.59) per cent.
- g. The remuneration is as per the remuneration policy of the Company.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

### SECTION A: GENERAL DISCLOSURES

<b>I. Details of the listed entity</b>		
1	Corporate Identity Number (CIN) of the Listed Entity	L29130MH1965PLC013251
2	Name of the Listed Entity	NRB Bearings Limited
3	Year of incorporation	1965
4	Registered office address	Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001
5	Corporate address	Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001
6	E-mail	investorcare@nrb.co.in
7	Telephone	+91 22 22664570, 22664160, 22664998
8	Website	www.nrbbearings.com
9	Financial year for which reporting is being done	April 1, 2023- March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	Rs. 19,38,45,200 (9,69,22,600 equity shares of Rs. 2/- each)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Shruti Joshi Tel: 022-22664160/4998 Email: investorcare@nrb.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain to NRB Bearings Limited
14	Name of assurance provider	-
15	Type of assurance obtained	-

<b>II. Products/services</b>			
<b>16. Details of business activities (accounting for 90% of the turnover):</b>			
S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Automotive Components Bearings	100%

<b>17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):</b>			
S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Needle roller bushes & cages	2913	66
2	Ball & roller bearings	2913	23
3	Automobile components	2913	11

<b>III. Operations</b>			
<b>18. Number of locations where plants and/or operations/offices of the entity are situated:</b>			
Location	Number of plants	Number of offices	Total
National	6	7	13
International	0	0	0



<b>19. Markets served by the entity:</b>	
<b>a. Number of locations</b>	
<b>Locations</b>	<b>Number</b>
National (No. of States)	Pan India
International (No. of Countries)	45
<b>b. What is the contribution of exports as a percentage of the total turnover of the entity?</b>	
24%	
<b>c. A brief on type of customers</b>	
<p>We cater to a broad range of customers across India, primarily in the automotive sector. Our diverse client base includes 65-70% of the demand from Original Equipment Manufacturers (OEMs) and Tier-1 suppliers, while the remaining 12-15% is fulfilled by the Aftermarket and 20-25% is exported. Our exports are predominantly to OEMs and Tier-1 customers.</p> <p>In addition to the Aftermarket, our vehicle manufacturing clients can be broadly categorized into the following segments:</p> <ul style="list-style-type: none"> <li>• 2/3 wheelers, encompassing motorcycles, scooters, mopeds, passenger and goods auto rickshaws, and industrial four-stroke engines</li> <li>• Passenger vehicles, ranging from small cars and hatchbacks to luxury models and utility vehicles</li> <li>• Commercial vehicles, including light commercial vehicles (LCVs), medium-commercial vehicles (MCVs), heavy commercial vehicles (HCVs), and buses</li> <li>• Farm equipment and off-highway vehicles, including forklifts, trucks, and construction equipment</li> <li>• Railway locomotives</li> <li>• Defense vehicles, such as gun carriers and tanks</li> <li>• Aircraft and aerospace applications</li> </ul>	

#### IV. Employees

<b>20. Details as at the end of Financial Year:</b>						
<b>a. Employees and workers (including differently abled):</b>						
S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	462	427	92%	35	8%
2.	Other than Permanent (E)	21	21	100%	0	0%
3.	<b>Total employees (D + E)</b>	483	448	93%	35	7%
<b>WORKERS</b>						
4.	Permanent (F)	828	809	98%	19	2%
5.	Other than Permanent (G)	2196	2006	91%	190	9%
6.	<b>Total workers (F + G)</b>	3024	2815	93%	209	7%

\*Note: All off-role employees are classified as workers other than permanent

<b>b. Differently abled Employees and workers:</b>						
S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	1	1	100%	0	0
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	1	1	100%	0	0
5.	Other than permanent (G)	2	2	100%	0	0
6.	<b>Total differently abled workers (F + G)</b>	3	3	100%	0	0

21. Participation/Inclusion/Representation of women			
	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.33%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)									
	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	18.08%	20.9%	18.28%	18.82%	34.38%	19.91%	12.59%	24.24%	13.40%
<b>Permanent Workers</b>	4.69%	0%	4.59%	4.33%	0%	4.24%	4.81%	0%	4.71%

V. Holding, Subsidiary and Associate Companies (including joint ventures)				
23. (a) Names of holding / subsidiary / associate companies / joint ventures				
Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SNL Bearings Limited	Subsidiary	73.45	No
2	NRB Holdings Limited (NHL)	Subsidiary	100	No
3	NRB Bearings (Thailand) Limited	Step Down Subsidiary	100 held by NHL	No
4	NRB Bearings USA Inc	Step Down Subsidiary	100 held by NHL	No
5	NRB Bearings GMBH	Step Down Subsidiary	100 held by NHL	No

VI. CSR Details	Response
24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in Rs.)	10,027,396,834
(iii) Net worth (in Rs.)	8,465,139,536

VII. Transparency and Disclosures Compliances							
25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:							
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current Financial Year (FY 2023-24)			Previous Financial Year (FY 2022-23)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	At each location, Human Resources partners are responsible to address the grievances related to communities	0	0	0	0	0	

Investors (other than shareholders)	Investors can register their grievances on investorcare@nrb.co.in	0	0	0	0	0	
Shareholders	Shareholders can register their grievances on investorcare@nrb.co.in or rnt.helpdesk@linkintime.co.in	1	0	0	0	0	
Employees and workers	A strong whistleblower policy and non-retaliation clause is available to all our stakeholders. Our whistleblower policy is available at <a href="https://www.nrbbearings.com/resources/investorrelations/NRB_WHISTLE_BLOWER_POLICY.pdf">https://www.nrbbearings.com/resources/investorrelations/NRB_WHISTLE_BLOWER_POLICY.pdf</a>	0	0	0	0	0	
Customers	Customers can reach out with the queries or complaints related to our products or services through email. <a href="https://www.nrbbearings.com/contact.htm">https://www.nrbbearings.com/contact.htm</a>	160	0	0	142	0	
Value Chain Partners	Value chain partners can reach out with the queries or complaints related to our products or services through email. <a href="https://www.nrbbearings.com/contact.htm">https://www.nrbbearings.com/contact.htm</a>	0	0	0	0	0	
<b>Other (please specify)</b>		0	0	0	N/A	N/A	

**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Business Continuity	Risk/ Opportunity	Changing consumer preferences is driving change in India's automotive industry. Consumer preferences and demand for two-wheeler vehicle and the discontinuation of certain vehicle models will have an impact on the existing business model, product offerings and overall cost to company.	As a strategy to adapt and fulfil the demand of the consumers, we have undertaken process improvement and invested into development of new products. We are in the process of automating product manufacturing processes which will lead to development of new products more efficiently. We are expanding in newer geographies and penetrating newer segments to stay competitive in the industry and abreast with latest technology.	Development of newer models with latest technology and in line with customers' demand will result in attracting of new customer base while retaining the existing customers. This will result in the increased revenue and market presence.

2	Changes in technology	Risk	Shifting demand for more sustainable alternatives,- there is an increased demand for electric vehicles. Increasing usage of electric vehicles in commercial vehicles will affect business of the Company.	We are rapidly transforming our processes and adapting by developing products which are agnostic to the type of engine used in the vehicle. The Company is also vigorously working on new product development for manufacture of products for electric and hybrid vehicles.	Due to increasing usage of electric vehicles, there is a risk of reduction in Company's revenue in the short term.
3	Procurement of raw materials and Supply Chain	Risk	Raw materials are the most important component in the production of goods. Procurement of raw materials are subject to market volatility, resulting from supply chain disruptions, increased demand with significant increase in the price. We rely on a network of suppliers across various geographies to source raw materials, and various parts used in the manufacturing of bearings. Supply chain disruption may adversely impact the total production volume, loss of revenue, increased cost, loss of customer and reduced profitability. Moreover, since our suppliers are spread across various geographies, ongoing geopolitical conflict poses a great threat to commodity price stability along with various regulatory restrictions and currency fluctuations.	We ensure optimal supply of goods and services, focusing on quality, cost and delivery performance. Multiple product sourcing and localisation options are continuously explored. By negotiating prices and utilising economic synergies, we are largely able to obtain competitive prices. We also analyse the operations of our suppliers, by deploying dedicated personnel performing quality checks, for early signs of distress so that interventions can be made to secure its interests. Representations are made to relevant authorities to ensure timely clearance of import consignments	Fluctuations in raw material prices and/ or supplier's financial conditions could have an impact on the Company's earnings.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
<b>1.a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b> <b>b. Has the policy been approved by the Board? (Yes/No)</b> <b>c. Web Link of the Policies, if available</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	No	No	No	No	No	No	No	No	No
	Code of Conduct For Directors and Sr. Management (nrbbearings.com)	Product-Stewardship-Policy.pdf (nrbbearings.com)	Employee-Well-being-Policy.pdf (nrbbearings.com)	Stakeholder-Engagement-Policy.pdf (nrbbearings.com)	Human-Rights-Policy.pdf (nrbbearings.com)	Non-Discrimination-Policy.pdf (nrbbearings.com)	Environment-Policy.pdf (nrbbearings.com)	Public-Advocacy-Policy.pdf (nrbbearings.com)	NRB-CSR-Policy-Financial.pdf (nrbbearings.com)
	Antibribery-&-Corruption-policy.pdf (nrbbearings.com)							Supplier Code of Conduct (nrbbearings.com)	Consumer-Wellfare-Policy.pdf (nrbbearings.com)

<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	No	No	No	No	No	No	No	No	No
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/ No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>4. Name of the national and international codes/ certifications/labels/ standards (e.g., Foresat Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	At NRB Bearings Limited, we follow all mandatory applicable geographical specific Acts, Regulations and Guidelines while formulating policies and procedures. Our locations are also certified for EMS ISO 14001 and OHS ISO 45001. Our products are certified with BIS, IATF16949 and are REACH compliant.								
<b>5. Specific commitments, goals and targets set by the entity with defined time-lines, if any.</b>	No	No	No	No	No	No	No	No	No
<b>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>	No	No	No	No	No	No	No	No	No
<b>Governance, leadership, and oversight</b>									
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>									

With our presence in Indian marketplace for over half a century, we have established ourselves as the pioneers in bearing technology. Guided by our vision and mission, we seek to create a culture that fosters innovation and drive value creation across our business, value chain and for all our stakeholders. Sustainability is embedded in our core business model supporting us in our relentless pursuit for quantum improvements. With an increased focus on minimising our environmental footprint, we ensure optimum resource utilisation with added emphasis on circular economy. Our employees are one strong pillar of our operations, and we ensure to create a safe and healthy workplace, cultivating a sense of ownership and empowering each individual. Further, all our extended relationships with our value chain partners and customers are based on the building blocks of trust, with a focus on supplying and receiving the best-in-class products at the optimum cost point. We have a strong footprint across our communities and believe in creating inclusive growth with our CSR programmes standing as a strong testament to this. Going ahead, we look forward to being the industry leader while supporting ethical business and responsible conduct guided by our inherent principles of sustainability.

<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Ms. Harshbeena Zaveri, Vice Chairman & Managing Director
<b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	Yes- the Risk Management Committee of the Board monitors, assesses and review Sustainability related decision-making aspects along with other enterprise level strategic and business risks each quarter.

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes- Board member, Department heads and the leadership team examine the Company's Business Responsibility policies on a regular basis or as needed.									Annually or on a need-to basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	P1 P2 P3 P4 P5 P6 P7 P8 P9									Yes- We comply with all applicable laws of the land we operate in.								

<b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.</b>	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: Principle wise performance**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**
**Essential Indicators**
**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	BRSR Awareness Training	100%
Key Management Personnel	2	POSH and BRSR Awareness Training	100%
Employees other than BoD and KMPs	7	POSH, BRSR Awareness Training, First-aid training, Workplace ergonomics, Stress Management training, Health and Safety	100%
Workers	-*	-*	-*

-\* We are in the process to track the training and awareness programmes for the workers. We will report the data for workers from FY 2024-25.

**2. Details of fines / penalties / punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

**(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGBRC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	BSE Limited and National Stock Exchange of India Limited	128,000	Delay in obtaining the shareholders' approval under Regulation 17 (1) of SEBI (LODR) Regulations, 2015	Yes, Company has made a waiver application to the BSE for the entire amount
Settlement	0	0	0	0	0
Compounding Fee	0	0	0	0	0
Non-Monetary					
	NGBRC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	0	0	0	0	0
Punishment	0	0	0	0	0

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Yes, the Company has made a waiver application to the NSE and BSE for the entire amount.	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. We have an anti-bribery and anti-corruption policy covering various aspects of bribery such as gifts, political and charitable donation, etc. Additionally, we also have our Code of Conduct and Ethics complying with the legal requirements of applicable laws and regulations, including anti-bribery and anti-corruption. The policy applies to all the employees and workers. The policy is available at [Antibribery-&-Corruption-policy.pdf](#) (nrbearings.com)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24 (Current Financial year)	FY 2022-23 (Previous Financial year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable since there have been no cases of corruption and conflicts of interest during the FY 2023-24.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	59 days	81 days



9. Open-ness of business. Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of purchases	a. Purchases from trading houses as a % of total purchases	10%	10%
	b. Number of trading houses where purchases are made from	50	50
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	8%	8%
Concentration of sales	a. Sales to dealers/ distributors as % of total sales	11.22%	11.32%
	b. Number of dealers / distributors to whom sales are made	130	127
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	68%	65.7%
Share of RPTs in	Purchases (Purchases with related parties/ Total Purchases)	0.182255828	0.158195163
	Sales (Sales to related parties/ Total Sales)	0.147121646	0.079999271
	Loans & Advances (Loans & Advances given to related parties/ Total Loans & Advances)	0.685531233	0.57762193
	Investments (Investments in related parties/ Total Investments)	0.685140946	0.86463672

#### Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes- The Code of Conduct for Directors and Senior Management lays down the guidelines for avoiding conflicts of interest. All transactions or interests that has the potential to raise a conflict of interest shall be disclosed to the entity for further necessary actions as may deemed fit. Further, all Directors shall inform the company on an annual basis about the Board and the Committee positions the person occupies in other companies including Chairmanships and notify any changes during the year. The Board members while discharging their duties, shall ensure to avoid conflict of interest in the decision-making process.

#### Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

##### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	5%	7.18%	R&D investment was made for introducing product and processes having less impact on environment.
Capex	5%	100%	Capex investment were made for new equipment and machinery for process optimization resulting in energy saving.

**2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

**B. If yes, what percentage of inputs were sourced sustainably?**

**A)** Yes. The Company has procedures and policies in place for sustainable sourcing. Our supplier Code of Conduct lays down the Company's strategy for sustainable sourcing. All suppliers are expected to adhere to the supplier Code of Conduct. Further, supplier assessments are conducted periodically based on defined parameters identified in supplier assessment checklist. The checklist includes indicators including consent to operate, safety measures, certifications, material test reports etc. along with ESG factors. We work closely with suppliers and is in the process of developing a mechanism to promote sustainable and local sourcing and thereby track the percentage of inputs sourced sustainably.

**B)** 28%

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

**Plastics:** Plastic wastes are generated from our manufacturing and packaging materials used in our products. We acknowledge that the plastic used in product packaging has an impact on the environment. We make reasonable efforts to keep track of all the products used and have implemented a robust internal waste management system of collection, segregation, storage, and disposal. As a part end-of-life product management, we are continuously working on improving our product's circularity. Currently, we are in the process of complying with the requirements of the EPR registration.

**E-waste:** Since our main product category is bearings. This is not applicable. However, as an effort to manage e-waste, which comprises of electronic devices, their components, and IT assets which are discarded after their useful life or due to obsolescence, it is disposed only to authorized re-cyclers.

**Hazardous waste:** Since our main product category is bearings, this is not applicable. Hazardous waste generated from manufacturing locations is safely disposed of to an authorized recycler.

**Other waste:** Since our main product category is bearings, this is not applicable.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

We are subject to Extended Producer Responsibility (EPR) regulations under The Plastic Waste Management and Handling Rules, 2016 (as amended), falls within the category of 'producer' or 'brand owner'. Plastic is used for packaging balls and bearings as well as in the manufacturing of certain types of bearings. Thus, we are in the process to develop a waste collection plan in line with EPR guidelines to submit to Central Pollution Control Board (CPCB).

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of the product/service	% of total turnover contributed	Boundary for which the life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
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No, we have not conducted Life Cycle Assessment (LCA) in the FY 2023-24. However, we are in the process of establishing a mechanism to conduct life cycle assessment for our key product categories. LCA studies will be used as a tool for assessing environmental footprint of our products going forward.

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**
**Essential Indicators**
**1. a. Details of measures for the well-being of employees:**

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
<b>Male</b>	427	427	100%	427	100%	NA	100%	0	0%	0	0
<b>Female</b>	35	35	100%	35	100%	35	100%	0	0%	0	0
<b>Total</b>	462	462	100%	462	100%	35	100%	0	0%	0	0
<b>Other than Permanent Employees</b>											
<b>Male</b>	21	21	100%	21	100%	NA	0%	0	0%	13	62%
<b>Female</b>	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	21	21	100%	21	100%	NA	0%	0	0%	13	62%

**b. Details of measures for the well-being of workers:**

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
<b>Male</b>	809	809	100%	809	100%	0	0%	0	0%	0	0
<b>Female</b>	19	19	100%	19	100%	4	21%	0	0%	0	0
<b>Total</b>	828	829	100%	828	100%	4	21%	0	0%	0	0
<b>Other than Permanent Workers</b>											
<b>Male</b>	2006	2006	100%	2006	100%	500	25%	0	0%	0	0
<b>Female</b>	190	190	100%	190	100%	95	50%	0	0%	0	0
<b>Total</b>	2196	2196	100%	2196	100%	595	27%	0	0%	0	0

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

	FY 2023-24	FY 2022-23
Cost incurred on well being measures as a % of total revenue of the company	0.65%	0.58%

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	YES	96%	58%	YES
Gratuity	100%	95%	YES	95%	31%	YES
ESI	6%	7%	YES	3%	33%	YES
Others- please specify	NIL	NIL	NIL	NIL	NIL	NIL

**3. Accessibility of workplaces**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, some of our facilities are accessible to employees and workers with disabilities. Furthermore, we are consistently enhancing our infrastructure to eliminate accessibility barriers and foster inclusivity across our premises.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Company's Non-Discrimination Policy lays down the guidelines to ensure equal employment opportunities to all irrespective of any differentiating factors including physical disability as per the Rights of Persons with Disabilities Act, 2016. Further, the entity is committed to protecting human rights across all locations of operations. Weblink: [Non-Discrimination-Policy.pdf](#) (nrbearings.com)

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA*	NA*	NA*	NA*
Female	1	100%	1	100%
Total	1	100%	1	100%

\*- We do not provide male employees with the paternity leave.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/ No (If yes, then give details of the mechanism in brief)	
Permanent Workers	Yes	Yes, we have a whistleblower policy in place available to all employees and workers. The objective of the policy is to facilitate open and structured employees' work-related grievances redressal mechanism with the intent of ensuring that the grievance is dealt with in a fair and just manner whilst being in compliance with the Company's policies.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of associations or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of associations or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	462	0	0%	457	0	0%
<b>Male</b>	427	0	0%	425	0	0%
<b>Female</b>	35	0	0%	32	0	0%
<b>Total Permanent Workers</b>	828	810	98.02%	872	846	97.02%
<b>Male</b>	809	793	89.47%	854	829	97.07%
<b>Female</b>	19	17	97.83%	18	17	94.44%

**8. Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/A)
<b>Employees</b>										
<b>Male</b>	448	448	100%	448	100%	452	452	100%	452	100%
<b>Female</b>	35	35	100%	35	100%	35	35	100%	35	100%
<b>Total</b>	483	483	100%	483	100%	487	487	100%	487	100%
<b>Workers</b>										
<b>Male</b>	2815	2388	85%	1355	48%	2986	375	12.56%	375	12.56%
<b>Female</b>	209	115	55%	79	38%	219	34	15.52%	34	15.52%
<b>Total</b>	3024	2503	82%	1434	47%	3205	409	12.76%	409	12.76%

**9. Details of performance and career development reviews of employees and worker**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
<b>Male</b>	448	448	100%	452	425	94.03%
<b>Female</b>	35	33	94.29%	35	32	91.43%
<b>Total</b>	483	481	99.59%	487	457	93.84%
<b>Workers</b>						
<b>Male</b>	2815	1075	38.04%	2986	0	0%
<b>Female</b>	209	137	65.87%	219	0	0%
<b>Total</b>	3024	1212	39.95%	3205	0	0%

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. We are committed to provide safe and healthy working conditions to all its employees and workers. We believe that creating and maintaining a safe and healthy work environment is a pre-requisite for employee well-being, and the adoption of best practices in occupational health and safety is critical to attain business excellence. Our EHS system are certified to ISO 14001: 2015, ISO 45001: 2018 and IATF 16949:2016 and covers 100% of all of our India locations. We have an occupational health and safety policy in place which acts as a guideline and commitment towards the management of key HSE aspects.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We have implemented EHS management system which helps in identifying occupational health and safety risks proactively, including routine and non-routine activities. We have Hazard Identification and Risk Assessment (HIRA) framework which enables our employees and workers to identify and contain work-related risks which pose a threat. The carried-out assessment is followed up with documentation of risks and hazards present within our environment, their root causes, associated consequences and risk and hazard containment strategy and recommendations. We have also appointed safety committee at each plant site headed by the plant head to identify and mitigate the risks associated with health and safety. Our Health and Safety Committee ensures proper establishment, implementation, maintenance, and continual improvement of processes needed for the elimination of hazards and minimization of actual and potential risks.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes. Workers are encouraged to report work-related hazards through established mechanism at each plant. To promote safety culture, we have established a drop box system across all plants which enables our employees and workers to report any work-related incidents, hazards and near misses that may lead to unsafe condition. All reported incidents are investigated on a timely basis and appropriate actions are taken accordingly.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. We provide medical facilities and first-aid services to both our employees and workers. We have established occupational health centre at each plant, equipped and manned for management of non-occupational medical conditions. and have a tie-up with nearest hospital to the plant premises. Further, all our employees and workers are covered under the company's health insurance and personal insurance policy.

**11. Details of safety related incidents, in the following format**

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	2	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\* including the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

A safe and healthy workplace is of utmost priority to our operations. All the plants and office premises are carefully designed to minimise the risk of health hazards and risks. We make every effort to integrate safety into all business processes. Policy and Procedure: We have an Occupational Health and Safety Policy which acts as a guideline to prevent work related injury, ill health, and harm to people from work-related activities. The policy is updated and reviewed on a regular basis. We also maintain SOP with a clearly written set of instructions to help workers perform complex tasks in a safe manner. In order to ensure that the Health and Safety Management System is appropriately and effectively maintained, we conduct internal audit on annual basis. Risk Identification and Management: We identify occupational health and safety risks proactively, for all existing/ new/modified activities, process, products or services using HIRA framework. In addition to it, risk assessment also includes quarterly evaluation of incidents that have occurred. Incident Management: We have an established process for Incident Risk Management for all employees and workers at all levels, which includes Incident reporting, investigation and implementation of appropriate correction and corrective measures. At each plant/office, we have established OH&S committees, chaired by respective department heads with representations from employees, senior management and cross-functional teams. Training and Education: We ensure awareness amongst employees and workers through continuous training, communication and performance measurement of HSE criteria. Training includes awareness-building, mock drills, and periodic demonstrations. It also forms a part of employee induction program. Training modules are updated annually, basis the need assessment and evolving regulatory requirements.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
<b>Working conditions</b>	0	0	0	0	0	0
<b>Health and Safety</b>	0	0	0	0	0	0

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
<b>Health and safety practices</b>	100%
<b>Working conditions</b>	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Regarding safety-related incidents, we take all reported incidents seriously and have taken prompt corrective actions to address them. Our commitment to ensuring a safe working environment is unwavering, and we continuously review and improve our safety practices and working conditions. To ensure the effectiveness of our safety measures, we conduct regular assessments of our health and safety practices and working conditions. These assessments have identified some significant risks and concerns, which we are actively addressing through various corrective actions. Notably, our EHS Policy is prominently displayed at the gate, other medical facilities, and safety measures are implemented as per statutory requirements. We also have a robust safety committee in place, which meets regularly to review and discuss safety concerns and incidents. In addition, we provide awareness training to employees on various aspects of safety, including firefighting equipment operations. We also conduct regular noise monitoring to ensure compliance with regulatory requirements. To further enhance our safety posture, we have implemented various measures such as:

- Providing all necessary personal protective equipment (PPE) to employees
- Preparing an onsite emergency preparedness plan
- Installing fire hydrant systems, sprinklers, smoke detection systems, and fire extinguishers

Our process and activity review is conducted on a yearly basis to ensure that our safety measures are effective and aligned with industry best practices. We also follow up on the same on a yearly basis to ensure that all corrective actions are implemented and effective. Through these measures, we strive to create a safe working environment for all employees and ensure that any significant risks or concerns identified through our assessments are mitigated

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, we have a robust life insurance coverage for all employees across all geographies under our employee wellbeing programs.

**2. Provide the measures undertaken by the entities to ensure that statutory dues have been deducted and deposited by the value chain partners.**

We have defined internal processes to ensure that statutory dues have been deducted and deposited by the value chain partners on a timely basis. We have established regular communication with service providers about payment of PF/ESI/GST/wages and proper coverage of terms to comply with the agreements. While clearing the bills, compliance checking is carried out with the agency and follow ups are done if required. This ensures that the vendors are compliant with the provisions of the labour laws

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
<b>Employees</b>	0	0	Not applicable	0
<b>Workers</b>	0	0	Not applicable	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No. Currently, we do not provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. However, the training programs and modules are designed in a way that encourage all the employees and workers, irrespective of positions, to learn new skills and promotes career advancement post-retirement.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
<b>Health and Safety Practices</b>	70%
<b>Working Conditions</b>	70%

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant adverse impact was observed during the suppliers' assessment. However, We have developed EHS audit checklist for the value chain. We conduct EHS assessments of the suppliers during the onboarding process. Additionally, we also conduct QMS and EHS audit of our suppliers annually

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**1. Describe the process for identifying key stakeholder groups of the entity.**

Stakeholders play an integral role in our business, and the entity recognises the need to continuously engage with them on frequent basis. Through a defined stakeholder engagement process and depending on the influence on business activities and vice-versa, key stakeholder groups are identified from the larger stakeholder universe. 68 Currently we have identified 7 (seven) stakeholder groups depending on the business influence and has devised dedicated engagement mechanism for each group. Through regular stakeholder interaction through various channels, the entity seeks to strengthen the relationships and contribute to business strategy. Our key stakeholder groups include Investors, Employees and Workers, Business partner, Suppliers, Customers, Government and Community



**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

<b>Stakeholder Group</b>	<b>Whether identified as vulnerable and marginalized group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other</b>	<b>Frequency of engagement (annually, half yearly, quarterly, others – please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
<b>Investors</b>	No	<ul style="list-style-type: none"> <li>• Annual shareholder meeting</li> <li>• Quarterly investor presentations</li> <li>• Investor conferences and meets</li> <li>• Press release</li> </ul>	Quarterly / Annually	To update investors on the financial performance of the company
<b>Employees</b>	No	<ul style="list-style-type: none"> <li>• Intranet Portal</li> <li>• Employee Welfare events</li> <li>• Trainings and performance management system</li> <li>• Functional and cross-functional committees Emails, written communication</li> </ul>	Daily	To engage with employees and understand their aspirations including the following: <ul style="list-style-type: none"> <li>• Career management and growth prospects</li> <li>• Learning opportunities</li> <li>• Building a safety culture and inculcating safe working practices among employees</li> <li>• Flexible working hours</li> </ul>
<b>Customers</b>	No	<ul style="list-style-type: none"> <li>• Direct consumer calls and meetings</li> <li>• Customer satisfaction surveys</li> <li>• Complaint handling &amp; feedback</li> <li>• Marketing and Advertising</li> <li>• Electronic Communication</li> </ul>	Continuous (NRB website and social media including LinkedIn, Twitter, Facebook, Instagram, YouTube)	<ul style="list-style-type: none"> <li>• Understanding customer expectations,</li> <li>• Understanding industry and business challenges</li> <li>• Understanding client’s data privacy and security requirements</li> </ul>
<b>Business Partners</b>	No	<ul style="list-style-type: none"> <li>• Conferences</li> <li>• Written Communication audio &amp; visual communication</li> </ul>	Monthly: Conference calls Quarterly: Business reviews Annually: Partner events	<ul style="list-style-type: none"> <li>• Strengthening business partnerships</li> <li>• Improve Company’s credit worthiness</li> <li>• Promote ethical behavior and fair business practices and governance</li> </ul>
<b>Suppliers</b>	Yes	<ul style="list-style-type: none"> <li>• Supplier meets</li> <li>• Regular interaction through phone, e-mail and in person</li> <li>• Supplier Audits</li> </ul>	• Continuous	• To identify supplier business challenges and ensure uninterrupted raw material supply

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We regularly interact with the shareholders and investors through the investor’s meets and updates on Company’s website and the quarterly and annual reports. The Annual General Meeting is also a forum where the Members of the Company engage directly with the Board of Directors who answer their queries on various subjects. All interactions with government, regulators and quasi-judicial bodies are done by duly authorized and trained individuals with honesty, integrity, openness and in compliance of all laws and legislations. The Company also recognizes its employees as important stakeholder, and several initiatives are undertaken to communicate the vision, strategy and way forward to the employees. The employees are kept abreast of all important events, achievements and milestones of Company. Such communication channels help employees to connect, bond, inspire, motivate and celebrate achievements.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. We engage with various stakeholders including community on a regular basis to address their needs and concerns their relevant inputs are considered in strategy formulation. Additionally, investors and shareholder’s concerns are taken into account while formulating goals and targets. This is translated into business decision making

**Principle 5: Businesses should respect and promote human rights.**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format :

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	462	462	100%	452	452	100%
Other than permanent	21	21	100%	35	35	100%
<b>Total Employees</b>	<b>483</b>	<b>483</b>	<b>100%</b>	<b>487</b>	<b>487</b>	<b>100%</b>
<b>Workers</b>						
Permanent	828	637	76.23%	872	225	25.80%
Other than permanent	2196	150	6.83%	2,333	201	8.62%
<b>Total Workers</b>	<b>3024</b>	<b>787</b>	<b>26.03%</b>	<b>3,205</b>	<b>426</b>	<b>13.29%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	462	0	0%	462	100%	457	0	0%	457	100%
Male	427	0	0%	427	100%	425	0	0%	425	100%
Female	35	0	0%	35	100%	32	0	0%	32	100%
<b>Other than Permanent</b>	<b>21</b>	<b>0</b>	<b>0%</b>	<b>21</b>	<b>100%</b>	<b>30</b>	<b>0</b>	<b>0%</b>	<b>30</b>	<b>100%</b>
Male	21	0	0%	21	100%	27	0	0%	27	100%
Female	0	0	0%	0	100%	3	0	0%	3	100%
<b>Workers</b>										
Permanent	828	0	0%	828	100%	872	1	0.11%	871	99.89%
Male	809	0	0%	809	100%	854	1	0.12%	853	99.88%
Female	19	0	0%	19	100%	18	0	0%	18	100%
<b>Other than Permanent</b>	<b>2196</b>	<b>2080</b>	<b>94.72%</b>	<b>116</b>	<b>5.28%</b>	<b>2319</b>	<b>1297</b>	<b>55.59%</b>	<b>1036</b>	<b>44.41%</b>
Male	2006	1896	94.52%	110	5.48%	2118	1132	54.60%	968	45.40%
Female	190	184	96.84%	6	3.16%	201	165	66.17%	68	33.83%

**3. Details of remuneration/salary/wages, in the following format:**
**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	₹ 980,000.00	2	₹ 19,401,595.50
Key Management Personnel	1	₹ 4,257,967.50	1	₹ 8,501,682.00
Employees other than BoD and KMP	426	₹8,75,000.00	34	₹ 868,650.00
Workers	809	₹ 497,601.00	19	₹ 497,820.00

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	5.04%	5.02%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes
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**5. Describe the internal mechanisms in place to redress grievances related to human rights issues**

Human rights principles are embedded in our core values and systems. We uphold the principles of human rights and fair treatment through various policies such as Human Rights Policy, Business Conduct Guidelines and Ethics, Policy on Prevention of Sexual Harassment at Workplace and CSR Policy. We take robust measures to ensure there are no violations of human rights in our operations. We expect and encourage that our partners, suppliers, employees, workers and contractors to fully respect human rights and strictly avoid any violation of human rights. All stakeholders including employees impacted by the business have full right and access to the grievance mechanisms as laid down in whistleblower policy. All concerns can be raised through the respective department head at corporate office or through plant heads at plant level. Further, concerns can also be directly reported to HR to ensure speedy course of action. Any concerns or issues raised are actively addressed and resolved in a timely manner

**6. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		1	0	The case was resolved
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary	0	0		0	0	
Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
<b>Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)</b>	0	1
<b>Complaints on POSH as a % of female employee/ workers</b>	0	1.85
<b>Complaints on POSH upheld</b>	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

We aim to provide a safe working environment and prohibit any form of discrimination/ harassment or related retaliation against or by. We have policies which intend to prohibit such occurrences and ensure that there are no adverse consequences when an associate reports a complaint on discrimination or harassment. We have POSH policy in place against zero tolerance on sexual harassment at workplace. We also have Policies on Human Rights which are applicable to all its employees and suppliers and service providers. We encourage our employees and workers on reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Regular awareness and training sessions are also conducted to ensure that the employees are fully aware of the aspects of sexual harassment and of the redressal mechanism. During the FY 2023-24, we received zero cases of discrimination and one case of sexual harassment. All the cases were resolved

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes - Our suppliers are compliant with the supplier code of conduct (SCOC) and mandatorily abide to all the terms and conditions as laid down in SCOC, which includes aspects of human rights as well. New as well existing suppliers undergo the supplier assessment on basis of various parameters including human rights issues such as child labour, forced labour, wages, etc

**10. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
<b>Child labour</b>	100%
<b>Forced/involuntary labour</b>	100%
<b>Sexual harassment</b>	100%
<b>Discrimination at workplace</b>	100%
<b>Wages</b>	100%
<b>Others – please specify</b>	100%

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

There was no third-party evaluation conducted during the FY 2023-24

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

We have integrated human rights as an integral aspect of the entity's business values. All business activities are performed ensuring there are no human rights violations, and owing to the concerted efforts, there were no business process modification as a result of addressing human rights grievances

**2. Details of the scope and coverage of any Human rights due- diligence conducted.**

We, currently, do not conduct human rights due diligence. However, the entity ensures human rights are respected for all employees and workers and there are no instances of violations in business activities and in the extended value chain.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, some of our establishments are accessible to the differently abled employees and workers. In addition, we are continuously working towards improving infrastructure for eliminating barriers to accessibility and making our premises more inclusive.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	-	-
<b>From non-renewable sources</b>		
Total electricity consumption (D)	145,800.59	138,241.75
Total fuel consumption (E)	18,513.23	7,587.19
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	164,313.82	145,828.95
<b>Total energy consumed (A+B+C+D+E+F)</b>	164,313.82	145,828.95
<b>Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)</b>	0.00001639	0.00001454
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/ revenue from operations adjusted for PPP)</b>	0.00037492 <sup>#</sup>	0.0003326 <sup>#</sup>
<b>Energy intensity in terms of physical output</b>	-*	-*

# - The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India which is 22.88.

\*- We have more than 2000 categories and we are unable to track the unit weight of each product. We track the number of products sold. However, the size and weight of each product is different. Hence, intensity in terms of physical output is not available. We are in the process of tracking the unit weight of each product and by next year we will be able to report intensities in terms of physical outputs.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, we have conducted a thorough review of our operations and have not identified any sites or facilities that are designated as Designated Consumers (DCs) under the Performance, Achieve, and Trade (PAT) scheme of the Government of India. Therefore, we do not have any targets set under this scheme to report on. Since we do not have any designated consumers, we do not have any targets to achieve or report on the achievement of those targets.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	27,178	27,288.00
(ii) Groundwater	15,964.8	18,821.00
(iii) Third party water	44,665	53,603.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	87,807.8	99,712.00
Total volume of water consumption (in kilolitres)	58,259.78	59,063.81
Water intensity per rupee of turnover (Water consumed / revenue from operations)	0.00000581	0.00000589
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Water consumed / revenue from operations adjusted for PPP)	0.00013293 <sup>#</sup>	0.00013473 <sup>#</sup>
Water intensity in terms of physical output	-*	-*

# - The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India which is 22.88.

\*- We have more than 2000 categories and we are unable to track the unit weight of each product. We track the number of products sold. However, the size and weight of each product is different. Hence, intensity in terms of physical output is not available. We are in the process of tracking the unit weight of each product and by next year we will be able to report intensities in terms of physical outputs.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	28403.32	23,570.95
- No treatment	0	
- With treatment – please specify level of treatment	28403.32	23,570.95
(v) Others	1,144.7	17,077.24
- No treatment	0	0
- With treatment – please specify level of treatment	1,144.7	17,077.24
Total water discharged (in kilolitres)	29548.02	40,648.19

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - N

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

We have implemented an approach to maximize recycling and re-use of treated wastewater within our sites, thereby reducing intake of fresh water. Water discharge from our plant is sent to the common effluent treatment plant (CETP) or municipal drainage, as per the consent to operate conditions issued by the Pollution Control Board.

Although we do not currently have a mechanism in place for Zero Liquid Discharge, we are in the process of implementing a mechanism to track and monitor water discharge quantity. This initiative aims to achieve Zero Liquid Discharge in the future.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
<b>NOx</b>	MT	0.06	0.60
<b>Sox</b>	MT	1.52	2.94
<b>Particulate matter (PM)</b>	MT	4.88	4.94
<b>Persistent organic pollutants (POP)</b>	MT	NA	NA
<b>Volatile organic compounds (VOC)</b>	MT	NA	NA
<b>Hazardous air pollutants (HAP)</b>	MT	NA	NA
<b>Others – please specify</b>	MT	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,327.59	1,890.57
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	28,998.11	31,104.39
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover</b> (Total scope 1 and scope 2 GHG emissions/ revenue from operations)	-	0.000003124	0.0000033
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total scope 1 and scope 2 GHG emissions/ revenue from operations adjusted for PPP)		0.000071477#	0.000075504#
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-*	-*

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\*- We have more than 2000 categories and we are unable to track the unit weight of each product. We track the number of products sold. However, the size and weight of each product is different. Hence, intensity in terms of physical output is not available. We are in the process of tracking the unit weight of each product and by next year we will be able to report intensities in terms of physical outputs.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

We have made significant efforts to reduce energy consumption and lower greenhouse gas (GHG) emissions across its four plants, including Waluj, Chikalthana, Hyderabad, and Jalna. At the Waluj plant, a total of 586,216 kilowatt-hours (kWh) per year was saved through various initiatives, such as sustainable water-based cooling, LDR sensor-based illumination, cooling system optimization, new energy-efficient processes in equipment operation, and new energy-efficient equipment and equipment parts.

The Chikalthana plant also implemented several initiatives, resulting in a total savings of 218,499 kWh per year. These included the installation of new energy-efficient equipment and equipment parts, as well as new energy-efficient processes in equipment operation.

In contrast, the Hyderabad plant achieved a total savings of 44,904 kWh per year through initiatives such as new energy-efficient equipment and equipment parts, new energy-efficient processes in equipment operation, and process redundant step elimination. Meanwhile, the Jalna plant's efforts yielded a significant total savings of 1,581,536.5 kWh per year, largely due to equipment optimization.

Overall, the company's collective efforts across all four plants have resulted in a substantial savings of approximately 2,431,156 kWh per year. Due to such energy saving, we avoided 1,740.71 tCO<sub>2</sub> of emissions. This achievement demonstrates the company's commitment to reducing its environmental footprint while also reducing costs.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	108.29	7.45
E-waste (B)	138.05	0.28
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1,140.75	1,092.90
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	4,485.82	3,175.11
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>5,872.92</b>	<b>4,275.74</b>
<b>Waste intensity per rupee of turnover (Total waste generated / revenue from operations)</b>	<b>0.00000059</b>	<b>0.00000043</b>
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ revenue from operations adjusted for PPP)</b>	<b>0.0000134<sup>#</sup></b>	<b>0.00000975<sup>#</sup></b>
<b>Waste intensity in terms of physical output</b>	<b>-*</b>	<b>-*</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	138.05	1,801.84
(ii) Re-used	-	12.00
(iii) Other recovery operations	2.00	0.45
<b>Total</b>	<b>140.05</b>	<b>1,814.29</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	156.35	138.45
(ii) Landfilling	866.06	831.40
(iii) Other disposal operations	3,935.18	2,420.08
<b>Total</b>	<b>4,957.59</b>	<b>3,389.92</b>



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\*- We have more than 2000 categories and we are unable to track the unit weight of each product. We track the number of products sold. However, the size and weight of each product is different. Hence, intensity in terms of physical output is not available. We are in the process of tracking the unit weight of each product and by next year we will be able to report intensities in terms of physical outputs.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- N

**For some of the waste category quantity-wise data in numbers is tracked, we are in process to track and monitor the waste data basis their weight. The details are mentioned below-**

Waste type	Generation (in Nos)	Disposal method
Empty barrel	1,705.00	Reuse
IBC Barrels and Drums (excluding empty barrel)	108.00	Reuse
E-waste	27.00	Recycle
Battery waste	117.00	Recycle

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Our establishment has implemented a robust waste management system that ensures proper collection, segregation, and disposal of waste generated from each department. We have designated areas for different types of waste, including hazardous and non-hazardous waste, such as used oil, paper, corrugated materials, plastics, and wood waste. The waste is stored at these designated sites until it is disposed of in accordance with legal procedures and environmentally sound techniques. Hazardous waste is disposed of in a manner that meets the requirements of the MPCB/CPCB, while non-hazardous waste is sold to authorized recyclers or vendors. Our Company prioritizes environmentally responsible disposal practices and works with authorized recyclers/processors to ensure that all waste is handled and disposed of in a responsible and sustainable manner.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr No	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of our Operations are located near notified ecologically sensitive areas			

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Environmental Impact Assessment ("EIA") Notification, 2006, and its amendments govern the process of granting 'Environmental Clearance' to new establishment or expansion of existing projects. In the current financial year, our projects did not require environmental impact assessments (EIA) as we did not undertake any new construction or expansion of our existing projects. Since our own office buildings and plants were not subject to new construction, none of our manufacturing plants were required to obtain environmental clearances in the current financial year.					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with all the statutory requirements.				

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):T**  
**For each facility / plant located in areas of water stress, provide the following information:**

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23		
<b>Water withdrawal by source (in kilolitres)</b>				
(i) To Surface water	None of our operations fall under water-stress region as per CGWA.			
(ii) To Groundwater				
(iii) To Seawater				
(iv) Sent to third-parties				
(v) Others				
<b>Total volume of water withdrawal (in kilolitres)</b>				
<b>Total volume of water consumption (in kilolitres)</b>				
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>				
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>				
<b>Water discharge by destination and level of treatment (in kilolitres)</b>				
(i) Into Surface water	Not Applicable			
- No treatment				
- With treatment – please specify level of treatment				
(ii) Into Groundwater				
- No treatment				
- With treatment – please specify level of treatment				
(iii) Into Seawater				
- No treatment				
- With treatment – please specify level of treatment				
(iv) Sent to third-parties				
- No treatment				
- With treatment – please specify level of treatment				
(v) Others				
- No treatment				
- With treatment – please specify level of treatment				
<b>Total water discharged (in kilolitres)</b>				

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

**2. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

None of our Operations are located near notified ecologically sensitive areas.

**3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative (Energy saved in KWh/year)
1	Sustainable water-based cooling initiatives	Implemented sustainable water-based cooling systems to reduce energy consumption	474,444
2	LDR sensor-based illumination	Installed LDR sensors to optimize lighting usage	21,900
3	Cooling system optimization	Optimised cooling systems to reduce energy consumption	79,248
4	New energy efficient process in equipment operation	Implemented new energy-efficient processes in equipment operation	3,324
5	New energy-efficient equipment/ equipment part	Replaced old equipment with new energy-efficient ones	7,300
6	New energy-efficient equipment/ equipment part	Replaced old equipment with new energy-efficient ones	148,299
7	New energy efficient process in equipment operation	Implemented new energy-efficient processes in equipment operation	70,200
8	New energy-efficient equipment/ equipment part	Replaced old equipment with new energy-efficient ones	33,204
9	New energy efficient process in equipment operation	Implemented new energy-efficient processes in equipment operation	10,500
10	Process redundant step elimination	Eliminated redundant steps in processes to reduce energy consumption	1,200
11	Equipment optimization	Optimised equipment performance to reduce energy consumption	1,580,064
12	New energy efficient process in equipment operation	Implemented new energy-efficient processes in equipment operation	1,100
13	New energy-efficient equipment/ equipment part	Replaced old equipment with new energy-efficient ones	373
<b>Total Energy savings</b>			<b>2,431,155.50</b>

**4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the Company has a business continuity plan in place to ensure sustenance of the company. The business continuity plan covers all the business risks including but not limited to fire hazards, natural calamities, strikes. The Company has an established Emergency Preparedness plan with detailed SOP for each plant.

**5. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impact was observed during the suppliers' assessment. However, We have developed an EHS audit checklist for the value chain. We conduct EHS assessments of the suppliers during the onboarding process. Additionally, we also conduct QMS and EHS audit of our suppliers annually.

**6. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

All direct material suppliers and packaging suppliers (70%)

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

**1. A. Number of affiliations with trade and industry chambers/ associations.**

5

**B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	The Automotive Component Manufacturers Association of India (ACMA)	National
3	The Indo German Chambers of Commerce (IGCC)	National
4	The Council of EU Chambers of Commerce in India (EU Chambers)	National
5	Indo French Chambers of Commerce and Industry (IFCCI)	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
During the current financial year, our Company did not receive any adverse orders from regulatory authorities regarding anti-competitive conduct. As a result, there is no corrective action required or underway.		

**Principle 8: Businesses should promote inclusive growth and equitable development.**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
In the current financial year, we did not have any projects that required the conduct of Social Impact Assessments (SIA) as per applicable laws and regulations. As a result, we did not undertake any SIAs during this period.					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

**3. Describe the mechanisms to receive and redress grievances of the community.**

Our Company has established a grievance mechanism to receive and redress grievances of the community. At each location, our HR and admin partners are responsible for addressing grievances related to the community, ensuring that concerns are promptly acknowledged and resolved fairly and transparently. This includes receiving and investigating complaints, conducting root cause analysis, and implementing corrective actions to prevent similar issues from occurring in the future

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	70.25%	74%
Directly from within India	70.92%	75.61%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

Location	FY 2023-24	FY 2022-23
Rural	0%	0%
Semi urban	22.42%	22.42%
Urban	4.68%	4.68%
Metropolitan	72.9%	72.9%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**Leadership Indicators**
**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable, as we were not required to conduct any social impact assessment in the current financial year.	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr No	State	Aspirational District	Amount Spent (in INR)
Our Company is committed to creating a positive impact through various initiatives and programs under our CSR activities and social business projects. We believe that inclusive business means social and economic development through employment generation and skill development. We conduct community needs assessments through regular stakeholder engagement to identify areas of focus. While we have partnered with NGOs on various CSR projects in different regions, including Haryana, Mumbai, Hyderabad, Bangalore, and New Delhi, we acknowledge that none of these projects have been undertaken in the designated Aspirational Districts identified by government bodies. However, recognizing the importance of reaching out to more vulnerable and indigenous communities, we are currently devising a strategy to expand our reach and positively impact the lives of people in these areas.			

**3. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared(Yes / No)	Basis of calculating benefit share
Not Applicable				

**4. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of the authority	Brief of the Case	Corrective action taken
Not Applicable		

**5. Details of beneficiaries of CSR Projects:**

Sr.no	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of Education - National Capital Region- Ashoka University	11	81%
2	Promotion of Education- Mumbai- IIT Bombay	110	40%
3	Promotion of Education -Mumbai and Igatpuri - through Implenting agency- Aseema Charitable Trust	76	100%

4	Promotion of Education - Hyderabad, Bangalore and Mumbai -through Implenting agency- 321 Education Foundation	No. of students: 1000 No. of teachers: 30 teachers	90 - 95%
5	Vocational Development Projects- Mumbai- through Implenting agency- The Apprenticeship Projects (TAP)	341	100%
6	Social Developments Projects- Mumbai- Hiralal Parekh Parivar Charitable Trust	3.1 Million	58.06%
7	Health Care- Mumbai- through Implenting agency- Aastha Foundation	33	NIL
8	Health Care/Education- Aurangabad- through Implenting agency- Aarambh society	Residential beneficiaries- Girls 40 Residential beneficiaries- Boys 60 Academics - 200 Therapy- 50	60%
9	Promotion of Education- Pune- through Implenting agency- Gyan Prakash Foundation	85 Teachers 2145 students	100%
10	promoting health care and sanitation - villages across the India - Goonj	4166 children	100%
11	Social Business Project- Mumbai - Rotary Club	17608 patients	100%
12	Health care - Mumbai - Indian Cancer Society	650	100%

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

At NRB Bearings Limited, we have established a robust mechanism for receiving and responding to consumer complaints and feedback. Our goal is to provide high-quality products and services that meet the expectations of our customers, and we recognize the importance of listening to their concerns and feedback. Customers can share their complaints and feedback with us through various channels, including email and our helpline number, which is available on our website. All complaints and feedback received are centrally registered and forwarded to the respective plants based on the product family, where they are investigated and addressed on time.

We track the status of each complaint until it is resolved, ensuring that our customers receive a timely response and closure. We also disclose key statistics on customer complaints, including the number of outstanding customer complaints, the number of complaints that have been resolved, and the number of complaints that have been investigated. This transparency allows us to demonstrate our commitment to customer satisfaction and accountability in handling customer complaints. By regularly reviewing and analyzing customer feedback, we can identify areas for improvement and make necessary changes to enhance our products, services, and overall customer experience. At NRB Bearings Limited, we believe that customer feedback is essential in driving continuous improvement and ensuring that we meet the evolving needs of our customers. We are committed to maintaining a responsive and transparent approach to handling customer complaints and feedback.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
<b>Environmental and social parameters relevant to the product</b>	<b>Not available</b>
<b>Safe and responsible usage</b>	<b>Not available</b>
<b>Recycling and/or safe disposal</b>	<b>100%</b>

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber Security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	160	0		142	0	

**4. Details of instances of product recalls on account of safety issues :**

	Number	Reasons for recall
<b>Voluntary recalls</b>	<b>0</b>	-
<b>Forced recalls</b>	<b>0</b>	-

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, we have a comprehensive framework in place to ensure the security and privacy of our customers' data. We have a dedicated Information Security Policy (<https://www.nrbbearings.com/resources/investorrelations/policy/Information-Security-Policy.pdf>) that outlines our approach to managing and protecting our information assets, including customer data. This policy sets out the principles and procedures for ensuring the confidentiality, integrity, and availability of our information systems and data.

In addition, we have a Data Privacy Policy (<https://www.nrbbearings.com/resources/investorrelations/policy/Data-Privacy-Policy.pdf>) that outlines our commitment to protecting the personal data of our customers, employees, and other stakeholders. This policy sets out the principles and procedures for collecting, storing, using, and disclosing personal data under applicable laws and regulations.

Our policies are designed to protect our customers' personal data from unauthorized access, use, or disclosure

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The Company did not experience any issues related to advertising, delivery of essential services, cyber security and data privacy of customers, product recalls, or regulatory actions on product safety during the current financial year. We received no complaints or incidents that compromised our advertising, delivery, cyber security, or data privacy, and did not recall any products or face regulatory penalties. As a result, no corrective actions were taken in these areas.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches**

**b. Percentage of data breaches involving personally identifiable information of customers**

**c. Impact, if any, of the data breaches**

For data breaches, the Company did not experience any instances of unauthorized access, theft, loss, or destruction of customer data during the current financial year. As a result, there were no instances of data breaches involving personally identifiable information of customers. Therefore, there was no impact from any data breaches on our operations or reputation

**Leadership Indicators****1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The information on our products and services can be accessed through our Company website, Product Finder - NRB Bearing (nrbbearings.com), specifically through our Product Finder section. This platform provides customers with detailed information on our product range, features, and specifications, allowing them to easily find the suitable products for their needs.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The safety and responsible usage of our products are of utmost importance to our Company. To educate and inform consumers on safe and responsible usage, we have taken the following steps: We are in the process of enhancing customer awareness through various channels, including product catalogs, usage manuals, and other educational materials. Our goal is to ensure that customers have access to accurate and clear information to use our products effectively and safely, thereby reducing the risk of misuse or accidents.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

To ensure transparency and minimize inconvenience to our customers, we have established a robust communication mechanism to inform consumers of any risk of disruption or discontinuation of our essential services. Our contingency plan is in place for each product, outlining the necessary steps to take in the event of a disruption or discontinuation. We utilize multiple modes of communication, including email and telecommunications, to reach our customers and keep them informed about any potential issues. This ensures that our customers are well-prepared and can make informed decisions to mitigate any potential impacts.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Our Company prioritizes transparency and ensures that our products are equipped with product-related information as mandated by local laws and regulations. In addition to meeting these legal requirements, we also display further product information to provide our customers with a comprehensive understanding of our offerings.

We are committed to understanding the needs and expectations of our customers and regularly conduct customer satisfaction surveys to gather feedback and insights. Although we did not conduct a survey during the current financial year, we plan to resume this process in the near future. This will enable us to identify areas for improvement and make data-driven decisions to enhance our services and products, ultimately delivering a better experience for our customers.



## CEO/CFO CERTIFICATION

We, Harshbeena Zaveri, Vice Chairman & Managing Director and Raman Malhotra, Chief Financial Officer of NRB Bearings Limited (the Company), hereby certify to the Board of Directors that:

- a. We have reviewed the financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations
- b. To the best of our knowledge and belief there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operations of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and;
  - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

### For NRB Bearings Limited

**Harshbeena Zaveri**  
**Vice Chairman & Managing Director**

**Raman Malhotra**  
**Chief Financial Officer**

Place : Mumbai  
Date : May 27, 2024

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

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended March 31, 2024.

### For NRB Bearings Limited

**Harshbeena Zaveri**  
**Vice Chairman & Managing Director**

Place: Mumbai  
Date: May 27, 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development

The Company is in the ball and roller bearings business for the requirements of the mobility industry which has Indian Original Equipment Manufacturers (OEMs) and Tier I customers accounting for 65 per cent-70 per cent of the demand while the rest is supplied to the Aftermarket (10 per cent -12 per cent) and Exports (20 per cent -23 per cent). Exports is predominantly to OEMs and Tier I customers. Other than the Aftermarket, vehicle manufacturers comprise of the following broad segments:

- 2/3 wheelers comprising motor cycles, scooters, mopeds, auto rickshaws (passengers and goods) and industrial 4 stroke engines.
- Passenger cars from small cars hatchbacks to luxury models and utility vehicles
- Commercial vehicles from LCVs, MCV/HCV to buses
- Farm equipment and off highway vehicles including forklifts, trucks and construction equipment
- Railway locomotives
- Defense vehicles including gun carriers and tanks
- Aircraft and aerospace applications

Market growth in the Indian mobility industry has a very large potential given the geographical spread, size of population and the current low penetration. Growth in the goods mobility segment is being driven by the need to establish strong supply chains between producers and markets. Improvements in road infrastructure also assist this area of business. India has also strong potential to become export hub for all segments.

Amid a barrage of shocks during the past four years, the global economy has proved to be surprisingly resilient. Global growth is set to slow further this year amid tight monetary policy, restrictive financial conditions, and feeble global trade and investment. Downside risks include an escalation of the recent conflict in the Middle East, financial stress, persistent inflation, trade fragmentation, and climate-related disasters. Near-term prospects are diverging, with subdued growth in major economies alongside improving conditions in emerging market and developing economies with solid fundamentals. On balance, the near term economic outlook is only continuously optimistic as economic vulnerabilities remain, amid persistently high interest rates, continuing geopolitical tensions, increasing climatic risks and further trade fragmentations. Meanwhile, the outlook for emerging market and developing economies with pronounced vulnerabilities remains precarious amid elevated debt and financing costs. The recent conflict in the Middle East coming on top of the Russian Federations invasion of Ukraine, has highlighted geopolitical risks.

India's economic performance in recent years demonstrates substantial growth, with a 7.2 per cent expansion in 2022-23 and an impressive 8.7 per cent growth in 2021-22. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key drivers of the GDP in FY 2023-24. The strength in domestic demand, driven by private consumption and investment, to government reforms and initiatives implemented over the past decade. Investments in both physical and digital infrastructure, along with measures to boost manufacturing, have bolstered the supply side, providing a significant boost to economic activity in the country. India is expected to become the fourth-largest economy in the world by 2025. Several factors have contributed to India's economic growth, such as record-breaking GST collections, consistent GDP growth of over 8 per cent in the past three quarters, manageable inflation levels, double-digit growth in the steel, cement, and automobile manufacturing sectors, and the use of the Indian Rupee for trading with 27 (twenty seven) countries.

*Source: UN Department of Economic and Social Affairs.*

The automobile industry produced a total of 2,84,34,742 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in 2023-24, as against 2,59,40,344 units in 2022-23 a growth of 9.61 per cent. The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India's population being young. Moreover, the growing interest of companies in exploring the rural markets further aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles. India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. The share of the automobile sector in the national GDP increased from 2.77 per cent in 1992-1993 to around 7.1 per cent presently. It employs about 19 million people directly and indirectly. The Indian passenger car market was valued at USD 32.70 billion in

2021, and it is expected to reach a value of USD 54.84 billion by 2027 while registering a CAGR of over 9 per cent between 2022-27. Global Electric Vehicles (EV) sales are projected to reach USD 906.7 billion USD by 2028 growing at a steady CAGR of 9 per cent with the unit sales reaching 17.07 million vehicles by 2028.

India accomplished a significant milestone, with the sale of 13,25,112 EVs in FY 2024 (till January 2024). The electric vehicle (EV) market is estimated to reach USD 7.09 billion (Rs. 50,000 crore) in India by 2025.

Source: SIAM; Deloitte

### Vehicle Production (Nos.)

Category	2022-23	2023-24	Growth %
Passenger Vehicles	45,87,116	49,01,844	6.86
Commercial Vehicles	10,35,626	10,66,429	2.97
Three Wheelers	8,55,696	9,92,936	16.03
Two Wheelers	1,94,59,009	2,14,68,527	10.32
Quadricycle	2,897	5,006	72.79
Grand Total	2,59,40,344	2,84,34,742	9.61

The Indian auto component industry, being a critical part of the OEM value chain, has grown at a healthy pace over the past few years. The production and demand of the auto component industry is directly proportional to that of the automobile industry. Although a sizeable portion of auto components production caters to OEMs, the aftermarket or the replacement markets have emerged as crucial sources of revenue for the auto components industry over the past few years. Historically, the automobile OEMs were concentrated in the developed nations and so did the ancillaries. However, in recent years, manufacturing of auto components is gradually gaining traction towards Asian countries such as China, India, and others due to the presence of higher market potential and low-cost manufacturing.

India's auto components industry's market share has significantly expanded, led by increasing demand for automobiles by the growing middle class and exports globally. Due to the growth in demand for Indian auto components, several Indian and international players have entered the industry. India's auto component industry is broadly classified into organised and unorganised sectors. While the unorganised sector consists of low-valued items and mostly serves the aftermarket category, the organised sector serves OEMs and includes high-value precision instruments. The turnover of the automotive component industry stood at Rs. 6.14 lac crores (USD 74.1 billion) for FY 2023-24 registering a growth of 9.8 per cent over the previous year. Auto Component sales to OEM's in the domestic markets at Rs. 5.18 lac crores grew 9.8 per cent compared to the previous year with supply to the EV manufacturing industry accounting for 5 per cent of the total component production in the country. Exports grew by 5.5 per cent to USD 21.2 billion. Consumption of increased value added components, thrust on localization and shift in market preference towards larger and more powerful vehicles contributed to the increased turnover of the auto components sector. With strong macro economic indicators, conducive government policies and over 7 per cent growth projection for the Indian GDP, it is expected that the auto component industry will continue to perform in FY 2024-25.

Source: SIAM, Fortune India

Growth drivers of the Auto comp industry:

- Robust Demand

Growing working population and expanding middle class are expected to remain key demand drivers

- Export Opportunities

India is emerging as a global hub for auto component sourcing and the industry exports over 25 per cent of its production annually. Proximity to markets such as Middle East and Europe.

Auto Components are expected to grow and reach USD 30 billion in FY 2025-26.

- Policy Support

100 per cent FDI allowed and no restrictions on import-export

Government approved the PLI Scheme in automobile and auto components with an approved financial outlay over a five years period of Rs. 57,042 crores

- Competitive Advantage

A cost effective manufacturing base which keeps cost lower by 10-25 per cent relative to operations in Europe and Latin America. India is emerging as a global auto component sourcing hub due to its proximity to key automotive markets such as ASEAN, Europe, Japan and Korea.

- Cost competitive

GST reduction in vehicles will spur demand GST on EVs reduced to 5 per cent from 12 per cent

Source: IBEF

Our innovative approach and focus on high-technology products, consistent quality, performance levels and cost competitiveness leads us to be an engineering differentiated company. This advantage further enhances the geographical and locational advantage. The cultural advantage of a less hierarchical, flatter organization with a collaborative working style is an additional distinct advantage which can be leveraged for global expansion as a strategy.

#### Financials

During the year under review Revenue from operations, net of levies, has marginally decreased by 0.04 per cent to Rs. 1,02,272 lacs from Rs. 1,02,310 lacs in 2023-24. Domestic sales decreased by 0.45 per cent to Rs. 77,560 lacs from Rs. 77,910 lacs while exports have increased by 1.28 per cent to Rs. 24,712 lacs from Rs. 24,400 lacs in 2023-24. Sales to the two-wheeler segments were, however adversely impacted due to the fire incident at the Company's Waluj plant.

The table below sets forth the key expense items as a percentage of income for 2023-24 and 2022-23.

(Rs. in Lacs)

	% of Turnover			
	March 31, 2024		March 31, 2023	
		%		%
Revenue from operations (Rs. in lacs)	1,02,272	100.00	1,02,310	100.00
Other income (Rs. in lacs)	2,439	-	2,551	-
Expenditure:				
- Material (Including change in stock)	47,982	46.92	47,469	46.46
- Employee Cost	12,380	12.10	11,944	11.67
- Manufacturing and Other expenses (Net)	27,754	27.14	27,566	26.94
Total Expenditure	88,116	86.16	86,979	85.02
Profit before Depreciation, Interest and Tax	16,595	16.23	17,882	17.47
Depreciation	3,747	3.66	3,597	3.52
Finance costs	2,064	2.02	1,852	1.81
Profit before Exceptional Items and Tax	10,784	10.54	12,433	12.15
Exceptional Item	21,038	20.57	(1053)	(1.03)

The details of significant changes in key financial ratios, along with detailed explanations thereof, including:

Ratio	FY 2023-24	FY 2022-23	% change	Explanation for change
Current ratio (in times)	3.00	1.89	58%	The Company has repaid borrowings in the current year resulting in improvement in current ratio.
Debt Equity Ratio (in times)	0.15	0.46	-68%	The Company has repaid its debt and there is increase in profits due to which there is improvement in the ratio
Debt service coverage ratio (in times)	4.56	3.09	47%	The Company has repaid its borrowings and hence the current maturities of long term borrowings have reduced leading to the variance.
Return on equity ratio (in %)	33.66%	14.08%	139%	The Company has incurred exceptional gains due to sale of land and building and sale of investment in subsidiary, hence leading to increase in return on equity.

Net capital turnover ratio (in times)	2.12	2.99	(29%)	The Company has repaid the borrowings and hence an increase in the working capital.
Net Profit ratio (in %)	24.49%	8.39%	192%	The Company has incurred exceptional gains.
Return on investment (in %)	28.03%	10.25%	174%	The Company has incurred exceptional gains.

### Economic Value Addition

Economic Value Addition (EVA) is residual income after charging the Company for the cost of capital provided by the lenders and shareholders. It represents the value added to the shareholder by generating operating profits in excess of the cost of capital employed in the business.

(Rs. In Lacs)

	2023-24	2022-23
EBIT	12,848	14,285
Less: Adjusted Tax	2,882	2,800
NOPAT (Net Operating Profit less tax)	9,966	11,485
Equity	84,651	64,180
Debt	12,675	29,702
Total Invested Capital	97,326	93,882
Post Tax Cost of Debt %	7.29	3.85
Cost of Equity %	9.91	8.76
Weighted Average Cost of Capital % (WACC)	8.63	7.21
Weighted Average Cost of Capital (WACC)	8,402	6,766
EVA (NOPAT – WACC)	1,564	4,719

Notes: Tax calculation excludes deferred tax and is adjusted for tax shield on interest.

Cost of equity is based on cost of risk free return equivalent to yield on 10-year G-secs @ 7.32 % p.a. plus equity premium adjusted for Company's beta variant at 0.75.

### Segment wise Performance

The Company has a single reportable segment of ball and roller bearings as the primary business segment for the purpose of IND AS 108. The assets and liabilities of the Company are all expended towards this business segment.

### Outlook

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 3.3 per cent during 2025. India's economic growth rate is projected stronger than many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand. The government's strong infrastructure push, logistics development, and industrial corridor development will contribute significantly to raising industrial competitiveness and boosting future growth. Improving labour market conditions and consumer confidence will drive growth in private consumption. The central government's commitment to significantly increase capital expenditure in FY 2023-24, despite targeting a lower fiscal deficit of 5.9 per cent of GDP, will also spur demand. Helped by recovery in tourism and other contact services, the services sector will grow strongly. Globalizing has opened newer avenues for the transportation industry, especially a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

The automotive market is expected to normalize this year. More importantly, the global auto industry is going through a significant transformation towards electric vehicles (EVs) but the path ahead will be turbulent, shaped by geopolitical tensions, slowing demand and regulatory uncertainties. Regionally, the tectonic shift has already started. China has risen as a disruptive force, challenging traditional auto leaders. Europe and the US, wary of their dependence on Chinese components and the impact on local industries, have responded with increased trade barriers and scrutiny. The recent deceleration in EV demand, coupled with the uncertain regulatory and economic climate, further complicates the industry's near-term trajectory. The USD 222 billion Indian Automobile industry is expected to reach USD 300 billion by 2026. Automobile contributes nearly 6 per cent of India's GDP and 35 per cent of the manufacturing GDP. In addition, several initiatives by the

Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market. The Government of India's Automotive Mission Plan (AMP) has come a long way in ensuring growth for the sector. Indian automobile industry is expected to achieve a turnover of USD 300 billion by the year 2026.

The AMP 2016-26 will help the automotive industry to grow and will benefit Indian economy in the following ways:

- Contribution of auto industry in the country's GDP will rise to over 12 per cent
- Around 65 million incremental number of direct and indirect jobs will be created
- End of life Policy will be implemented for old vehicles

Source: IBEF

The Company along with its subsidiaries, with agility and speed has been steadily investing in and developing innovative process technology and building / customizing its machines for low volume, custom-designed products and high range production techniques and is leveraging its fast-paced, on-going investment approach has led NRB to become the first choice supplier for EVs and EVs agnostic friction solutions the world over. NRB is leading the way by supplying its global customers in 45 countries and is now a key supplier in advanced mobility applications that will revolutionize and propel the Indian auto component industry forward both domestically and internationally. NRB's focus and embracing of future technologies along with re-inventing and altering its capabilities has led to supplying the world's foremost EVs, in Europe, America and Japan and Korea.

### **Critical trends**

Willingness to pay for advanced tech remains limited

A majority of consumers are unwilling to pay more for advanced technologies in most global markets as they have been trained to expect new vehicle features as a cost of doing business for brands looking to differentiate themselves from their competitors.

Interest in EVs driven by lower running costs and better experience

Consumer interest in EVs centers on the perception of lower fuel costs, environmental consciousness, and a better driving experience. However, driving range and lack of available charging infrastructure remain barriers to adoption.

Personal vehicles continue as the preferred mode of transportation

Shared mobility services like ride-hailing and car sharing have seen slow pace of growth as people prefer using personal vehicles to satisfy their transportation requirements.

As the industry gears to ramp up performance in India and globally, the following are shaping the industry:

- Constantly shifting market dynamics due to changing manufacturing locales, customer demands, operating models and priorities.
- Changing needs of OEMs, who are likely to want different, and more agile component inputs. While demand, timelines and processes keep shifting.
- Technological improvements and discontinuities i.e. EVs, autonomous driving etc. that are already starting to change revenue pools, trigger new competition and invite new forms of co-operation.
- An evolving regulatory and trade environment.

### **Opportunities and Threats Opportunities**

- Pursue export opportunities aggressively.
- Enhance import substitution.
- Offer premium features at lower costs at a rapid pace.
- Focus on component categories that could contribute more to vehicle costs.
- Enter new segments of aftermarket like aggregator of mechanics, small OEM for aftermarket, fleet owners.
- Offer components which could take off due to an increase in EV sales.
- Expand portfolio to serve adjacent industries.

Identifying which opportunity fits best, and working strategically to seize it could create a successful future for the Company.

## Challenges/Threats

- **Constantly shifting market dynamics**

Manufacturing locales, customer demands and operating models are all evolving, creating a dynamic market for auto component manufacturers.

The number of vehicle recalls has significantly increased in recent years, leading to a growing trend of quality consciousness and renewed focus on manufacturing excellence. The global supply chain is more connected than ever before. This amplifies the impact of any unexpected changes—from exchange rate fluctuations and price volatility to geopolitical tensions, natural disasters or pandemic. These factors and their impact on the industry are difficult to forecast, adding uncertainty to an already dynamic situation. Adding to the mix are rapidly changing customer preferences and the constant need to upgrade, which are constantly creating new paradigms.

- **Changing OEM needs**

The industry needs to keep pace with the changing needs of automotive OEMs, who in turn are coping with the dynamic expectations of the end customer, consolidation of platforms to reduce complexity and alterations in vehicle cost composition. The automotive manufacturers require simpler, more versatile components that are usable across multiple platforms.

- **Technological improvements and discontinuities**

Autonomous vehicles, Connected vehicles, Electrification and Shared Mobility (ACES) are very real, disruptive and technology-driven trends that could change the future of the mobility industry. India is making rapid strides in innovative ACES technologies across cars, two-wheelers and commercial vehicles. These technologies are gaining ground due to increasing customer acceptance, stricter emission regulations, lower battery costs and more widely available charging infrastructure.

- **Evolving regulatory and trade environment**

Rapidly evolving emissions and safety regulations as well as technological disruptions such as connectivity and e-mobility could underpin the demand for electronics at an OEM and customer level.

- **Spurious/Counterfeit Products**

Spurious / Counterfeit products continue to attract price sensitive Replacement Market which accounts for 20-25 per cent of total demand of bearing industry. These supplies, being of inferior quality, are unsafe in use and pose a risk to people, industry and to the economy by way of unexpected downtime and are safety hazards. In spite of industry wide efforts in educating customers and increasing awareness about the need to use safe sources of procurement, the problem continues owing to the slow legal process in punishing unscrupulous suppliers. There is an industry wide effort to control the same. Your Company is working continuously to mitigate these threats - leveraging its wide range of products and its engineering capabilities and priming its sourcing and purchasing capabilities. The Company remains committed towards implementing TPM and investing in sophisticated technology to offer enduring and efficient solutions.

## Risks and concerns

Risk management practices seek to sustain and enhance long term competitive advantage of the Company.

The Board of Directors along with the Risk Management Committee looks at risks which are mainly reputational and where the risk grid shows criticality. For the risk grid, the risks have been listed, then prioritised and ranked in terms of probability and impact- high/moderate/low. Wherever possible, triggers are being identified, even multiple triggers, which would help to decide when a risk has become critical – eg. Euro Dollar rate or USD INR rate exceeding a specified risk point.

The Board/Committee also approves the risk policies and associated practices of the Company, reviews and approves risk related disclosures. Otherwise in a normal situation, the operating team would be responsible for all operational risks. At the operating level the core group of the Executive Management team comprising the Managing Director and the functional heads review enterprise risks from time to time, initiate mitigation actions and identify owners for the action to be taken. Early identification, risk assessment, formation of cross functional teams which worked in close collaboration and conservation of resources helped mitigating the risk and converting the crisis into opportunity and the Company was back on the profitability track by the end of the financial year.

The following broad categories of risks have been considered:

- **Strategy:** Choices and decisions we make to enhance long term competitive advantage of the Company and value to the stakeholders e.g. the Company's shift from bearing related products to becoming a friction solutions provider.
- **Industry:** Relates to the inherent characteristics of our industry including competitive structure, nature of market and regulatory environment e.g. adding to existing segments, the emerging segments of defense, aerospace and railways

and improving its presence in the ASEAN region, thus spreading the risk in terms of geographies.

- Technology: Rapid strides in technology like EVs and autonomous driving.
- Counterparty: Risks arising from our association with entities for conducting business. These include customers, vendors and their respective industries.
- Resources: Risks arising from sub-optimal utilization of key organization resources such as capital and infrastructure e.g. risks further broken up into equipment risk and people risk. With insurance covers in place for the equipment, the management of people risks by way of a cordial relationship with the employees and keeping motivation in the plants at a high level.
- Operations: Risks inherent to our business operations includes service and delivery to customers, business support activities like NPD, TPM, Quality management, IT, Legal, Taxation e.g. plants having detailed plant maintenance and tool manufacturing programs, dedicated teams for managing risks relating to information security (data leakage) and technology disruption risks and constantly researching how new technologies are changing the applications and products. Disruption in operations due to a natural calamity or a pandemic.
- Regulations and compliance: Risks due to inadequate compliance to regulations and contractual obligations violations leading to litigation and loss of reputation.

Management of financial risks such as interest rates risk, currency risk and liquidity risk, have come in for increased focus. During the year under review, various measures were deployed to continuously monitor risks and take appropriate actions to mitigate the same. The Board of Directors has constituted a Risk Management Committee for driving the effectiveness of the Enterprise Wide Risk Management Framework.

### **Internal Control Systems and Adequacy**

Based on the nature of the business and size of operations the Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These controls have been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting
- Safeguarding assets from unauthorized use or losses
- Compliance with applicable statutes, and adherence to management instructions and policies
- Effective management of working capital
- Monitoring economy and efficiency of operations

Processes are also in place for formulating and reviewing annual and long term business plans; for preparation and monitoring of annual budgets for all operating plants and the service functions.

A reputed external audit firm carries out periodical audits at all plants and of all functions and brings out deviations from laid down procedures. The audit firm independently tests the design, adequacy and operating effectiveness of the internal control system to provide a credible assurance to the Audit Committee. The observations arising out of audit are reviewed, in the first instance by the respective HODs and plant/functional heads and compliance is ensured. Further corrective action plans are drawn up to build business processes which will eliminate repetition of deviations. Business risks are managed through cross functional involvement, facilitated by internal audit and the results of the assessment are presented to senior management.

The Audit Committee reviews the recommendations for improvement of the business processes and the status of implementation of the agreed action plan.

### **Human Resource and Industrial Relations**

Overall relations with the workmen at all plants have been cordial during the year and the Company has contained its employee costs, benefiting from the wage settlements which have linked incentive payments to increase in overall production volumes (net of rework) and reduction in rejection rates.

Process reengineering, automation and digitization with a view to improve operations and match NRB's global standards of manufacturing excellence, went on as planned. Automation and digitization are a big focus area for your Company. Many activities have been digitized especially in processes like sales, purchases, production, inventory/stores, assets, payroll etc. We are committed to educate workmen to accept the changes laid down due to automation at the same time we are also assuring ourselves and to the workmen that there should be no job loss as outcome for automation. The main intention behind automation is to enhance efficiency, safety and better impression on global customers about capabilities so new business possibilities arise.

The primary focus of Industries Relations (IR) during the current year will continue to be on engaging, motivating and



improving the productivity while ensuring improved productivity and product quality at the plants without any interim work disruptions, so that overall workforce requirements are controlled to an optimal level. For speedy recovery from the pandemic during the year under review, IR is working on this people approach while encouraging teamwork by way of Cross Functional Teams (CFTs) to enable its achievement. Besides developing knowhow, building managerial and technical capabilities to align with career aspirations, they also serve as a platform to interact with peers from diverse backgrounds and spread the values of togetherness, positive thinking and mutual respect.

SPEED : System of Performance Evaluation and Employee Development, the framework for Individual Development Planning, Career and Succession Planning maps employee competence with current and future needs of the organization and forms the basis for developmental interventions. As part of its plan to build a bench strength of talented future leaders of tomorrow, the Company has campus recruited engineering trainees from reputed engineering colleges and Indo German Toolroom, and other interns from Ashoka University, IIT, Mumbai, etc. who are deployed on efficiency improvements and cost control exercises throughout the company.

Permanent employees directly employed by the Company currently total 1289 nos.

### **Cautionary Statement**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

## CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### COMPANY'S PHILOSOPHY

The governance philosophy of NRB Bearings Limited ("the Company") is based on two basic tenets - transparency and accountability. Responsible corporate conduct is integral to the way business is done – at all levels within the Company, actions are governed by our values and principles. Your Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. The road to sustainable, profitable growth and creating long term value for all stakeholders, is having the highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment we impact. The Company's Code of Conduct for Board and Senior Management and Code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by Insiders are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

The Company continues to focus its resources, strengths and strategies to achieve the vision of providing superior quality products with high performance and become a preferred supplier across the globe.

### GOVERNANCE STRUCTURE

The Corporate Governance structure is as follows:

1. Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.
2. Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee. Each of the said Committees have been mandated to operate within a given framework.

### THE BOARD OF DIRECTORS

#### Composition and category of Directors

All Directors, including Non-Executive Directors, are professionally competent. The Board is broad-based and consists of eminent individuals from financial, industrial, technical and marketing background. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

As on March 31, 2024, the Company's Board consists of 6 (six) Directors. The Board comprises of 1 (one) Executive Director and 5 (five) Non-Executive Directors out of which 4 (four) are Independent Directors. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. None of the Directors, are related to each other.

### Directors' Attendance and their other Directorships/ Committee memberships

As mandated by Regulation 26(1) of the Listing Regulations, none of the Directors is a member of more than 10 (ten) board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than 5 (five) Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions.

Relevant details of the Board of Directors as on March 31, 2024 are given below:

### Directorship / Committee Membership as on March 31, 2024

Name	Date of Appointment	Category of Director	Directorships in other Indian Public Limited Companies (excluding NRB Bearings)	No. of Board Committees in which Chairman / Member (excluding NRB Bearings)		Attendance at Last AGM	Shareholding in NRB Bearings (No. of shares)
				Chairman	Member		
Ms. Harshbeena Zaveri DIN: 00003948	01/10/2020*	Executive Director Promoter	1	0	2	Yes	1,14,67,826 (11.83%)
Mr. Satish Rangani DIN: 00209069	15/09/2022	Non-Executive Non Independent Director	1	0	1	Yes	9,000 (0.01%)
Mr. Tashwinder Singh DIN: 06572282	23/07/2013	Independent Director	2	0	0	Yes	Nil
Mr. Ashank Desai DIN: 00017767	30/03/2016	Independent Director	1	0	2	Yes	Nil
Mr. Rustom Desai DIN: 02448175	23/01/2017	Independent Director	0	0	0	Yes	Nil
Ms. Vishakha R.M. DIN: 07108012	02/11/2018	Independent Director	1	0	1	Yes	Nil

#### Notes:

(\*) Date of appointment of the Executive Director is the date of the appointment for her current term.

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship / Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in Indian Public Limited Companies other than NRB Bearings Limited.
3. Details of Director retiring or being re-appointed are given in notice to Annual General Meeting.

### Other Directorships held by Directors:

Sr. No	Name of Directors	Details of other Directorships	Details of Committee Memberships
1	Ms. Harshbeena Zaveri	• SNL Bearings Limited- Non-Executive Director	SNL Bearings Limited: • Audit Committee-Member • Stakeholders Relationship Committee-Member • Corporate Social Responsibility Committee-Chairperson • Nomination and Remuneration Committee-Member
2	Mr. Satish Rangani	• SNL Bearings Limited- Non-Executive Director	SNL Bearings Limited: • Stakeholder Relationship Committee-Member • Corporate Social Responsibility Committee-Member

3.	Mr. Tashwinder Singh	<ul style="list-style-type: none"> <li>• Standard Industries Limited- Independent Director</li> <li>• Niyogin Fintech Limited - Managing Director</li> </ul>	Niyogin Fintech Limited: <ul style="list-style-type: none"> <li>• Corporate Social Responsibility Committee-Member</li> </ul>
4.	Ms. Vishakha R. M.	<ul style="list-style-type: none"> <li>• India First Life Insurance Limited -Managing Director</li> </ul>	India First Life Insurance Company Limited: <ul style="list-style-type: none"> <li>• Risk Management Committee-Member</li> <li>• Investment Committee-Member</li> <li>• Policy Holders Protection Committee-Member</li> <li>• With Profits Committee-Member</li> <li>• Allotment Committee-Member</li> <li>• Corporate Social Responsibility Committee-Member</li> <li>• Stakeholders Relationship Committee-Member</li> <li>• IPO Committee- Member</li> </ul>
5.	Mr. Rustom Desai	Nil	Nil
6.	Mr. Ashank Desai	<ul style="list-style-type: none"> <li>• Mastek Limited- Managing Director</li> </ul>	Mastek Limited: <ul style="list-style-type: none"> <li>• Audit Committee-Member</li> <li>• Stakeholders Relationship Committee-Member</li> <li>• Risk Management and Governance Committee - Member</li> <li>• Corporate Social Responsibility Committee - Member</li> </ul>

### Independent Directors

The Independent Directors fulfil the criteria of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued to the Independent Directors and disclosed on website of the Company viz. [www.nrbearings.com](http://www.nrbearings.com). In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

### Number of Independent Directorships

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than 7 (seven) listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than 3 (three) listed companies.

### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and in case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2023-24 the Board of Directors met 8 (eight) times i.e., on May 30, 2023, August 11, 2023, September 7, 2023, October 26, 2023, November 13, 2023, February 13, 2024, March 20, 2024 and March 28, 2024. The maximum gap between any two consecutive meetings was less than 120 (one hundred and twenty) days, as stipulated under Section 173(1) of the Act, Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

Attendance of Directors at the Board Meetings:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Board Meetings attended</b>
1.	Ms. Harshbeena Zaveri	8
2.	Mr. Devesh Singh Sahney*	3
3.	Mr. Satish Rangani	8
4.	Mr. Tashwinder Singh	8
5.	Mr. Ashank Desai	7
6.	Mr. Rustom Desai	6
7.	Ms. Vishakha R.M.	8

\*Mr. Devesh Singh Sahney ceased to be the Director of the Company with effect from September 29, 2023.

### **Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

### **Post Meeting Mechanism**

The important decisions taken at the Board/ Committee Meetings are communicated to the concerned department/division.

### **Board Support**

The Company Secretary attends the Board Meetings and advises the Board on compliance with applicable laws and governance principles applicable, as also legal provisions applicable to matters under discussion.

### **FAMILIARISATION PROGRAMME FOR DIRECTORS**

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including visit to the plant/ engineering centre to familiarize them with all facts of Roller Bearing manufacturing and interactive session with the core management team members of the Company on manufacturing, engineering, human relations, marketing, finance and other important aspects. The details of familiarization program can be accessed from the website [www.nrbbearings.com](http://www.nrbbearings.com).

### **GOVERNANCE CODES**

#### **Code of Conduct**

The Board of Directors has laid down a Code of Conduct for Board of Directors and Senior Management (the Code) for all the Board members and all the employees in the senior management grade of the Company. The Code covers amongst other things the Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. The Code of Conduct is posted on the website of the Company [www.nrbbearings.com](http://www.nrbbearings.com). All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Vice Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

#### **Conflict of Interests**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Board members while discharging their duties, avoid conflict of interest in the decision making process.

### Insider Trading Code

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

### COMMITTEES OF THE BOARD

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and require a closer review. The Board Committees are formed with approval of the Board and function under their respective charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The minutes of the Committee meetings are placed before the Board for noting.

#### (A) AUDIT COMMITTEE

##### Composition

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance and accounts, taxation, company law, risk and international finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. As on March 31, 2024 Mr. Tashwinder Singh, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee includes Ms. Vishakha R.M. (Independent Director) and Ms. Harshbeena Zaveri (Vice Chairman & Managing Director).

##### Meetings and Attendance

The Audit Committee met 6 (six) times during the financial year 2023-24. The maximum gap between two meetings was not more than 120 (one hundred and twenty) days. The Committee met on May 30, 2023, May 31, 2023, August 11, 2023, November 10, 2023, February 13, 2024 and February 20, 2024. The requisite quorum was present at all the meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 29, 2023.

The table below provides the attendance of the Audit Committee members:

Sr. No.	Name of the Directors	Position	Category	No. of Meetings Attended
1.	Mr. Tashwinder Singh	Chairman	Independent Director	6
2.	Ms. Harshbeena Zaveri	Member	Executive Director (Vice Chairman & Managing Director)	6
3.	Ms. Vishakha R.M.	Member	Independent Director	6

##### Terms of Reference

For the purpose of effective compliance of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, the Audit Committee, is responsible for overseeing of the Company's financial reporting process and reviewing with management the quarterly/ half yearly and annual financial statements before submission to the Board. To fulfill its above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Its other terms of reference, inter alia, include:

1. Reviewing with management the quarterly / annual financial statements before submission to the Board focusing primarily on (i) matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Section 134 (3) of the Companies Act, 2013, (ii) any changes in accounting policies and practices, (iii) major accounting entries based on exercise of judgement by management, (iv) qualifications in the draft audit report, (v) significant adjustments arising out of audit, (vi) compliance with stock exchanges and legal requirements concerning financial statements and (vii) any related party transactions, i.e. transactions of the Company of material nature with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
2. Recommending for appointment, remuneration and terms of appointment of auditors of the Company, reviewing and monitoring the auditors independence and performance and effectiveness of the audit process and discussion with internal auditors of any significant findings and follow-up thereon particularly into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature.
3. Scrutiny of inter-corporate loans and investments.
4. Valuation of undertakings or assets of the Company wherever, it is necessary.
5. Evaluation of internal financial controls and risk management systems.
6. Reviewing the functioning of the whistle blower mechanism.
7. Approval of appointment of the Chief Financial Officer (CFO) after assessing the qualifications, experience and background of the candidate.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Monitoring the end use of funds raised through public offers and related matters.

### **Functions of Audit Committee**

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various accounting standards referred to in Section 133 of the Companies Act, 2013. The compliance of the accounting standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2024.

The Audit Committee has acted as a link between the management, external and internal auditors and the Board of Directors. It has discussed with the Statutory Auditors their audit methodology for performing independent audit of the Company's Financial Statements and internal financial controls in accordance with the generally accepted auditing practices.

Besides the above, the statutory auditor representatives are permanent invitees to all Audit Committee meetings. The Internal Auditor, Secretarial Auditor and Cost Auditor are invited to meetings whenever matters relating to secretarial audit or cost audit have to be considered. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly and half yearly basis, the unaudited/audited Financial Statements as required by the Regulation 33 of the Listing Regulations. The Company's unaudited/audited Financial Statements both Standalone and Consolidated are made available on the website [www.nrbbearings.com](http://www.nrbbearings.com) and the Stock Exchanges where the Company's equity shares are listed for display on their respective websites.

### **Internal Controls and Governance Processes**

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with CFO formulates a detailed plan for the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditor attend the meetings of the Audit Committee on regular basis to submit recommendations to the Audit Committee and provide a road map for the future.

**(B) NOMINATION AND REMUNERATION COMMITTEE****Composition**

The Nomination and Remuneration Committee comprises of 3 (three) Independent Directors, Ms. Vishakha R. M., Mr. Tashwinder Singh and Mr. Rustom Desai. As on March 31, 2024 Ms. Vishakha R. M., Independent Director, is the Chairman of the Committee. The composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**Meeting and Attendance**

The Nomination and Remuneration Committee met 2 (two) times during the year on May 30, 2023 and January 11, 2024. The requisite quorum was present at the meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination and Remuneration Committee members:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Ms. Vishakha R.M.	Chairman	Independent Director	2
2.	Mr. Rustom Desai	Member	Independent Director	2
3.	Mr. Tashwinder Singh	Member	Independent Director	2

**Terms of Reference**

The broad terms of reference of the Nomination and Remuneration Committee, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which are as follows:

1. Identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, while ensuring that all pecuniary relationships or transactions of the Non- Executive Directors vis-à-vis the Company are disclosed as also their shareholding in the Company where they are proposed to be appointed as directors, recommend to the Board their appointment and removal.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
3. Recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees, which ensures that the level and composition of remuneration is reasonable and sufficient to attract and retain and motivate employees of the quality required to run the Company successfully.
4. Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Determine remuneration to directors, key managerial personnel and senior management such that it involves a balance between fixed and incentive pay appropriate to the working of the Company and its goals.

**Remuneration Policy****Remuneration to Non-Executive Directors (including Independent Directors)**

The Board has decided directors shall be remunerated by way of sitting fees of Rs.40,000/- for each meeting being paid for the Board meeting and Business Strategy Committee meeting, Rs.30,000/- for each meeting paid for the Audit Committee meeting, Nomination and Remuneration Committee meeting, CSR Committee meeting and Risk Management Committee meeting and Rs. 20,000/- for each meeting paid for Stakeholders Relationship Committee meeting. In addition, the non-executive Directors are entitled to commission upto 0.50% of the net profit, with a ceiling of Rs. 6,00,000/-p.a. per Director as determined by the Board of Directors / Nomination and Remuneration Committee, payable for FY 2023-24.

In view of increased engagement with the senior leadership team, the Non-Executive Chairman, is entitled to a commission upto 1% of the net profits less commission payable to the non-executive directors (other than the Chairman) subject to a ceiling of Rs. 12,00,000/- p.a., as determined by the Board of Directors / Nomination and Remuneration Committee, payable for FY 2023-24.



The details of the remuneration of Directors/ Key management personnel is tabled below: (In Rs.)

Name of Director/KMP	Sitting fees FY 2023-24	Commission on profits FY 2023-24	Salary and Perquisites FY 2023-24	Total
Ms. Harshbeena Zaveri	-	1,25,00,000	2,50,93,191	3,75,93,191
Mr. Tashwinder Singh	6,30,000	12,00,000	-	18,30,000
Mr. Devesh Singh Sahney#	1,20,000	-	-	1,20,000
Mr. Satish Rangani	1,50,000	2,25,000	1,34,82,573	1,38,57,573
Mr. Ashank Desai	3,30,000	5,25,000	-	8,55,000
Mr. Rustom Desai	3,80,000	4,50,000	-	8,30,000
Ms. Vishakha R.M.	6,10,000	6,00,000	-	12,10,000
Mr. Pankaj Khemka*	-	-	67,09,067	67,09,067
Mr. Raman Malhotra**	-	-	18,06,868	18,06,868
Ms. Shruti Joshi	-	-	85,01,682	85,01,682

\*Due to resignation tendered by Mr. Pankaj Khemka as the CFO of the Company, remuneration has been paid for part of the financial year i.e. upto the date of his separation from the Company (April 7, 2023 to December 31, 2023).

\*\*Mr. Raman Malhotra was appointed as the CFO of the Company, remuneration has been paid for the part of the financial year i.e. from the date of his appointment till the end of the financial year (February 15, 2024 to March 31, 2024)

#Mr. Devesh Singh Sahney ceased to be the Director of the Company with effect from September 29, 2023.

**Notes:**

- Ms. Harshbeena Zaveri, Vice Chairman & Managing Director of the Company, was re-appointed as the Executive Director of NRB Holdings Limited (NRB Holdings), a wholly owned subsidiary of the Company w.e.f. November 1, 2023. During the year under review, Ms. Harshbeena Zaveri, received part of remuneration from NRB Holdings amounting to Rs. 2,96,68,031/-. The remuneration drawn by Ms. Zaveri was divided between the Company and NRB Holdings, based on the parameters fixed by the Board.
- Commission payable for FY 2023-24 to the Directors was approved at the meeting of the Nomination and Remuneration Committee held on May 27, 2024.
- Commission to Non-Executive Directors has been approved upto 0.50% of net profits, with a ceiling of Rs. 6,00,000/- p.a. per director as determined by the Nomination and Remuneration Committee based on net profits for FY 2023-24 (payable for FY 2023-24).

Commission to Non-Executive Chairman has been approved upto 1% of net profits, (less commission payable to Non- Executive Directors as above) with a ceiling of Rs. 12,00,000/- p.a. as determined by the Nomination and Remuneration Committee based on net profit for FY 2023-24 (payable for FY 2023-24).

- Other than as disclosed above, there is no pecuniary relationship or transaction between the Company and the Non-Executive Directors.
- The notice period for Ms. Harshbeena Zaveri is 6 months. There is no separate provision for payment of severance fees.
- Currently the Company has not implemented any share-based employees benefit scheme, therefore the executive director is not given benefit under such share-based employees benefit scheme.

**Board Evaluation**

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The evaluation process is focused on various aspects of the functioning of the Board and Committees such as composition of the Board, improving board effectiveness, performance of board Committees, board knowledge sessions and time allocation for strategic issues, etc. During the

year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. Evaluation of the performance of individual directors on parameters such as attendance, contribution and independent judgment was also carried out during the year. The Board noted that the evaluation process showed that the Board was rated as "Good" reflecting the overall engagement and effectiveness of the Board and the Committees.

### **Performance evaluation of Independent Directors**

The Nomination and Remuneration Committee considers following criteria for performance evaluation of Independent Directors:

- a) Attendance at Board meetings and Board Committee meetings;
- b) Chairmanship of the Board and Board Committees;
- c) Contribution and deployment of knowledge and expertise at the Board and Committee meetings;
- d) Guidance and support provided to senior management of the Company outside the Board meetings;
- e) Independence of behavior and judgment; and
- f) Impact and influence

As a part of the annual Board evaluation, detailed questionnaires were circulated to all the Directors. On the basis of responses received on these questionnaires, the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee evaluated the Board's performance and that of its committees. The Board also conducted evaluation of independent directors which included performance of directors and fulfilment of criteria as specified in the Listing Regulations, and their independence from the management, where the independent directors did not participate.

### **Skill matrix for the Board of Directors**

In terms of requirement of Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

- Leadership experience  
Experience in leading large well-governed organisations with understanding of organisational systems and processes, complex regulatory environment, strategic planning and risk management, understanding of emerging global and local trends as well as the ability to develop talent and ensure succession planning and the ability to manage crises.
- Experience in guiding business strategy  
Experience to develop long term strategies to grow business and the ability to understand business environment impacting market and formulate policies for enhancing market share coupled with collaborative competencies.
- Finance and Accounting expertise  
Expertise in financial management, capital allocation, financial reporting requirements along with understanding of financial statements.
- Technological expertise  
Ability to anticipate changes in technology, drive product and process innovation.
- Corporate governance and regulatory landscape  
Ability and willingness to devote adequate time and energy to fulfil board and committee responsibilities, formulate policies which will ensure interests of the Company and members are safeguarded while maintaining management accountability and adherence to high standards of corporate governance, with an understanding of changing regulatory framework.

Identified Skills	HSZ	SCR	TS	AD	RD	VRM
Leadership experience	√	√	√	√	√	√
Experience in guiding business strategy	√	√	√	√	√	√
Finance and Accounting expertise	-	√	√	-	-	√
Technological expertise	√	-	-	√	√	-
Corporate governance and regulatory landscape	√	√	√	-	-	√

HSZ: Harshbeena Zaveri, SCR: Satish Rangani, TS: Tashwinder Singh, RD: Rustom Desai, AD: Ashank Desai, VRM: Vishakha R.M.

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Composition and Attendance

The Stakeholders' Relationship Committee comprises of 3 (three) directors. As on March 31, 2024 Mr. Ashank Desai, Independent Director is the Chairman of this Committee. During the year under review the Committee met once on February 13, 2024. The table below highlights the composition and attendance of the members of the Committee. The requisite quorum was present at the meeting.

Sr. No.	Name of the Directors	Position	Category	No. of Meetings attended
1	Mr. Ashank Desai	Chairman	Independent Director	1
2	Ms. Harshbeena Zaveri	Member	Executive Director (Vice Chairman & Managing Director)	1
3	Ms. Vishakha R.M.	Member	Independent Director	1

#### Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are as follows:

1. Review and resolve any grievances of the security holders of the Company - including members, debenture holders and other security holders.
2. Review of the work done by the Registrar and share transfer agent- M/s Link Intime India Private Limited (Universal Capital Securities Private Limited has amalgamated with Link Intime India Private Limited with effect from December 22, 2023) (RTA) by monitoring the share transfer process and review observations of the regulatory authority regarding the same.
3. Approve any requests for transfers/transmission of shares, to approve any request for issue of duplicate share certificates and to ensure that the timelines specified by regulators for the same are adhered to.
4. Approve or modify the process of transfer and transmission of securities of the Company.
5. Approve or modify the process of issue of duplicate certificate.

The members of the Company are serviced by the RTA. As required under the Listing Regulations, the Company has appointed Ms. Shruti Joshi, Company Secretary as Compliance Officer to monitor the share transfer process and liaison with the regulatory authorities.

#### DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, RESOLVED AND PENDING SHARE TRANSFERS

The total number of complaints received and resolved during the year ended March 31, 2024 was as follows:

Sr. No.	Particulars	Number of Complaints
1	No. of Investors Complaints pending at the beginning of the year	0
2	No. of Investors Complaints received during the year	1
3	No. of Investors Complaints resolved and disposed of during the year	1
4	No. of Investors Complaints those remaining unresolved at the end of the year	0

The above table includes Complaints received from SEBI SCORES, BSE and NSE by the Company.

There were no complaints outstanding as on March 31, 2024. The number of pending share transfers and pending requests for dematerialization as on March 31, 2024 were Nil. Members'/investors' queries and other correspondence are normally attended to within 7 (seven) working days except where constrained by disputes or legal impediments. No investor grievances remained unattended /pending for more than 30 (thirty) days as on March 31, 2024.

#### **(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

##### **Composition**

The Corporate Social Responsibility (CSR) Committee comprises of 3 (three) Directors, Ms. Harshbeena Zaveri is the Chairman of the Committee as on March 31, 2024. The other members of the CSR Committee includes Mr. Satish Rangani and Mr. Ashank Desai. The composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has spent Rs.170.00 lacs on various CSR activities and projects for FY 2023-24.

##### **Terms of Reference**

- i. Formulating and recommending to the Board a CSR policy which indicates the activities to be undertaken by the Company as specified in schedule VII ensuring that preference is given to the local areas where it operates.
- ii. Recommending the amount of expenditure to be incurred on such activities.
- iii. Monitoring the CSR policy from time to time.

The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. [www.nrbbearings.com](http://www.nrbbearings.com) wherein the Company has identified the following activities it would like to promote as:

- Promotion of Education.
- Promoting gender equality and empowering women.
- Employment enhancing vocational skills.
- Promotion of social business projects including ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources.
- Promoting healthcare including preventive health care with specific emphasis on women, children and girl child.

##### **Meetings and Attendance:**

The CSR Committee met once during the year on March 13, 2024. The requisite quorum was present at the meeting. The table below provides the attendance of the members at the CSR Committee meeting:

<b>Sr. No.</b>	<b>Name</b>	<b>Position</b>	<b>Category</b>	<b>No. of Meetings Attended</b>
1.	Ms. Harshbeena Zaveri	Chairman	Executive Director (Vice Chairman & Managing Director)	1
2.	Mr. Satish Rangani	Member	Non-Executive Director	1
3.	Mr. Ashank Desai	Member	Independent Director	1

#### **(E) Risk Management Committee Composition**

The Committee is constituted for assisting the Board in its oversight of the effectiveness of the Enterprise Wide Risk Management Framework. The composition, quorum, power, role and scope are in accordance with Regulation 21 of the Listing Regulations. As on March 31, 2024 Ms. Vishkha R. M., Independent Director is the Chairman of the Committee. Mr. Tashwinder Singh, Independent Director, Ms. Harshbeena Zaveri, Vice Chairman & Managing Director and the Chief Financial Officer are the other members of the Committee.

##### **Meetings and Attendance**

The Committee met 2 (two) times during FY 2023-24 on July 21, 2023 and January 11, 2024. The maximum gap between two meetings was not more than 180 (one hundred and eighty) days. The requisite quorum was present at all the meetings.

The table below provides the attendance of the Risk Management Committee members:

Sr. No.	Name	Position	Category	No. of Meetings Attended
1.	Ms. Vishakha R.M.	Chairman	Independent Director	2
2.	Ms. Harshbeena Zaveri	Member	Executive Director (Vice Chairman & Managing Director)	2
3.	Mr. Tashwinder Singh	Member	Independent Director	2
4.	Mr. Pankaj Khemka*	Member	Chief Financial Officer	1

\*Mr. Pankaj Khemka ceased to be the member of this Committee with effect from December 31, 2023.

### Terms of reference

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as maybe determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (3) Overseeing risk appetite and risk tolerance appropriate to each business area and considering the risk policy and strategy;
- (4) Overseeing compliance with the stated risk appetite and policies and procedures related to risk management governance and the risk controls framework and reporting risks and deficiencies, including emerging risks;
- (5) Monitoring the alignment of the risk framework to the firm's growth strategy, supporting a culture of risk taking within sound risk governance; and having an overview of the key risk issues identified across the Company including the subsidiaries and associates.

### INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 9, 2024, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present and participated at this Meeting.

### AFFIRMATIONS AND DISCLOSURES:

#### a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the Listing Regulations.

#### b. Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on arm's length basis. There were no materially significant transactions with Related Parties during FY 2023-24. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with IND AS. A statement of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and approval. During the year there were no transactions with Related Parties, which were not in the normal course of business, not at arm's length or exceeding the threshold limits prescribed under the Companies Act, 2013.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. [www.nrbbearings.com](http://www.nrbbearings.com).

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

**c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. There was a delay in compliance with Regulation 17(1A) of SEBI (LODR) Regulations, 2015, since the term of Mr. Satish C Rangani, who attained the age of 75 years, on November 13, 2023, as Executive Director expired on January 23, 2024 and the Company was required to pass the special resolution before January 23, 2024 i.e. before the change in designation from Executive Director to Non-Executive Director. However, the same was passed by the Members through postal ballot on February 25, 2024. In this regard, BSE and NSE has levied a fine and the Company has made a waiver application for the same.

**d. Vigil Mechanism/ Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for access to Corporate Compliance Committee reporting directly to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. [www.nrbbearings.com](http://www.nrbbearings.com).

**e. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**f. Risk Management**

Business risk evaluation and mitigation is an ongoing process within the Company. The assessment is periodically reviewed by the Audit Committee and by the Board.

**g. Commodity price risk and Commodity hedging activities**

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages its risk through forward booking inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

**h. Details of Utilization of funds**

During the year under review the Company has not raised any funds through preferential allotment or qualified institutions placement.

**i. Certificate from practicing Company Secretary**

The Company has obtained a certificate from Mr. Upendra Shukla, practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

**j. Recommendation of Committees**

During the year under review, there has been no instance of the Board not accepting any recommendation of any Committee to the Board as is mandatorily required.

**k. Fees paid to Statutory Auditors**

Total fees for all services paid by the Company and the subsidiaries, on a consolidated basis, to M/s. Walker Chandiook & Co., LLP, Chartered Accountants, Statutory Auditors form part of the Notes to Financial Statements.

**l. Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013**

In line with the requirements of the Act, all female employees (permanent, temporary, contractual, trainees) are covered under the Company policy in this regard.

Internal Committees (IC) have been set up at all offices and plants of the Company as set out in the Act to receive, investigate and redress complaints, if any. During the year under review Nil complaint was received.

**m. Non-mandatory requirements**

The status of adoption of non-mandatory requirements as specified in sub-regulation 1 of Regulation 27 of the Listing Regulations is as follows:

**i. Chairman of the Board**

Mr. Tashwinder Singh, Independent Director was appointed as the Chairman of the Board on August 9, 2019. The Company reimburses all expenses incurred in performance of his duty.

**ii. Shareholder Rights**

The Company publishes its Results on its website at [www.nrbbearings.com](http://www.nrbbearings.com) which is accessible to the public at large. The same are also available on the website of the Stock Exchanges on which the Company's shares are listed and are published in a national English newspaper and in local language (Marathi) newspaper, within forty- eight hours of approval thereof.

**iii. Modified opinion(s) in audit report**

During the year under review, there is no audit qualification in the Company's financial statements.

**iv. Reporting of Internal Auditor**

The Internal Auditors reports directly to the Audit Committee.

The Board reviews the above non-mandatory requirements of the Listing Regulations from time to time.

**n. Disclosure of Compliance**

The Company has complied with all the mandatory requirements specified in Listing Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

**o. Subsidiaries**

The Company adopted a policy for determining 'material' subsidiaries of the Company. The policy is available at the website of the Company [www.nrbbearings.com](http://www.nrbbearings.com).

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

**MEMBER INFORMATION****GENERAL BODY MEETING****DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS HELD**

<b>AGM</b>	<b>Financial Year</b>	<b>Date and Time</b>	<b>Venue</b>	<b>Details of Special Resolution Passed</b>
58th	2022-23	September 29, 2023 at 3:30 p.m.	Video Conferencing /Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs	NIL
57th	2021-22	September 15, 2022 at 3:30 p.m.	Video Conferencing /Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs	NIL
56th	2020-21	September 24, 2021 at 3:30 p.m.	Video Conferencing /Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs	<ul style="list-style-type: none"><li>• Re-appointment of Mr. Rustom Desai (DIN: 02448175) as an Independent Director for a second term of 5 (five) consecutive years from January 23, 2022 to January 22, 2027</li><li>• Increase of the limits of remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013, payable to the Managing Director and the Whole- Time Director for FY 2020-21.</li></ul>

**POSTAL BALLOT**

During the year under review 1 (one) special resolution was passed through postal ballot,

1. Special Resolution for change in designation of Mr. Satish Rangani (DIN: 00209069), who has attained the age of 75 (seventy-five) years, as a Non-Executive, Non-Independent Director of the Company.

Upendra C. Shukla, Practicing Company Secretary was appointed as the Scrutinizer for conducting the postal ballot process in fair and transparent manner. Upon completion of the scrutiny of Ballot Forms and electronic responses, the Scrutinizer had submitted his report to the Vice Chairman & Managing Director of the Company. The results of the Postal Ballot were declared on Tuesday, February 27, 2024. The said result along with the Scrutinizer's Report was displayed on the website of the Company, i.e., [www.nrbbearings.com](http://www.nrbbearings.com) and intimated to the Stock Exchanges where the shares of the Company are listed. The resolution was approved with requisite majority.



**Details of voting pattern for the postal ballot for Special Resolution**

Resolution	Voted in favour of the resolution			Voted against the resolution		
	No. of members voted through e-voting/ postal ballot	No. of votes cast (No. of shares)	Percentage of total no. of votes cast	No. of members voted through e-voting/ postal ballot	No. of votes cast (No. of shares)	Percentage of total no. of votes cast
Special Resolution for change in designation of Mr. Satish Rangani (DIN: 00209069), who has attained the age of 75 (seventy-five) years, as a Non-Executive, Non-Independent Director of the Company	310	7,85,35,153	99.92	20	61,615	0.07

**Procedure for Postal Ballot**

- Appointment of Scrutinizer who is not in the employment of the Company.
- Notice of postal ballot along with the explanatory statement sent to all Members by registered post or speed post or courier or through electronic means like registered email id.
- Advertisement in English newspaper and in vernacular language (Marathi) newspaper in the principal vernacular language of the district in which the registered office of the Company is situated.
- Notice also placed on the website of the Company.
- Facilitation of the communication for assent or dissent of the Members within a period of 30 (thirty) days.
- Declaration of results by the Scrutinizer after following due process.

**ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2023-24**

<b>DAY AND DATE</b>	<b>Friday, September 20, 2024</b>
<b>TIME</b>	<b>11:30 a.m. (IST)</b>
<b>VENUE</b>	<b>The Annual General Meeting shall be held by means of Video Conferencing / Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs.</b>
<b>BOOK CLOSURE DATES FOR DIVIDEND</b>	<b>Saturday, September 14, 2024 to Friday, September 20, 2024 (both days inclusive)</b>

**Tentative Calendar for Financial Year ending March 31, 2025**

The tentative dates for the Board Meetings for consideration of quarterly financial results are as follows:

Sr. No.	Particulars of Quarter	Tentative dates
1.	First Quarter Results	July/August 2024
2.	Second Quarter & Half Yearly Results	October/November 2024
3.	Third Quarter & Nine-months ended Results	January/February 2025
4.	Fourth Quarter & Annual Results	April/May 2025

**Dividend**

The Board of Directors at their meeting held on May 30, 2023, has declared an Interim Dividend of Rs. 4.10/- per share (Two Hundred and Ten per cent) for FY 2023-24 which was paid to the Members whose names appeared in the

Register of Members of the Company as on Friday, June 9, 2023.

### Dividend History for the last 7 (seven) financial years

The table below highlights the history of Dividend declared by the Company in the last 7 (seven) financial years:

Sr. No.	Financial year	Date of Declaration of Dividend	Amount declared per share
1	2017-18 : Interim Dividend 2017-18 : Final Dividend	March 20, 2018 August 9, 2018	1.40 1.20
2	2018-19 : Final Dividend	August 9, 2019	2.60
3	2019-20-Interim Dividend, considered as Final Dividend	February 11, 2020	0.80
4	2020-21 : Final Dividend	September 24, 2021	0.50
5	2021-22: Final Dividend	September 15, 2022	2.00
6	2022-23: Final Dividend	September 29, 2023	1.00
7	2023-24 : Interim Dividend	May 30, 2023	4.10

### Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund, a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.nrbbearings.com](http://www.nrbbearings.com).

### Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend remains unpaid or unclaimed by a Member for a period of 7 (seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the demat account of IEPFA can be claimed back by the Members from IEPFA by following the procedure prescribed under the aforesaid rules.

Therefore, it is in the interest of Members to regularly claim the dividends declared by the Company.

### Details of Unclaimed Dividend as on March 31, 2024 and due dates for transfer are as follows:

Sr. No.	Financial year	Date of Declaration of Dividend	Unclaimed Amount (Rs.)	Due Date for transfer to IEPF Account
1	2017-18 (Interim Dividend)	March 20, 2018	3,53,018.40	April 25, 2025
2	2017-18 (Final Dividend)	August 9, 2018	3,97,611.60	September 14, 2025
3	2018-19 (Final Dividend)	August 9, 2019	5,85,522.60	September 14, 2026
4	2019-20 (Interim Dividend)	February 11, 2020	1,86,140.00	March 18, 2027
5	2020-21 (Final Dividend)	September 24, 2021	1,53,33,120.91	October 30, 2028
6	2021-22 (Final Dividend)	September 15, 2022	6,12,46,679.63	October 21, 2029
7	2022-23 (Final Dividend)	September 29, 2023	3,05,22,204.63	November 4, 2030
8	2023-24 (Interim Dividend)	May 30, 2024	12,52,39,967.69	June 4, 2031

Note: During the year under review, final dividend declared for FY 2015-16 has been transferred to IEPF on April 24, 2023. Further, Interim Dividend declared for FY. 2016-17 has been transferred to IEPF on April 5, 2024.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, there are no shares in the suspense account.

#### Distribution of Shareholding as on March 31, 2024:

No. of Equity Shares	2024				2023			
	No. of share holders	% of share holders	No. of shares held	% share holding	No. of share holders	% of share holders	No. of shares held	% share holding
Upto 500	48,602	90.28	40,11,290	4.14	43,950	90.44	40,25,924	4.15
501- 1000	2,712	5.03	21,92,988	2.26	2,556	5.26	21,37,285	2.21
1001-2000	1,368	2.54	20,69,515	2.13	1,028	2.11	15,93,695	1.64
2001- 3000	457	0.84	11,72,966	1.21	362	0.75	9,28,737	0.96
3001- 4000	193	0.35	6,86,146	0.70	154	0.32	5,49,672	0.57
4001- 5000	121	0.22	5,71,054	0.58	139	0.29	6,63,526	0.68
5001- 10000	190	0.35	13,91,474	1.43	211	0.43	15,58,092	1.61
10001 and above	186	0.34	8,48,27,167	87.52	196	0.40	8,54,65,669	88.18
<b>TOTAL</b>	<b>53,829</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>	<b>48,596</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>

#### Shareholding Pattern as on March 31, 2024:

No. of Equity Shares	2024				2023			
	No. of share holders	% of share holders	No. of shares held	% share hold- ing	No. of share holders	% of share holders	No. of shares held	% share holding
Individuals/HUF clearing members	51065	96.64	1,61,48,243	16.67	46,738	97.44	1,75,38,296	18.10
Corporate Bodies/LLP/NBFC Partnership Firms	188	0.35	5,30,555	0.54	214	0.45	6,89,010	0.71
IEPF Suspense A/c	1	0.00	94980	0.1	1	0.00	90,881	0.09
Trust	2	0.00	3,38,09,587	34.88	2	0.00	3,38,09,587	34.88
Foreign Collaborator	0	0.00	0	0.00	0	0.00	0	0.00
NRI/OCBs	1,516	2.86	1,44,31,775	14.88	951	1.98	1,30,20,527	13.44
FI/FII/Banks/ Foreign national/Trusts/Foreign Portfolio Investor	60	0.11	1,38,89,488	14.33	57	0.12	2,06,34,556	21.29
Mutual Funds/UTI	5	0.00	1,80,17,972	18.59	3	0.01	1,11,39,743	11.49
Alternate Investment Fund	0	0.00	0	0.00	0	0.00	0	0.00
<b>TOTAL</b>	<b>52,837</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>	<b>47,966</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the Depositories.

99.73 per cent of the equity shares of the Company have been dematerialized (NSDL 83.84 per cent and CDSL 15.89 per cent) as on March 31, 2024.

Dematerialization of Shares

Members who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and

avail the benefits of dealing in shares in demat form. For convenience of Members, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a Depository Participant (DP).
- b) Members should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is M/s Link Intime India Private Limited (Universal Capital Securities Private Limited has amalgamated with Link Intime India Private Limited with effect from December 22, 2023).
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories.
- f) Upon confirmation of request, the Member will get credit of the equivalent number of shares in his demat account maintained with the DP.

### Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

### Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards, issued by the Insititute of Company Secretaries of India.

**The Company's shares are listed on the following Stock Exchanges and the listing fees have been paid to the Exchanges:**

Stock Exchange	Stock Code
BSE Limited P.J. Towers, Dalal Street, Mumbai – 400 023	530367
National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	NRBBEARING

The Company has entered into agreements with NSDL and CDSL during the year 2000-01 and has been allotted ISIN No. INE 349A01013. The shares were split into shares of face value Rs. 2/- each effective April 4, 2007 and the new ISIN No. is INE 349A01021

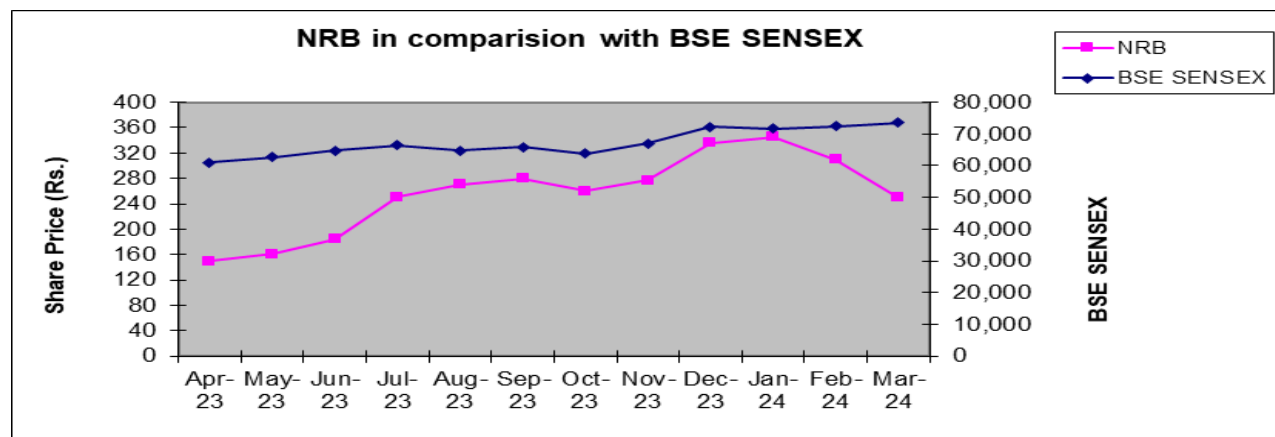
Listing fees for the year 2023-24 have been paid to the Stock Exchange- BSE Limited and National Stock Exchange of India Limited.

### Share Price Data

2023-24 Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs)	Low(Rs)	Volume	High (Rs)	Low(Rs)	Volume
April 2023	154.60	133.15	3,17,466	154.60	133.10	2,70,474
May 2023	167.20	130.00	7,96,219	167.50	129.65	1,08,10,424
June 2023	198.65	161.15	12,22,710	198.95	163.00	1,42,70,772
July 2023	256.50	180.45	14,85,201	256.60	181.00	1,95,24,324
August 2023	284.85	215.25	15,10,421	284.85	213.00	1,33,36,024
September 2023	293.90	252.05	31,17,541	290.00	252.00	1,54,78,979
October 2023	282.95	245.65	3,95,120	281.40	245.15	40,98,670

November 2023	283.00	250.30	3,42,102	283.00	249.00	43,73,535
December 2023	342.75	265.15	11,37,869	342.00	273.45	1,09,64,125
January 2024	400.75	333.55	11,99,001	401.55	332.05	91,41,609
February 2024	383.00	309.00	19,38,074	377.95	308.75	46,46,157
March 2024	324.90	250.10	4,71,291	326.00	249.75	31,68,591

### NRB Bearings Equity Share performance.



During the year under review there was no suspension imposed by SEBI or stock exchanges for trading in securities of the Company.

### MEANS OF COMMUNICATION TO MEMBERS

- (i) The Un-audited quarterly/ half yearly results are announced within 45 (forty-five) days of the close of the quarter. The audited annual results are announced within 60 (sixty) days from the closure of the financial year as per the requirement of the Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in Free Press Journal a national English newspaper and in Navshakti a local language (Marathi) newspaper, within forty-eight hours of approval thereof.
- (iii) The Company's financial results and official press releases are displayed on the Company's website - [www.nrbbearings.com](http://www.nrbbearings.com).
- (iv) Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- (v) Management Discussion and Analysis report forms part of the Annual Report, which is sent to the Members of the Company.
- (vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges are filed electronically.
- (vii) A separate dedicated section under "Investor Relations", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/ public.
- (viii) SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a Member can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the Member. The Company and Member can seek and provide clarifications online through SEBI.

- (ix) The Company has designated the email id investorcare@nrb.co.in exclusively for investor relations, and the same is prominently displayed on the Company's website www.nrbbearings.com.

### Share Transfer System

In terms of Regulation 40(9) of the Listing Regulations, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to convert their holdings to dematerialized form.

### Nomination

Members holding physical shares can nominate a person for the shares held by them. Requisite nomination forms shall be circulated by the Company to the Members upon request. The Members are advised to avail of this facility.

### Electronic Clearing Service

The Securities and Exchange Board of India has made it mandatory for all companies to use the Bank account details furnished by the Depositories for depositing dividends. While opening accounts with depository participants (DPs), Members are required to give the details of their bank accounts which will be used by the Company for printing on dividend warrants for remittance of dividend. However, Members who wish to receive dividend in an account other than the one specified while opening the depository account may notify their DP about any change in bank account details.

### Service of documents through electronic mode

As a part of Green Initiative, the Members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in or to the Company at its dedicated e-mail id i.e. investorcare@nrb.co.in

### Credit Rating

As on March 31, 2024, the Company has been rated AA-/Stable for both short term and long term borrowings and A1+ for commercial paper by CRISIL Limited.

### Address for Correspondence:

<b>Compliance Officer</b>	<b>Link Intime India Private Limited (Registrar and Share Transfer Agent)</b>	<b>Address of the Company</b>
Ms. Shruti Joshi, Company Secretary Phone: 022-22664160/4998 E-mail: investorcare@nrb.co.in Tel Nos: 022 4918 6000 Fax :022-22660412	C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083 Fort, Mumbai – 400001 Fax : 022 22 4918 6060 Email id : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in	NRB Bearings Limited, Dhannur, 15, Sir P. M. Road, Phone: 022-22664160/4998

**Plant Locations:**

The Company has the following manufacturing locations:

Aurangabad	E-40, MIDC Industrial Area, Chikalthana, Aurangabad 431 006.
Jalna	C-6, MIDC Additional Industrial Area, Jalna 431 213
Waluj	E-72 (1), MIDC, Waluj, Taluka Gangapur, Aurangabad 431 136
Hyderabad	A-5, Uppal Industrial Estate, Hyderabad 500 039
Uttarakhand	Plot No 33, Sector – 11, Mint Road, Tata Vendor Park Sidcul, Pantnagar, Rudrapur, Udham Singh Nagar 263 153

**COMPLIANCE CERTIFICATE OF THE AUDITORS:**

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and the same is annexed to the Report.

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Non-Executive Director

Place: Mumbai  
Date: May 27, 2024

**Annexure to Corporate Governance Report**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C sub-clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
NRB Bearings Limited,  
Dhannur, 15, Sir P.M. Road,  
Fort, Mumbai - 400 001.

I have examined the relevant registers, records, books, form, returns and disclosures received from the Directors of NRB Bearings Limited, (CIN L29130MH1965PLC013251), having Registered Office at Dhannur, 15, Sir P.M. Road, Fort, Mumbai - 400 001 (the Company), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2024 has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India and/or Ministry of Corporate Affairs:

<b>Sr.No:</b>	<b>Name of the Director and DIN</b>	<b>Designation</b>	<b>Date of First Appointment in the Company</b>
1)	Ms.Harshbeena Sahney Zaveri (DIN: 00003948)	Managing Director	01/10/2015
2)	Mr.Satish Chellaram Rangani (DIN: 00209069)	Non-Executive, Non-Independent Director	24/07/2013
3)	Mr. Ashank Datta Desai (DIN: 00017767)	Non Executive, Independent Director	30/03/2016
4)	Mr. Rustom Jamshed Desai (DIN: 02448175)	Non Executive, Independent Director	23/01/2017
5)	Mr. Tashwinder Harjap Singh (DIN: 06572282)	Non Executive, Independent Director	23/07/2013
6)	Ms. Vishakha Rajesh Maheshwari (DIN: 07108012)	Non Executive, Independent Director	02/11/2018

**Note:** Ensuring the eligibility for appointment/continuing as Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification of documents/information available to me. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

UDIN: F002727F000539384  
Peer Review Certificate No. 1882/2022  
Place: Mumbai

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



**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of NRB Bearings Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 16 October 2023.
2. We have examined the compliance of conditions of corporate governance by NRB Bearings Limited ('the Company') for the year ended on 31 March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

**Management's Responsibility**

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.:108840  
UDIN: 24108840BKFDQS1114

**Place:** Mumbai  
**Date:** 27 May 2024

## Independent Auditor's Report

### To the Members of NRB Bearings Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of NRB Bearings Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2024, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements ('the financial statements') give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by the ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

##### Non-compliance with laws and regulations

4. We draw attention to Note 15(iii) and Note 29(iv) to the accompanying standalone financial statements which indicates delay in receipt of foreign currency trade receivables amounting to ₹ 3,091 lakhs and delay in payment of foreign currency trade payables amounting to ₹ 191 lakhs, as at 31 March 2024, beyond the timelines stipulated vide FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17, respectively, under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of recovering the outstanding dues and making the payments for outstanding payables and regularising these defaults by filing necessary applications with the appropriate authority for condonation of such delays. The management is of the view that the fines/penalties if any, that may be levied pursuant to delay's, are currently unascertainable but are not expected to be material and accordingly, the accompanying standalone financial statements do not include any consequential adjustments that may arise due to such delay/default. Our opinion is not modified in respect of this matter.
5. We draw attention to Note 42(iii) of the accompanying standalone financial statements, which describes that a fire incident occurred at one of the Company's manufacturing plant situated at Waluj on 8 May 2023, effecting the operations of the plant and resulting in damage to inventories, plant and equipments and other accessories, building and other civil structures, for which the Company has estimated and provided for impairment loss (net) amounting to ₹ 2,076 lakhs for the year ended 31 March 2024. The Company has also recorded total insurance claim income amounting to ₹ 3,051 lakhs received as a final payment towards inventories and interim payment towards plant and equipments and other accessories, building and other civil structures. Such loss and insurance claim income has been disclosed as 'Exceptional Items' in the accompanying standalone financial statements. The management of the Company is currently in the process of ascertaining the further operational losses caused due to fire and believes that all such losses are adequately insured. Our opinion is not modified in respect of this matter.

#### Key Audit Matter

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit

of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

7. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Existence and valuation of inventories</b></p> <p>Refer Note 1.1(i) to the accompanying standalone financial statements for material accounting policy on inventories and Note 14 for details of inventories as at 31 March 2024.</p> <p>As at 31 March 2024, total value of inventories amounting to ₹ 29,625 lakhs, comprising of raw materials, work-in-progress, stores and spares and finished goods, represents 26% of the total assets of the Company. Such inventories are stored at various locations which include plants and warehouses situated nationwide and carried at cost or net realisable value whichever is lower.</p> <p><b>A) Physical verification of inventories</b></p> <p>The management has undertaken the physical verification of inventories at periodic intervals during the year and shortage/excess, if any are recorded in the books of account. Owing to multiple plant locations and significant amount of inventories held at such locations, significant attention and audit efforts are spent by us to obtain comfort on existence of such inventories.</p> <p><b>B) Valuation of inventories</b></p> <p>Raw material costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress cost consists of direct materials, labour and allocation of various production and administration overheads. The valuation of inventories of work in progress and finished goods is complex as it is carried out across the locations in excel spreadsheets based on the quantitative inputs received from the respective departments and the valuation process involves management judgement and estimation around inputs used for overhead allocation basis various criteria's, cost drivers, product mix and allocation of expenses through various stages of production.</p>	<p>Our audit procedures relating to existence and valuation of inventories included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Understood the management's process of physical verification of inventories, valuation of inventories, identifying slow-moving obsolete inventories and NRV assessment and assessed the appropriateness of Company's accounting policy and valuation of inventories method in accordance with Ind AS 2.</li> <li>• Evaluated the design and tested the operating effectiveness of the Company's key manual and IT application controls over physical verification, valuation of inventories, identifying slow-moving obsolete inventories and NRV assessment.</li> </ul> <p><b>A) Physical verification of inventories</b></p> <ul style="list-style-type: none"> <li>• Inspected management's inventory counts records and observed physical verification conducted by management for locations selected based on materiality and risk considerations. • Performed independent test counts to corroborate the management counts for the selected locations.</li> <li>• Ensured that necessary adjustments have been made in the books of account basis the results of the physical counts performed by the management.</li> </ul> <p><b>B) Valuation of inventories</b></p> <ul style="list-style-type: none"> <li>• Verified the expenses considered as cost of conversion including estimates for apportionment of the cost of conversion on the different classes of finished goods and work in progress inventories, corroborated the same with underlying records such as, books of account, purchase register, cost and productions records etc. and recomputed the arithmetical accuracy thereof for calculating the overhead rates considered as part of the finished goods and work in progress inventories for a sample of items.</li> <li>• Tested on a sample basis, the appropriateness of capturing of cost of overheads from various process and basis of allocation of overheads.</li> </ul>

**C) Slow-moving/Obsolete/NRV (Net realisable value) assessment**

At the end of each reporting period, management of the Company assesses whether there is adequate provision for inventory on account of lower net realisable value and for slow-moving/obsolete inventory. The Company's provisioning policy is based on past trends of usage of materials and sales forecasts, which further involves estimation and uncertainty. During the current year the Company also revised its inventory provisioning policy for work in progress based on the usability of the inventories. An allowance of ₹ 2,459 lakhs is created as at 31 March 2024, for obsolesces of slow and non-moving inventories.

Further during the year, a fire incident occurred at the Company's manufacturing plant in Waluj, resulting damage to inventories held at that location amounting to ₹ 1,658 lakhs (net of provisions amounting ₹ 375 lakhs) against which the Company received an insurance claim amounting ₹ 1,801 lakhs.

Owing to complexities as stated above, significance of carrying amount of inventories and significant management assumptions, estimates and judgement involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit.

**C) Slow-moving/obsolete/NRV assessment**

- Tested inventories ageing obtained through system reports.
- Understood the management's basis for classification of such inventories as slow and non-moving/obsolete inventories and ensured the same is consistently applied. Evaluated the management's assessment for provisioning and estimating NRV by performing an independent age-wise analysis of the inventories items, comparing with subsequent and recent selling prices.
- Obtained and reviewed the losses ascertained by the Company and the surveyor with respect to the inventories damaged in fire incident, the insurance claim filed by the Company with insurer and examined the insurance payments received by the Company.
- Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the requirements of applicable accounting standards.

**Information other than the Standalone Financial Statements and Auditor's Report thereon**

8. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone changes in equity and standalone cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
13. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Company;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in "Annexure-A", as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;
  - 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, except for the matters stated in paragraph 19(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" wherein we have expressed an unmodified opinion; and
  - h) 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 as at 31 March 2024 in the standalone financial statement;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
    - iv.
      - a. The management of the Company has represented that, to the best of its knowledge and belief, as disclosed in note 58(ix) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
      - b. The management of the Company has represented that, to the best of its knowledge and belief as disclosed in note 58(iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

- vi. As stated in Note 58(xi) to the standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below.

<b>Nature of exception noted</b>	<b>Details of exception</b>
Instances of accounting software used for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 24108840BKFDQR6193

Place: Mumbai  
Date: 27 May 2024

## Annexure A

### Annexure A referred to in paragraph 18 of the Independent Auditor's Report of even date to the members of NRB Bearings Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment (PPE), investment property and relevant details of right-of-use assets ('ROU' Assets').
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment, under which the assets are physically verified once in every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, no property, plant and equipment, were required to be verified during the year.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is a lessee), disclosed in Note 4 to the financial statements, are held in the name of the Company. For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Gross carrying value (₹ in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold land at Hyderabad	55	Sahney Steels Press Works Limited	No	31 March 1993	The land is in the name of Sahney Steels Press Works Limited that was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFR) order in the financial year 1992-93.
Leasehold land at Waluj	6	NRB Torrington Private Limited	No	01 December 1995	The lease deed is in the name of NRB Torrington Private Limited, erstwhile Company that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court. The lease agreement expires on 15 November 2056.

- (d) The Company has not revalued its PPE including ROU assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventories at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more on physical verification as compared to book records, which have been properly dealt with in the books of account. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.



- (b) As disclosed in Note 28 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks based on the security of current assets. The monthly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii)(a) The Company has provided loans and guarantee to subsidiaries and loans to other Parties(employees) during the year as per details given below (Refer Note 55):

Particulars	Guarantees (₹ in lakhs)	Loans (₹ in lakhs)
Aggregate amount provided/granted during the year:		
-Subsidiaries		7,291
-Others	5,349	43
Balance outstanding as at balance sheet date in respect of above cases:		
-Subsidiaries	5,349	7,725
-Others		17

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies or other parties(employees).
- (e) The Company has granted loan in an earlier year which had fallen due during the year and such loan was renewed during the year. The details of the same has been given below:

Name of the party	Nature of loan	Total loan amount granted during the year	Aggregate amount of overdues of existing loans renewed or extended by fresh loans (₹ in lakhs)	Nature of extension (i.e., renewed/ extended/fresh loan provided)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
NRB Holdings Limited	Inter-Corporate Deposit (ICD)	2,321	2,321	Renewed	100%

- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material stat-

utory dues, as applicable, with the appropriate authorities except for delay in certain amounts of provident funds. Further, the amount of provident fund at the year-end for a period of more than six months from the date they became payable are as follows.

**Statement of undisputed statutory dues outstanding for more than six months (Refer Note. 51)**

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Due Date
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	4	April 2019	15 May 2019
		4	May 2019	15 June 2019
		4	June 2019	15 July 2019
		4	July 2019	15 August 2019
		4	August 2019	15 September 2019
		4	September 2019	15 October 2019
		4	October 2019	15 November 2019
		4	November 2019	15 December 2019
		4	December 2019	15 January 2020
		4	January 2020	15 February 2020
		4	February 2020	15 March 2020
		4	March 2020	15 April 2020
		4	April 2020	15 May 2020
		4	May 2020	15 June 2020
		4	June 2020	15 July 2020
		4	July 2020	15 August 2020
		4	August 2020	15 September 2020
		4	September 2020	15 October 2020
4	October 2020	15 November 2020		

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks (if any)
Income Tax Act, 1962	Income-tax	4,064	647	A. Y. 2011-12 to A. Y. 2023-24	Commissioner of Income Tax (Appeals)	
The Bombay Sales Tax Act, 1959	Value Added Tax	1	-	FY 1996-1997	Deputy Commissioner (Appeals)	
The Central Sales Tax Act, 1956	2	-		FY1996-1997	Deputy Commissioner (Appeals)	
		13	-	FY 2012-2013 to FY 2014-2015	Assistant Commissioner (Commercial Tax)	
		44	-	FY 2014-2015	Deputy Commissioner (Commercial Tax)	
The Bombay Provincial Municipal Corp Act 1949, read as BMC (LBT) Rules 2010	Local Body Tax	116	29	FY 2013-2014 to FY2015-2016	Deputy Commissioner of Local Body Tax (Appeals)	
Goods and Service Tax Act, 2017	GST	51	-	Pre GST	Appellate Authority	

		1	-	July 2017 to August 2017		
		332	5	FY 2017-18 to FY 2019-20		
		143	-	April 2019 to October 2019		
		0*	1	April 2019 to December 2019		
		746	-	FY 2017-18, 2018-19 and 2019-20		
		6	-	January 2021 to March 2021		
		1	-	April 2021 to September 2021		
		1,228	-	FY 2021-22 to FY 2022-23		

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh.

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting

under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
  - (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
  - (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 24108840BKFDQR6193

Place: Mumbai  
Date: 27 May 2024

**Annexure B referred to in Paragraph 19 (g) to the Independent Auditor's Report on the Audit of Stand-alone Financial Statements on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of NRB Bearings Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financials Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accounts of India ('the 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. 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 with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.
5. 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 with reference to standalone financial statements.

**Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 24108840BKFDQR6193

Place: Mumbai  
Date: 27 May 2024

**Standalone Balance Sheet as at 31 March 2024**
**(₹ in Lakhs)**

Sr. No.	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property, plant and equipment	3	27,708	29,410
	Capital work-in-progress	4	982	296
	Investment property	5	-	-
	Intangible assets	6	356	377
	Intangible assets under development	7	34	-
	Financial assets			
	i) Investments in subsidiaries	8	2,868	2,868
	ii) Investments	9	698	438
	iii) Loans	10	5,331	-
	iv) Other financial assets	11	932	1,076
	Income tax assets (net)	12	2,919	2,919
	Other non-current assets	13	611	700
	<b>Total non-current assets</b>		<b>42,439</b>	<b>38,084</b>
<b>2</b>	<b>Current assets</b>			
	Inventories	14	29,625	29,108
	Financial assets			
	i) Investments	9	620	11
	ii) Trade receivables	15	22,618	25,930
	iii) Cash and cash equivalents	16	4,295	3,951
	iv) Bank balances other than cash and cash equivalents	17	2,529	973
	v) Loans	18	2,411	3,652
	vi) Other financial assets	19	30	33
	Other current assets	20	8,770	6,943
	Current tax assets (net)	21	179	-
	<b>Total current assets</b>		<b>71,077</b>	<b>70,601</b>
	<b>Assets held for sale</b>	22	-	<b>2,466</b>
	<b>Total assets</b>		<b>1,13,516</b>	<b>1,11,151</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	Equity share capital	23	1,938	1,938
	Other equity	24	82,713	62,242
	<b>Total equity</b>		<b>84,651</b>	<b>64,180</b>
<b>B</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	Financial Liabilities			
	i) Borrowings	25	2,684	6,559
	ii) Lease liabilities	53	293	501
	iii) Other financial liabilities	26	202	95
	Deferred tax liabilities (net)	43	1,972	1,135
	Other non-current liabilities	27	7	12
	<b>Total non-current liabilities</b>		<b>5,158</b>	<b>8,302</b>
<b>2</b>	<b>Current liabilities</b>			
	Financial Liabilities			
	i) Borrowings	28	9,990	23,143
	ii) Lease liabilities	53	208	169
	iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	29	2,015	2,453
	Total outstanding dues of creditors other than micro enterprises and small enterprises		5,540	8,489
	iv) Other financial liabilities	30	3,937	2,234
	Other current liabilities	31	1,110	1,124
	Provisions	32	907	994
	Current tax liabilities (net)	33	-	63
	<b>Total current liabilities</b>		<b>23,707</b>	<b>38,669</b>
	<b>Total liabilities</b>		<b>28,865</b>	<b>46,971</b>
	<b>Total equity and liabilities</b>		<b>1,13,516</b>	<b>1,11,151</b>

The accompanying notes form an integral part of these standalone financial statements.  
This is the Standalone Balance Sheet referred to in our audit report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N / N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840

**Place : Mumbai**  
**Date : 27 May 2024**

**Tashwinder Singh**  
Chairman  
DIN : 06572282

**Raman Malhotra**  
Chief Financial Officer

**For and on behalf of the Board of Directors**

**Harshbeena Zaveri**  
Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**  
Company Secretary

**S. C. Rangani**  
Director  
DIN : 00209069

**Standalone Statement of Profit and Loss for the year ended 31 March 2024**

(₹ in lakhs, except per share data)

Sr. No.	Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
	<b>INCOME</b>			
<b>I</b>	Revenue from operations	34	1,02,272	1,02,310
<b>II</b>	Other income	35	2,439	2,551
<b>III</b>	<b>Total Income (I + II)</b>		<b>1,04,711</b>	<b>1,04,861</b>
	<b>Expenses</b>			
<b>IV</b>	Cost of materials consumed	36	47,003	49,570
	Changes in inventories of finished goods and work-in-progress	37	979	(2,101)
	Employee benefits expense	38	12,380	11,944
	Finance costs	39	2,064	1,852
	Depreciation and amortisation expense	40	3,747	3,597
	Other expenses	41	27,754	27,566
	<b>Total Expenses</b>		<b>93,927</b>	<b>92,428</b>
<b>V</b>	<b>Profit before exceptional items and tax</b>		<b>10,784</b>	<b>12,433</b>
<b>VI</b>	Exceptional items- gain / (loss) (net)	42	21,038	(1,053)
<b>VII</b>	<b>Profit before tax</b>		<b>31,822</b>	<b>11,380</b>
<b>VIII</b>	<b>Tax expense / (credit):</b>	43		
	Current tax		6,010	3,098
	Deferred tax		765	(298)
			<b>6,775</b>	<b>2,800</b>
<b>IX</b>	<b>Profit for the year</b>		<b>25,047</b>	<b>8,580</b>
<b>X</b>	<b>Other comprehensive income / (loss)</b>	44		
	(i) Items that will not be reclassified to profit or loss		386	49
	(ii) Items that may be reclassified to profit or loss		(19)	(224)
			<b>367</b>	<b>(175)</b>
<b>XI</b>	<b>Total Comprehensive Income for the year (IX + X)</b>		<b>25,414</b>	<b>8,405</b>
<b>XII</b>	<b>Earnings per equity share:</b>	60		
	Basic (in ₹)		25.85	8.85
	Diluted (in ₹)		25.85	8.85

The accompanying notes form an integral part of these standalone financial statements  
 This is the Standalone Statement of Profit and Loss referred to in our audit report of even date

**For Walker Chandio & Co LLP**

 Chartered Accountants  
 Firm Registration No. 001076N /  
 N500013

**Adi P. Sethna**

 Partner  
 Membership No.: 108840

**Place : Mumbai**  
**Date : 27 May 2024**
**For and on behalf of the Board of Directors**
**Tashwinder Singh**

 Chairman  
 DIN : 06572282

**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai**  
**Date : 27 May 2024**
**Harshbeena Zaveri**

 Vice Chairman and Managing Director  
 DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

 Director  
 DIN : 00209069



**Standalone Statement of Cash Flow for the year ended 31 March 2024**

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	<b>Profit before tax</b>	<b>31,822</b>	11,380
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	<b>3,747</b>	3,597
	Liabilities no longer required written back	<b>(452)</b>	(75)
	Foreign exchange loss / (gain) (unrealised) (net)	<b>922</b>	(1,494)
	Fair valuation loss / (gain) on derivative instrument measured at FVTPL	<b>13</b>	(180)
	Fair valuation gain on financial assets measured at FVTPL	<b>(114)</b>	-
	Finance costs	<b>2,064</b>	1,852
	Interest income	<b>(568)</b>	(159)
	Dividend income	<b>(185)</b>	(183)
	Profit on sale of property, plant and equipments	<b>(12)</b>	(96)
	Gain on sale of assets classified as held for sale (exceptional item)	<b>(17,768)</b>	-
	Rent income	<b>(156)</b>	(167)
	Provision for doubtful advances	-	28
	Property, plant and equipments written off	<b>24</b>	-
	(Reversal) / provision for doubtful trade receivables and bad debts written off (including exceptional items)	<b>(169)</b>	1,122
	Gain on sale of investment in subsidiary (exceptional item)	<b>(2,295)</b>	-
	Provision for gratuity	<b>163</b>	180
	Provision for leave encashment	<b>197</b>	153
	Provision towards slow moving and non-moving inventories (including inventories written off)	<b>657</b>	711
	Loss of inventories due to fire (exceptional item)	<b>1,658</b>	-
	Impairment loss on property, plant and equipments damaged due to fire (exceptional item)	<b>418</b>	-
	Insurance claim received on property, plant and equipments damaged due to fire (exceptional item)	<b>(1,250)</b>	-
	<b>Operating profit before working capital changes</b>	<b>18,716</b>	<b>16,669</b>
	<b>Changes in working capital:</b>		
	Adjustment for decrease/ (increase) in assets		
	- Trade receivables	<b>2,610</b>	(3,569)
	- Inventories	<b>(2,832)</b>	(4,383)
	- Other non-current financial assets	<b>160</b>	(243)
	- Other current financial assets and loans	<b>3</b>	87
	- Other non-current assets	<b>13</b>	14
	- Other current assets	<b>(1,827)</b>	(2,675)
	Adjustment in (decrease) / increase in liabilities		
	- Other non-current liabilities	<b>(5)</b>	(4)

**Standalone Statement of Cash Flow for the year ended 31 March 2024**

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	- Other non-current and current financial liabilities	220	(1)
	- Trade payables	(3,041)	1,097
	- Provisions	(236)	(582)
	- Other current liabilities	124	432
	<b>Cash generated from operations before tax</b>	<b>13,905</b>	<b>6,842</b>
	Direct taxes paid	(3,124)	(3,178)
	<b>Net cash generated from operating activities (A)</b>	<b>10,781</b>	<b>3,664</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of property, plant and equipment and intangible assets (including movement of capital work-in-progress, Intangible assets under development, capital advances and capital creditors)	(3,121)	(1,926)
	Sale proceeds from property, plant and equipment	12	134
	Insurance claim received on property, plant and equipments damaged due to fire	1,250	-
	Sale proceeds of assets held for sale	17,821	-
	Taxes on gain from sale of assets held for sale	(3,076)	-
	(Investment) in / proceeds from bank deposits	(18)	9
	Investments in mutual funds	(501)	-
	Proceeds from sale of investment in subsidiary	4,708	-
	Taxes on gain from sale of investment in subsidiary	(52)	-
	Rent received	156	167
	Interest received	291	78
	Payments of inter-corporate deposits to subsidiaries	(5,056)	(2,277)
	Repayment of inter-corporate deposits from subsidiaries	1,282	114
	Dividend received	185	182
	<b>Net cash used in investing activities (B)</b>	<b>13,881</b>	<b>(3,519)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	(Repayment) / proceeds of non current borrowings	(3,875)	514
	(Repayment) / proceeds of current borrowings (net)	(13,153)	2,160
	Finance costs paid	(1,896)	(1,778)
	Settlement of interest on lease liabilities	(58)	(74)
	Settlement of principal lease liabilities	(169)	(160)
	Movement in unclaimed dividend bank balance	(1,553)	(609)
	Dividend paid on equity shares	(3,390)	(1,329)
	<b>Net cash used in financing activities (C)</b>	<b>(24,094)</b>	<b>(1,276)</b>
	<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>568</b>	<b>(1,131)</b>
	Add: Balance of Cash and Cash Equivalents at the beginning of the year	3,951	5,065
	Add: Effects of exchange rate changes on cash and cash equivalents	(224)	17
	<b>Closing balance of Cash and Cash Equivalents (Refer note 16)</b>	<b>4,295</b>	<b>3,951</b>

**Standalone Statement of Cash Flow for the year ended 31 March 2024****Notes to the standalone statement of cash flows**

1. Cash and cash equivalents as the end of the year comprise -

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Cash on hand(*)	1	0
Balances with banks in current accounts		
- Current accounts	2,964	2,466
- EEFC account	830	1,485
Deposits with the original maturity of upto 3 months	500	-
<b>Total cash and cash equivalents</b>	<b>4,295</b>	<b>3,951</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

2. The standalone statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind As - 7) Statement of Cash Flows.

The accompanying notes form an integral part of these standalone financial statements  
This is the standalone statement of cash flow referred to in our audit report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N /  
N500013

**Adi P. Sethna**

Partner  
Membership No.: 108840

**Place : Mumbai**

**Date : 27 May 2024**

**For and on behalf of the Board of Directors****Tashwinder Singh**

Chairman  
DIN : 06572282

**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai**

**Date : 27 May 2024**

**Harshbeena Zaveri**

Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Director  
DIN : 00209069

## Standalone Statement of Changes in Equity for the year ended 31 March 2024

### A. Equity share capital (Refer note 23)

(₹ in lakhs)

Particulars	Number of shares	Amount
<b>Balance as at 1 April 2022</b>	<b>9,69,22,600</b>	<b>1,938</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2023</b>	<b>9,69,22,600</b>	<b>1,938</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2024</b>	<b>9,69,22,600</b>	<b>1,938</b>

### B. Other equity (Refer note 24)

(₹ in lakhs)

Particulars	Reserves and surplus				Other reserve		Total
	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Fair value gain/ (loss) on equity instruments through OCI	Cash flow hedging reserve	
<b>Balance as at 1 April 2022</b>	<b>848</b>	<b>12,771</b>	<b>11</b>	<b>41,404</b>	<b>370</b>	<b>371</b>	<b>55,775</b>
Profit for the year	-	-	-	8,580	-	-	8,580
Other comprehensive income (refer note 44)	-	-	-	7	42	(224)	(175)
Final dividend on equity shares for FY 2021-22 of ₹ 2 (previous year - ₹ 0.5) per equity share (refer note no. 47(iii))	-	-	-	(1,938)	-	-	(1,938)
<b>Balance as at 31 March 2023</b>	<b>848</b>	<b>12,771</b>	<b>11</b>	<b>48,053</b>	<b>412</b>	<b>147</b>	<b>62,242</b>
Profit for the year	-	-	-	25,047	-	-	25,047
Other comprehensive income (refer note 44)	-	-	-	157	229	(19)	367
Interim Dividend paid @ ₹ 4.1 per equity share (31 March 2023 - ₹ Nil per equity share)(refer note 47(iii))	-	-	-	(3,974)	-	-	(3,974)
Final Dividend paid for FY 2022-23 @ ₹ 1 per equity share (FY 2021-22 - ₹ 2 per equity share) (refer note 47(iii))	-	-	-	(969)	-	-	(969)
<b>Balance as at 31 March 2024</b>	<b>848</b>	<b>12,771</b>	<b>11</b>	<b>68,314</b>	<b>641</b>	<b>128</b>	<b>82,713</b>

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone Statement of Changes in Equity referred to in our audit report of even date.

#### For Walker Chandiook & Co LLP

Chartered Accountants  
 Firm Registration No. 001076N /  
 N500013

#### Adi P. Sethna

Partner  
 Membership No.: 108840

**Place : Mumbai**

**Date : 27 May 2024**

#### For and on behalf of the Board of Directors

#### Tashwinder Singh

Chairman  
 DIN : 06572282

#### Raman Malhotra

Chief Financial Officer

**Place : Mumbai**

**Date : 27 May 2024**

#### Harshbeena Zaveri

Vice Chairman and Managing Director  
 DIN : 00003948

#### Shruti Joshi

Company Secretary

#### S. C. Rangani

Director  
 DIN : 00209069

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

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**1. Company Information**

NRB Bearings Limited ('the Company') is a public limited company domiciled and incorporated in India in 1965. The registered and corporate office of the Company is situated at Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra. The Company is engaged in the manufacture of ball and roller bearings.

The separate standalone financial statements were approved and authorised for issue in accordance with the resolution of the Board of Directors on May 27, 2024.

**Basis of preparation**

NRB Bearings Limited is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The standalone financial statements (the "financial statement") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended, and the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities Exchange Board of India to the extent applicable. The accounting policies have been consistently applied for all the periods presented in the standalone financial statements.

The standalone financial statements have been prepared on an accrual basis using the historical cost convention, except for the following assets and liabilities :

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value; and
- iii) Derivative financial instrument

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

The revision to the financial statement is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

**1.1 Material accounting policies****a. Investment in subsidiaries**

Investments in subsidiaries are accounted at cost less impairment in accordance with Ind AS 27 - Separate financial statements. Impairment assessment is carried out based on the principles mentioned in "Impairment of non-financial assets" below.

**b. Foreign currency transactions**

The functional currency of the Company is Indian National Rupee (INR) which is also the presentation currency. All other currencies are accounted for as foreign currency.

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

Foreign currency monetary items are reported using the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or standalone statement profit and loss are also recognised in OCI or profit and loss, respectively).

The gain or loss arising on translation of monetary items are recognised in standalone statement of profit and

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

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loss in the period in which they arise except for: exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the standalone financial statements upto the year ended 31 March 2017 prepared under previous GAAP, which are capitalized as a part of the depreciable property plant and equipment's to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable property plant and equipment's, the exchange difference is amortised over the maturity period or upto the date of settlement of such monetary item, whichever is earlier and charged to the standalone statement of profit and loss.

**c. Revenue recognition**

The Company derives revenues mainly from sale of manufactured goods. Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentives and returns, etc., if any.

Revenue is recognised on satisfaction of performance obligation, i.e. upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products.

The Company does not expect to have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year. As a consequence, it is not required to adjust any of the transaction prices for the time value of money.

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export entitlement from government authority are recognised in the profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Sales Return can be made by Customers having contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using best estimate based on accumulated experience

**d. Other income**

Interest income for all 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 assets 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 instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend are recognised in standalone statement of 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.

**e. Income tax**

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

The income tax expense or credit for the period (current tax) is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets (Including Minimum Alternate Tax credit) are recognised for all deductible temporary differences and unused tax losses or credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in standalone statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**f. Lessees****Measurement and recognition of leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

**Company as a lessee**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the standalone balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

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lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or standalone statement of profit and loss, as the case may be.

On the balance sheet date, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities (non-current and current).

The Company has elected to account for short-term leases and leases of low-value assets using the exemption / practical expedient given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

**Company as a lessor**

Leases for which the Company is a lessor are classified as finance or operating lease.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**g. Impairment of non-financial assets**

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation (where applicable) is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

**h. Cash and cash equivalents**

For the purpose of presentation in the standalone statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.



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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

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**i. Inventories**

Raw material and components: Valuation of raw material is done on moving average price of cost.

Cost of inventory in raw material comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. Trade discount, rebates and other similar items are deducted in determining the cost of purchase.

Work-in-progress ("WIP") and Finished goods ("FG"): Inventories of Work-in-progress ("WIP") and Finished goods ("FG") are valued at the lower of cost or net realisable value. 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 machine hour rates.

Stores and spares: Stores and spares are stated at cost and are charged to the standalone statement of profit and loss, when consumed.

Raw material and components, stores and spares, work in progress and finished goods are stated at "cost or net realisable value whichever is lower".

**j. Investments and financial assets****Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

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 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.

Trade receivables are recognised at their transaction price unless those contain significant financing component determined in accordance with Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**Measurement**

At initial recognition, the Company measures a financial asset, except trade receivables, at fair value plus or minus the transaction costs. In case of financial assets classified at 'fair value through profit or loss', the initial recognition is done at fair value in accordance with para 5.1.1 of Ind AS 109. Further, as an exception to these principles, according to para 5.1.3 read with para 5.1.1 of Ind AS 109, financial assets in the form of trade receivables, are initially measured at their transaction price (as defined in Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Measurement of debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

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asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **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.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI 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 standalone statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Measurement of equity instruments**

The Company subsequently measures all equity investments 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 statement of profit and 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 gain / (losses) in the standalone 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.

**Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on 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.

For other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024****De-recognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- 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 Company 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 Company 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.

**k. Derivatives**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains / (losses).

The Company uses cross-currency interest rate swaps to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these cross-currency interest rate swaps in a cash flow hedging relationship by applying the hedge accounting principles.

Derivative contracts are stated at fair value on the balance sheet at each reporting date. At inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item. The Company documents its risk management objective and strategy for undertaking its hedging transactions. The Company designates amounts excluding foreign currency basis spread in the hedging relationship for cross currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of Profit and Loss in the periods in which the forecasted transactions occur.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the forecast transactions affect profit or loss. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the statement of profit and loss for the year.

**l. 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 counterparty.

**m. Property plant and equipment (including Capital Work-in-Progress) and depreciation**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

cost less depreciation and accumulated impairment losses, if any. Historical costs include cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to standalone statement of profit and loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of these assets

Schedule II to the Companies Act, 2013 prescribes useful lives for property, plant and equipment and allows Companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the standalone financial statements. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

Depreciation/ amortisation on property plant and equipment's has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. Depreciation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

The Company uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

<b>Class of asset</b>	<b>Revised useful life based on SLM (Range)</b>
Leasehold land	60 – 90 years
Buildings and flats	15 – 50 years
Plant and equipment	3 – 30 years
Furniture and fixtures	3 – 10 years
Office equipments	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 years

Assets not yet ready for use are recognised as capital work in progress.

Gains / losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the statement of profit and loss, in the period of disposal.

**n. Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the Company for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

### **o. Right of use assets**

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and as determined in line with para (m) above. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

### **p. Intangible assets and amortisation**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Software's are capitalised at the amounts paid to acquire the respective license for use and the costs incurred towards its development and are amortised, over the period of their useful lives, which is generally considered to be a period not exceeding three / five years, depending upon the nature of the software. The assets' useful lives are reviewed at each financial year end. Amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on date of disposal and are recognised in the statement of profit and loss when the asset is derecognised. Amortisation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Intangible assets under development include intangible assets which are not ready for intended use as on balance sheet date.

### **q. Assets held-for-sale**

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale'; when all the following criteria are met -

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed, and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the balance sheet date.

Assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets classified as held for sale are presented separately in the balance sheet and are not depreciated post such classification.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

### **r. Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### **s. Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in statement of profit and loss in the period in which they are incurred.

### **t. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the standalone statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the standalone financial statements. Contingent assets are not recognised, but disclosed in the standalone financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### **u. Employee benefits**

**A) Short term employee benefits:** All employee benefits payable within twelve months from the end of the period in which services are rendered are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

#### **B) Post employment benefits**

**i. Defined contribution plans:** The company's superannuation scheme, state governed provident fund and family pension scheme are defined contribution plans. The contribution paid/ payable under the schemes, is recognised during the period in which the employee renders the related service.

Provident Fund and family pension fund are charged to the standalone statement of profit and loss as incurred.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

The Company's contribution to the statutory provident fund and family pension fund is determined based on a fixed percentage of the eligible employees' salary and charged to the standalone statement of profit and loss on accrual basis. The Company does not have any obligation other than the contribution made to the fund administered by the government.

**ii. Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan is governed by the Payment of Gratuity Act, 1972 and provides lumpsum payment to eligible employees at retirement, death while in employment or termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service. The Company has established two trusts, one each for its staff and officers and makes contributions to such funds for funding these plans.

The Company has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the standalone statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation and experience adjustments are charged/ credited to other comprehensive income. All other costs/reversals are recognised in the standalone statement of profit and loss.

**C) Compensated absences:** The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ ailment. The Company makes provision for compensated absences based on an actuarial valuation by an actuary, using the projected unit credit method. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to the Statement of Profit and loss. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### v. Exceptional Items

When items of income and expense within standalone statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

### w. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### x. Operating cycle and classification of current and non - current items

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 a period not exceeding 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(i) An asset is considered as current when it is:

- a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
- b. Held primarily for the purpose of trading, or
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve

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## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

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months after the reporting period.

(ii) All other assets are classified as non-current.

(iii) Liability is considered as current when it is:

a. Expected to be settled in the normal operating cycle, or

b. Held primarily for the purpose of trading, or

c. Due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

(iv) All other liabilities are classified as non-current.

### **y. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **z. Critical estimates and judgements**

The preparation of standalone financial statements in conformity with Ind AS which requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of standalone financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a comparatively 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.

#### **i) Property, plant and equipment, investment properties and intangible assets:**

Property, plant and equipment represents a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### **ii) Income tax:**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

#### **iii) Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies / claim / litigations by / against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### **iv) Expected credit loss on financial assets:**



## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

### **v) Deferred Taxes:**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

### **vi) Impairment of financial assets:**

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

### **vii) Impairment of non financial assets:**

Where the carrying amount of an asset or CGU exceeds its recoverable amount (fair value less costs of disposal or its value in use), the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

### **viii) Defined benefit obligation:**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term

nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **ix) Leases:**

Determining the lease term of contracts with renewal and termination options – Company as lessee Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). When it is reasonably certain to exercise extension option and not to exercise termination option, the Company includes such extended term and ignore termination option in determination of lease term.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

### **x) Provisions:**

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at

each balance sheet date adjusted to reflect the current best estimates.

### **xi) Fair value measurements:**

Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities. Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### **xii) Impairments of assets:**

In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

### **xiii) Allowances for slow / Non-moving Inventory and obsolescence:**

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is an estimate taking into account various factors, including prevailing sales prices of inventory item and losses associated with usability/ obsolete / slow-moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.

### **xiv) Overhead Costing:**

Management has applied critical estimates and judgements in the calculation of the Machine Hour Rate (MHR) for overhead costing. These estimates are based on data received, including machine-wise operating hours, utilized hours, power consumption, and labour details. Management reviews and adjusts these estimates on monthly basis to ensure they reflect the most current and reliable information available.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors includes expectation of future events that may have financial impact on the company and are believed to be reasonable under the circumstances.

### **aa. Events after report date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 1.2 Details of subsidiary companies in accordance with Ind AS 27:

Name of Subsidiary	Principal place of business and country of incorporation	% Ownership Interest held as at 31 March 2024	% Ownership Interest held as at 31 March 2023
SNL Bearings Limited	India	73.45%	73.45%
NHL Holdings Limited	UAE	100%	100%
NRB Bearings (Thailand) Limited (step down subsidiary w.e.f 07 July 2022)	Thailand	100%	100%
NRB Bearing USA Inc. (step down subsidiary)	USA	100%	100%
NRB Bearing Europe GmbH (step down subsidiary)	Europe	100%	100%

### 2. Recent accounting pronouncements

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods, as below:

#### i. Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

#### ii. Ind AS 12 – Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its standalone financial statements.

#### iii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in standalone financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in standalone financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

### Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

#### 3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Free Hold Land	Leasehold Land	Buildings & Flats *	Plant & Equipment	Furniture & Fixtures	Office Equipment	Electrical Installation	Leasehold improvement	Vehicles	Total
<b>Gross carrying value</b>										
Balance as at 1 April 2022	55	177	12,784	60,420	642	704	1,499	659	510	77,450
Additions	-	-	62	1,688	13	89	28	1	14	1,895
Disposals and discards	-	-	(24)	(73)	-	-	-	-	(4)	(101)
<b>Balance as at 31 March 2023</b>	<b>55</b>	<b>177</b>	<b>12,822</b>	<b>62,035</b>	<b>655</b>	<b>793</b>	<b>1,527</b>	<b>660</b>	<b>520</b>	<b>79,244</b>
Additions	-	-	43	1,962	27	225	46	-	-	2,303
Disposals and discards	-	-	(1)	(35)	-	-	-	-	(4)	(40)
<b>Balance as at 31 March 2024</b>	<b>55</b>	<b>177</b>	<b>12,864</b>	<b>63,962</b>	<b>682</b>	<b>1,018</b>	<b>1,573</b>	<b>660</b>	<b>516</b>	<b>81,507</b>
<b>Accumulated depreciation/ amortisation</b>										
Balance as at 1 April 2022	-	35	3,194	40,462	613	624	983	50	471	46,432
Charge for the year**	-	2	504	2,646	41	16	76	142	39	3,466
Reversal on disposals and discards	-	-	(24)	(36)	-	-	-	-	(4)	(64)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>37</b>	<b>3,674</b>	<b>43,072</b>	<b>654</b>	<b>640</b>	<b>1,059</b>	<b>192</b>	<b>506</b>	<b>49,834</b>
Charge for the year**	-	2	513	2,766	3	52	79	135	10	3,560
Reversal on disposals and discards	-	-	(0)	(10)	-	-	-	-	(3)	(13)
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>39</b>	<b>4,187</b>	<b>45,828</b>	<b>657</b>	<b>692</b>	<b>1,138</b>	<b>327</b>	<b>513</b>	<b>53,381</b>
<b>Impairment loss allowance (refer note 42)</b>										
Balance as at 1 April 2023	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	(70)	(348)	-	-	-	-	-	(418)
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>(70)</b>	<b>(348)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(418)</b>
<b>Net carrying value</b>										
<b>Balance as at 31 March 2023</b>	<b>55</b>	<b>140</b>	<b>9,148</b>	<b>18,963</b>	<b>1</b>	<b>153</b>	<b>468</b>	<b>468</b>	<b>14</b>	<b>29,410</b>
<b>Balance as at 31 March 2024</b>	<b>55</b>	<b>138</b>	<b>8,607</b>	<b>17,786</b>	<b>25</b>	<b>326</b>	<b>435</b>	<b>333</b>	<b>3</b>	<b>27,708</b>

\* Buildings includes those constructed on leasehold land.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Notes:

- (i) Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2023: ₹ 750) in co-operative housing societies viz. 5 shares of ₹ 50 each in Vile Parle Vatika Cooperative Housing Society Limited, 5 shares of ₹ 50 each in The Ganesh Villa Co-operative Housing Society Limited and 5 shares of ₹ 50 each in Vinayak Bhavan Cooperative Housing Society Limited.
- (ii) The title deeds/ leasehold right of land, having gross carrying amount aggregating ₹ 61 lakhs (31 March 2023: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2023: ₹ 59 lakhs), have been transferred to and vested in the Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Company is in process.

Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employees of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Lease hold land - Waluj	6	NRB Torrington Private Limited	No	1 December 1995	The lease deed is in the name of NRB Torrington Private Limited, the erstwhile company that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of approval from the Honorable High Court.
Free hold land - Hyderabad	55	Sahney Steels Press Works Limited	No	31 March 1993	The land is in the name of Sahney Steels Press Works Limited that was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFR) order in the financial year 1992-93.

- (iii) Refer note 49 (ii) for sale of property, plant and equipment to related parties  
 (iv) For capital commitments, refer note 51.

(v) Refer note 25 and note 50 for information on property, plant and equipment pledged as security by the Company.

(\*\*) Charge for the year includes charge created on Right-of-use (ROU) assets of ₹ 196 lakhs for building and flats on leasehold land (31 March 2023 : ₹ 201 lakhs) and ₹ Nil lakhs for vehicles (31 March 2023 : ₹ 1 lakhs) (refer Note 53).

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 4. Capital work-in-progress

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>236</b>
Additions (*)	282
Capitalised during the year	(222)
<b>Balance as at 31 March 2023</b>	<b>296</b>
Additions (*)	816
Capitalised during the year	(130)
<b>Balance as at 31 March 2024</b>	<b>982</b>

(\*) It includes retrofitting machine, control panels and muffle model pending for installation as at 31 March 2024.

### Ageing of Capital work in progress

(₹ in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2024</b>					
Project in progress	814	168	-	-	<b>982</b>
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2023</b>					
Project in progress	282	-	-	14	<b>296</b>
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2024 and as at 31 March 2023, no projects from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

### 5. Investment property

(₹ in lakhs)

Particulars	Amount (^)
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2022</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2024</b>	<b>41</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 1 April 2022</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2024</b>	<b>41</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2023</b>	<b>-</b>
<b>Balance as at 31 March 2024</b>	<b>-</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

^ Investment property includes only buildings and flats which have been fully depreciated on Straight Line Method over the useful life of such assets as at respective reporting dates

Notes:-

### (i) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Buildings and flats		
Fair value of investment properties	<b>1,606</b>	1,623
Valuation method used by the independent valuer	<b>Replacement cost method</b>	Replacement cost method

### (ii) Amounts recognised in the standalone statement of profit and loss in relation to investment property

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rental income derived from investment properties (refer note 35)	156	167
Direct operating expenses from property (including repairs and maintenance) that generated rental income(*)	(0)	(1)
Direct operating expenses from property (including repairs and maintenance) that did not generate rental income(*)	(0)	(0)
Income arising from investment properties before depreciation	<b>156</b>	166
Depreciation	-	-
Income from investment property (net)	<b>156</b>	166

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### Disclosure as per Para 75 (g) under Ind AS - 40 "Investment Property"

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements on such properties.

### (iii) Estimation of fair value

(a) The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent, ready reckoner rate etc.

(b) This fair value of investment property have been determined by an independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules 2017, who has professional experience as well as adequate expertise of the location and category of the investment property.

### (iv) Maturity analysis - Company as a lessor

The Company has given its premises on operating leases. These lease arrangements range for a period between 12 months to 5 years and include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

### Maturity analysis – contractual undiscounted cash flows

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Within one year	<b>113</b>	133
After one year but not more than five years	<b>80</b>	198
More than five years	-	-
<b>Total</b>	<b>193</b>	<b>331</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 6. Intangible assets

(₹ in lakhs)

Particulars	Computer Software
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2022</b>	<b>388</b>
Additions	504
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>892</b>
Additions	166
Disposals	-
<b>Balance as at 31 March 2024</b>	<b>1,058</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 1 April 2022</b>	<b>384</b>
Charge for the year	131
Reversal on disposal	-
<b>Balance as at 31 March 2023</b>	<b>515</b>
Charge for the year	187
Reversal on disposal	-
<b>Balance as at 31 March 2024</b>	<b>702</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2023</b>	<b>377</b>
<b>Balance as at 31 March 2024</b>	<b>356</b>

^ Intangible assets include only Computer softwares as at respective reporting dates

Note - For capital commitments, refer note 51.

### 7. Intangible assets under development

(₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2022	386
Additions	-
Capitalized during the year	(386)
Balance as at 31 March 2023	-
Additions	34
Capitalized during the year	-
Balance as at 31 March 2024	<b>34</b>



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Ageing of Intangible assets under development

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2024					
Project in progress	34	-	-	-	34
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2023					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2024 and as at 31 March 2023, no project from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

### 8. Investment in Subsidiaries

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
<b>Investment in equity shares (fully paid-up)</b>				
<b>- Investment in foreign subsidiaries (wholly owned) (unquoted) (at cost)</b>				
NRB Holdings Limited (face value USD 1 each)	35,00,000	2,628	35,00,000	2,628
<b>- Investment in Indian subsidiary (quoted) (at cost)</b>				
SNL Bearings Limited (face value ₹ 10 each)	26,52,762	240	26,52,762	240
Total		2,868		2,868
Aggregate carrying value of unquoted investments (gross)		2,628		2,628
Aggregate carrying value of quoted investments (gross)		240		240
Market value of the quoted investments		7,645		6,961
Impairment allowance		-		-

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 9. Investments

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares / units	Amount (₹ in lakhs)	No of shares / units	Amount (₹ in lakhs)
<b>A. Non-Current Investments</b>				
<b>- Equity investment measured at fair value through other comprehensive income</b>				
<b><u>(i) Quoted</u></b>				
IndusInd Bank Limited (face value ₹ 10 each)	8,541	133	8,541	91
Eicher Motors Limited (face value ₹ 1 each)	6,000	241	6,000	177
Hero Motocorp Limited (face value ₹ 2 each)	6,250	296	6,250	147
<b><u>(ii) Unquoted</u></b>				
21st Century Battery Limited (face value ₹ 10 each)	10,000	1	10,000	1
Less: Provision for impairment in value		(1)		(1)
<b>- Equity investment measured at fair value through profit and loss (unquoted)</b>				
DSP Flexi Cap Fund - Regular Plan - IDCW	50,000	28	50,000	23
		<b>698</b>		<b>438</b>
<b>B. Current Investments</b>				
<b>- Investment in mutual funds measured at fair value through profit and loss</b>				
<b><u>Unquoted</u></b>				
Kotak Liquid Fund Direct Plan - Growth	2,575	126	229	10
Kotak Overnight Fund Direct - Growth	32,112	410	116	1
Kotak Money Market Fund - Direct Plan - Growth (Erstwhile Kotak Floater ST)	1,420	59	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG	429	25	-	-
ICICI Prudential Overnight Fund Direct Plan Growth (*)	24	0	-	-
		<b>620</b>		<b>11</b>
(*) ₹ 0 lakh represents amount lower than ₹ 1 lakh				
Refer Note 45 for information about fair value measurement.				
Securities listed on a recognised stock exchange are considered as "Quoted" for disclosure above				
Notes:				
Aggregate carrying value of quoted investments (gross)		670		415
Aggregate market value of quoted investments		670		415
Aggregate carrying value of unquoted investments (gross)		649		35
Impairment allowances		(1)		(1)

#### Disclosure as per Para 11A under Ind AS - 107 "Financial Instruments: Disclosures"

Equity instruments designated at fair value through other comprehensive income include investments in equity

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

shares of non-listed companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature.

### 10. Loans (Non-current)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Inter corporate deposits - related party (refer note 49(ii) and note 55)	5,331	-
<b>Total</b>	<b>5,331</b>	<b>-</b>

#### Note -

(i) The inter corporate deposits are towards wholly owned subsidiary NRB Holdings Limited at 8.50% (31 March 2023: Nil).

(ii) The principal amounts to (USD 6.02 million) ₹ 5,021 lakhs (31 March 2023 - ₹ Nil lakh).

(iii) The interest accrued on the said loan amounts to ₹ 310 lakhs (31 March 2023 - ₹ Nil lakh).

### 11. Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits	459	701
Margin money deposits with the maturity of more than 12 months (Refer note (i) below)	391	375
Guarantee income receivable (refer note (iii) below)	82	-
<b>Total</b>	<b>932</b>	<b>1,076</b>

#### Note -

(i) Held as lien by bank against bank guarantees amounting to ₹ 303 lakhs (31 March 2023: ₹ 371 lakhs)

(ii) Refer Note 46 for information about credit risk.

(iii) The Company has provided two corporate guarantees to NRB Bearings (Thailand) Limited (step down subsidiary company) also refer note 51 and note 55(a) and note 49(ii).

### 12. Income tax assets (net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance taxes paid (net of provision for tax ₹ 26,182 lakhs (31 March 2023 - ₹ 26,182 lakhs))	2,919	2,919
<b>Total</b>	<b>2,919</b>	<b>2,919</b>

### 13. Other non-current assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	286	362
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	16	30
Balance with statutory authorities	434	433
<b>Total</b>	<b>611</b>	<b>700</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Particulars	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Raw materials and components (including goods-in-transit ₹ 888 lakhs (31 March 2023 - ₹ 694 lakhs))	9,712	9,682
Work-in-progress	6,486	8,326
Finished goods (including goods-in-transit ₹ 663 lakhs (31 March 2023 - ₹ 365 lakhs) (refer note (i) below)	5,810	4,949
Stores and spares (including goods-in-transit ₹ 16 lakhs (31 March 2023 - ₹ 8 lakhs))	7,617	6,151
<b>Total</b>	<b>29,625</b>	<b>29,108</b>

### Notes:-

- (i) Finished goods inventories of ₹ 807 lakhs (31 March 2023 - ₹ 1,049 lakhs) is written down to its realisable value of ₹ 615 lakhs (31 March 2023 - ₹ 821 lakhs).
- (ii) The provision towards slow moving and obsolete inventories as at 31 March 2024 is ₹ 2,459 lakhs (31 March 2023 - ₹ 1,960 lakhs)
- (iii) Also, refer note 28, note 42 and note 50.

Particulars	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Receivables from</b>		
- Related parties (Refer note (i) below and note 49(ii))	9,701	8,000
- Others	15,406	20,862
Less: Allowance for expected credit loss - Others	(2,489)	(2,932)
<b>Total</b>	<b>22,618</b>	<b>25,930</b>
Current portion	22,618	25,930
Non current portion	-	-
<b>Break up of security details</b>		
Considered good - secured	97	92
Considered good - unsecured	23,254	26,777
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	1,756	1,993
	25,107	28,862
Loss: Allowance for expected credit loss (refer note 46(a))	(2,489)	(2,932)
<b>Total</b>	<b>22,618</b>	<b>25,930</b>

### Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2023 - ₹ 4 lakhs) from private company where director of the Company is also a director.
- (ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.
- (iii) The outstanding balances as at 31 March 2024 includes trade receivables amounting to ₹ 3,091 lakhs (31 March 2023: ₹ 5,020 lakhs) from customers situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in remittance of receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, under the Foreign Exchange Management

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Act, 1999. The Company is in the process of recovering these outstanding dues however, wherever required, provision has been made in the books of account. The Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the accompanying standalone financial statements do not include any consequential adjustments that may arise due to such delay.

- (iv) Trade receivables are non interest bearing and are generally on credit terms in line with respective industry norms i.e. in between 30 to 180 days.
- (v) During the year, the Company made write-offs of trade receivables of ₹ 274 lakhs, it does not expect to receive future cash flows or recoveries from trade receivables previously written off.
- (vi) Refer note 46 for information about credit risk and market risk of trade receivables.
- (vii) Unbilled trade receivables amount as at 31 March 2024 is ₹ Nil (31 March 2023 - ₹ Nil).
- (viii) Refer note 28 and note 50 for information about assets pledged as security for current borrowings.

### Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2024 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	18,569	3,237	1,490	55	-	-	23,351
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	330	438	988	1,756
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross amount of trade receivables</b>	<b>18,569</b>	<b>3,237</b>	<b>1,490</b>	<b>385</b>	<b>438</b>	<b>988</b>	<b>25,107</b>
Less : Allowance for expected credit loss							(2,489)
<b>Carrying amount of trade receivables</b>							<b>22,618</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

**Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2023** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	19,209	4,864	1,989	641	56	110	26,869
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	786	251	956	1,993
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross amount of trade receivables</b>	<b>19,209</b>	<b>4,864</b>	<b>1,989</b>	<b>1,427</b>	<b>307</b>	<b>1,066</b>	<b>28,862</b>
Less : Allowance for expected credit loss							(2,932)
<b>Carrying amount of trade receivables</b>							<b>25,930</b>

### 16. Cash and cash equivalents

(₹ in lakhs)

#### Particulars

	As at 31 March 2024	As at 31 March 2023
Balances with banks in:		
- Current accounts	2,964	2,466
- EEFC account	830	1,485
Cash on hand (*)	1	0
Deposits with the original maturity of upto 3 months	500	-
<b>Total</b>	<b>4,295</b>	<b>3,951</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

#### Notes:-

(i) There are no repatriation restrictions with regards to bank balances stated above.

(ii) Also refer note 28, note 46 and note 50.

### 17. Bank balances other than cash and cash equivalents

(₹ in lakhs)

#### Particulars

	As at 31 March 2024	As at 31 March 2023
Unpaid dividend account (refer note (i) and note (ii) below)	2,341	788
Margin money deposits (refer note (iii) below)	188	185
<b>Total</b>	<b>2,529</b>	<b>973</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Notes:-

(i) This represents earmarked balance in respect of unpaid dividends (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Financial year</b>		
2015-16 (refer note (ii) below)	-	3
2016-17 (refer note (iv) below)	4	4
2017-18	8	8
2018-19	6	6
2019-20	2	2
2020-21	153	153
2021-22	612	612
2022-23	304	-
2023-24	1,252	-
<b>Total</b>	<b>2,341</b>	<b>788</b>

(ii) The unclaimed dividend transferred to Investor Educations and Protection Fund during the year is ₹ 3 lakhs (31 March 2023 - ₹ 3 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 155 lakhs (31 March 2022: ₹ 75 lakhs)

(iv) The due date for the transfer of the unpaid dividend is on 20 April 2024.

(v) The same pertains to interim dividend declared by the company during the financial year 2023-24.

### 18. Loans (current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Inter corporate deposits - related party (refer note (i) to (iii) below, note 49(ii) and note 55)	2,394	3,625
Loans to employees	17	27
Less: Loss allowance	-	-
<b>Unsecured, considered credit impaired</b>		
Loans to employees	15	15
<b>Total</b>	<b>2,426</b>	<b>3,667</b>
Less: Loss allowance	(15)	(15)
<b>Total</b>	<b>2,411</b>	<b>3,652</b>
Break up of security details		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (refer note (ii) below)	2,411	3,652
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
<b>Total</b>	<b>2,426</b>	<b>3,667</b>
Loss allowance	(15)	(15)

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

<b>Total Notes -</b>	<b>2,411</b>	<b>3,652</b>
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(i)

	Nature	As at 31 March 2024			As at 31 March 2023		
		Rate	Amount	Amount (₹ lakhs)	Rate	Amount	Amount (₹ lakhs)
NRB Bearings (Thailand) Limited	Principal	7.50%	-	-	7.50%	THB 53.35 million	1,284
NRB Holdings Limited, Dubai	Principal	8.50%	USD 2.78 million	2,322	7.50%	USD 2.78 million	2,288
NRB Holdings Limited, Dubai	Intertest Accrued	8.50%	USD 0.06 million	72	7.50%	USD 0.06 million	53

(ii) No loans or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

(iii) Refer note 46 for information about credit risk and market risk for loans.

(iv) Refer note 28 and note 50 for information about assets pledged as security for current and non-current borrowings.

(v) Refer note 55 for disclosure under section 186(4) of the Companies Act, 2013.

### 19. Other financial assets

(₹ in lakhs)

#### Particulars

	As at 31 March 2024	As at 31 March 2023
Rent receivable	5	32
Guarantee commission receivable (refer note 11 and note 49(ii))	25	-
Others	-	1
<b>Total</b>	<b>30</b>	<b>33</b>

#### Note -

(i) Refer note 28 and note 50 for information about assets pledged as security for current borrowings.

### 20. Other current assets

(₹ in lakhs)

#### Particulars

	As at 31 March 2024	As at 31 March 2023
Advances to suppliers -		
- Related parties (refer note (i) and note 49(ii) below)	2,289	1,635
- Others	1,709	1,488
Less: Loss allowance - Others	(501)	(501)
Other advances	258	118
Less: Loss allowance	(29)	(29)
Export incentive and duty drawback receivable	63	124
Balance with government authorities	4,587	3,918
Prepaid expenses	295	190
Gratuity asset (refer note 52(iv))	99	-
<b>Total</b>	<b>8,770</b>	<b>6,943</b>



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

**Note -**

- (i) Includes ₹ 0 (\*) lakhs (31 March 2023 - ₹ 0 (\*) lakhs) due from a private company in which director of the Company is a director.
- (ii) Refer note 28 and note 50 for information about assets pledged as security for current and non-current borrowings.
- (\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

**21. Current tax assets (net)**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax assets (net of provision for tax ₹ 6,010 lakhs (31 March 2023 - ₹ Nil lakhs))	179	-
<b>Total</b>	<b>179</b>	<b>-</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Net tax assets at the beginning of the year</b>	-	-
Add: Advance tax and tax deducted at source (TDS)	6,189	-
Less: Provision for tax during the year	(6,010)	-
<b>Net tax assets at the end of the year</b>	<b>179</b>	<b>-</b>

**22. Assets held-for-sale**

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Group of tangible assets held for sale (refer note (i) below)</b>		
Freehold land	-	5
Furniture & Fixture (gross carrying value - ₹ 66 lakhs, accumulated depreciation - ₹ 66 lakhs)	-	-
Electrical Installation (gross carrying value - ₹ 83 lakhs, accumulated depreciation - ₹ 83 lakhs)	-	-
Buildings and flats (gross carrying value - ₹ 129 lakhs, accumulated depreciation - ₹ 81 lakhs)	-	48
<b>Investments classified as held for sale (refer note (ii) below)</b>		
NRB Bearings (Thailand) Limited (face value THB 10 each) - Investment in foreign subsidiaries	-	2,413
<b>Total</b>	<b>-</b>	<b>2,466</b>

**Notes -**

- (i) The Board of directors at its meeting held on 22 January 2022 had approved sale/transfer/disposal of freehold land and building of Thane (freehold) situated at 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra. During the year ended 31 March 2024, the Company has disposed the said freehold land and building having WDV of ₹ 53 lakhs at an agreed consideration of ₹ 19,605 lakhs adjusted by incidental expenses of ₹ 1,784 lakhs (being stamp duty and brokerage expenses) resulting into a net gain of ₹ 17,768 lakhs. Such gain is classified as an exceptional item for the quarter ended 31 December 2023 and for financial year ended 31 March 2024.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

- (ii) The Committee of Directors, constituted by the Board, at its meeting held on 28 January 2023 had approved the execution of the share purchase agreement with its wholly owned Subsidiary "NRB Holdings Limited" (NHL) for transfer of 100% of its share holding in the company's other wholly owned subsidiary, "NRB Bearing (Thailand) Limited" (NRBT) at a consideration of ₹ 4,708 lakhs as a result of which, the later has become wholly owned step down subsidiary of the Company w.e.f. 1 April 2023. The Company has recognised a surplus of ₹ 2,295 lakhs on such transfer of shareholding which is classified as an exceptional gain for the year ended 31 March 2024. (refer note 42)

### 23. Equity share capital

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Authorised share capital</b>		
100,000,000 (31 March 2023: 100,000,000) equity shares of ₹ 2 each	2,000	2,000
<b>Total</b>	<b>2,000</b>	<b>2,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
96,922,600 (31 March 2023: 96,922,600) equity shares of face value ₹ 2 each fully paid up	1,938	1,938
<b>Total</b>	<b>1,938</b>	<b>1,938</b>

#### (i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	9,69,22,600	1,938	9,69,22,600	1,938
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>9,69,22,600</b>	<b>1,938</b>	<b>9,69,22,600</b>	<b>1,938</b>

#### (ii) Terms and rights attached to equity shares

- Right to receive dividend as may be approved by the Board / Annual General Meeting. The Company declares and pays dividend in India Rupee. Further, dividend proposed by the Board of Directors is subject to approval of shareholders in the Annual General Meeting (refer note 47(iii))
- The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and vote on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (iii) Details of shareholders holding more than 5% shares in the Company:

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	3,38,09,300	34.88%	3,38,09,300	34.88%
Harshbeena Sahney Zaveri	1,14,67,826	11.83%	1,12,66,892	11.62%
Nalanda India Equity Fund Limited	96,82,667	9.99%	96,82,667	9.99%
HDFC Small Cap Fund	87,48,982	9.03%	89,63,982	9.25%
Mirae Asset Multicap Fund	89,35,301	9.22%	-	-

### (iv) Details of shareholding of promoter and promoter group of the company:

Particulars	As at 31 March 2024			As at 31 March 2023		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
<b>Name of promoters</b>						
Devesh Singh Sahney	8,50,089	0.88%	-	8,50,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	3,38,09,300	34.88%	-	3,38,09,300	34.88%	-
Harshbeena S Zaveri	1,14,67,826	11.83%	1.78%	1,12,66,892	11.62%	1.50%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	4,11,900	0.42%	-	4,11,900	0.42%	-
Bhupinder Singh Sahney	28,580	0.03%	7.12%	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	3,03,495	0.31%	-	3,03,495	0.31%	-
Mallika Sahney	4,920	0.01%	-	4,920	0.01%	-
Sahir Zaveri	19,752	0.02%	-	19,752	0.02%	-
Aziz Yousuf Zaveri	14,58,547	1.50%	33.02%	10,96,521	1.13%	8.16%
Anupa Rajiv Sahney	7,73,021	0.80%	-	7,73,021	0.80%	-
Szww General Trading Private Limited	5	0.00%	100.00%	-	0.00%	-
<b>Total</b>	<b>4,91,28,435</b>	<b>50.69%</b>		<b>4,85,63,570</b>	<b>50.11%</b>	

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Particulars	As at 31 March 2023			As at 31 March 2022		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
<b>Name of promoters</b>						
Devesh Singh Sahney	8,50,089	0.88%	-	8,50,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	3,38,09,300	34.88%	-	3,38,09,300	34.88%	-
Harshbeena S Zaveri	1,12,66,892	11.62%	1.50%	1,11,00,917	11.45%	1.77%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	4,11,900	0.42%	-	4,11,900	0.42%	-
Bhupinder Singh Sahney	26,680	0.03%	-	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	3,03,495	0.31%	-	3,03,495	0.31%	-
Mallika Sahney	4,920	0.01%	-	4,920	0.01%	-
Sahir Zaveri	19,752	0.02%	-	19,752	0.02%	-
Aziz Yousuf Zaveri	10,96,521	1.13%	8.16%	10,13,770	1.05%	0.10%
Anupa Rajiv Sahney	7,73,021	0.80%	-	7,73,021	0.80%	100.00%
<b>Total</b>	<b>4,85,63,570</b>	<b>50.11%</b>		<b>4,83,14,844</b>	<b>49.85%</b>	

Note - As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(v) The Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2024. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2024.

### 23. Other equity

#### Summary of other equity balance

Particulars	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Securities premium	848	848
General reserve	12,771	12,771
Capital redemption reserve	11	11
Retained earnings	68,314	48,053
Fair value gain on equity instruments through other comprehensive income	641	412
Cash flow hedge reserve	128	147
<b>Total</b>	<b>82,713</b>	<b>62,242</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Nature and purpose of reserves

#### (i) Securities premium (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	<b>848</b>	848
Add - changes during the year	-	-
<b>Balance at the end of the year</b>	<b>848</b>	<b>848</b>

Amount received (on issue of shares) in excess of the face value has been classified as securities premium. This reserve will be utilised in accordance with the provision of the Act.

#### (ii) General reserve (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	<b>12,771</b>	12,771
Add - changes during the year	-	-
<b>Balance at the end of the year</b>	<b>12,771</b>	<b>12,771</b>

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

#### (iii) Capital redemption reserve (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	<b>11</b>	11
Add - changes during the year	-	-
<b>Balance at the end of the year</b>	<b>11</b>	<b>11</b>

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision of the Companies Act, 2013.

#### (iv) Retained earnings (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	<b>48,053</b>	41,404
Add - Profit for the year	25,047	8,580
Add - Other comprehensive income for the year (refer note 44)	157	7
Less - Interim Dividend paid for financial year 2023-24 @ ₹ 4.1 per equity share (31 March 2023 ₹ Nil per equity share)	(3,974)	-
Less - Final Dividend for financial year 2022-23 paid @ ₹ 1 per equity share (31 March 2023 - ₹ 2 per equity share) (refer note 47(iii))	(969)	(1,938)
<b>Balance at the end of the year</b>	<b>68,314</b>	<b>48,053</b>

Retained earnings represents the accumulated profits made by the Company over the years.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (vi) Fair value gain on equity instruments measured through OCI (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>412</b>	370
Add - Change in fair value of FVOCI equity instrument (refer note 44)	<b>229</b>	42
<b>Balance at the end of the year</b>	<b>641</b>	<b>412</b>

The Company has elected to recognise changes in the fair value of equity investments in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserves within equity and will be transferred to retained earnings on derecognition of these equity instruments.

### (vii) Cash flow hedge reserve (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>147</b>	371
Add - Change in fair value of derivative hedging instrument (refer note 44)	<b>(19)</b>	(224)
<b>Balance at the end of the year</b>	<b>128</b>	<b>147</b>

It represents the effective portion of the fair value of option contracts designated as cashflow hedge.

### 25. Borrowings (non-current)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Term loan from banks - secured (Refer note (a) below)	<b>2,661</b>	6,486
Deferred sales tax loan - unsecured (Refer note (b) below)	<b>23</b>	73
<b>Total</b>	<b>2,684</b>	<b>6,559</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Notes -

Particulars	Security	Terms of repayment of principal	Number of installments outstanding as at		Rate of interest (per annum)(#)	As at 31 March 2024	As at 31 March 2023
			31 March 2024	31 March 2023			
<b>(a) Term loan from banks (*)</b>							
Term loan	Secured by exclusive charge by way of mortgage of a residential property of the Company situated in Mumbai.	Annual installments starting from 8 April 2021 to be completed in 8 April 2023	0	1	9.25%	-	833
Term loan	Secured by first exclusive charge by way of a hypothecation over property plant and equipment purchased towards capex out of the said term loan proceeds.	Quarterly installments starting from 1 October 2020 to be completed on 1 July 2025	5	9	1 year MCLR+0.50%	965	2,908
Term loan	Secured by first exclusive charge by way of a hypothecation over property plant and equipment purchased towards capex out of the said term loan proceeds.	Quarterly installments starting from 31 March 2023 to be completed on 31 December 2027	15	19	8.6% (1 year MCLR + 0%)	3,222	4,078
Working capital term loan	Secured by way of mortgage of a residential property of the Company situated in Mumbai.	Monthly installments starting from 1 October 2022 to be completed on 1 September 2026, however fully paid in FY 23-24	0	42	3 Month T-Bill +2.09%	-	2,188
					<b>Total</b>	<b>4,187</b>	<b>10,007</b>
Comprises of							
Long term borrowings						2,661	6,486

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Current maturities of long term debt(^) (refer note 28)						1,526	3,521
						4,187	10,007
(b) Deferred sales tax loan							
Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	2	3	-	73	146
					Total	73	146
Comprises of							
Long term borrowings						23	73
Current maturities of long term debt (^) (refer note 28)						50	73
						73	146

\* The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50.

^ Includes interest / instalments payable, recognised as part of carrying value of financial liabilities at amortised cost.

# The rate of interest is same for both the reported financial years.

Note - Refer note 28 for cash flow changes in liabilities arising from financial activities and note 48 for net debt reconciliation.

### 26. Other non-current financial liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Security deposits	95	95
Financial Guarantee Liability (also refer note 11, note 19, note 49, note 51 and note 55(a))	107	-
<b>Total</b>	<b>202</b>	<b>95</b>

Refer note 46 for information about liquidity risk of other financial liabilities.

### 27. Other non-current liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Prepaid rent received	7	12
<b>Total</b>	<b>7</b>	<b>12</b>



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 28. Borrowings (current)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
<b>Loans from banks - repayable on demand</b>		
- Packing credit loan (secured) (refer note ii below)	7,508	12,014
- Working Capital demand loan (secured) (*) (refer note vii below)	0	7,535
- Credit card dues (unsecured) (refer note viii below)	906	-
Current maturities of non-current borrowings (refer note 25)		
- Term loan from banks (secured)	1,526	3,521
- Deferred sales tax loan (unsecured)	50	73
<b>Total</b>	<b>9,990</b>	<b>23,143</b>

### Cash flow changes in liabilities arising from financial activities :

(₹ in lakhs)

Particulars	Borrowings (current and non-current) (A)	Lease liabilities (current and non-current) (B)
<b>As at 1 April 2022</b>	<b>27,028</b>	<b>830</b>
Non cash movement - additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 48)	2,674	(160)
<b>As at 31 March 2023</b>	<b>29,702</b>	<b>670</b>
Non cash movement - additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 48)	(17,028)	(169)
<b>As at 31 March 2024</b>	<b>12,674</b>	<b>501</b>

### Notes -

- (i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50
- (ii) Packing credit loan amounting to ₹ 7,508 lakhs (31 March 2023 - ₹ 12,014 lakhs) which is secured by first pari passu hypothecation charge on all the existing and future current assets of the Company. The weighted average interest rate on packing credit loan is 6.21% (31 March 2023 - 6.34%).
- (iii) The statement of monthly current assets filed by the Company with banks are in agreement with the books of account.
- (iv) Refer note 46 for liquidity risk and market risk.
- (v) Refer note 47 for capital management.
- (vi) Refer note 48 for net debt reconciliation
- (vii) Working capital demand loan amounting to ₹ 0 lakh (31 March 2023 - ₹ 7,535 lakhs) which is secured by way of mortgage of a residential property of the Company situated in Mumbai.
- (viii) Credit card dues are unsecured.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 29. Trade payables

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note (vi) below)	2,015	2,453
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note (v) below)	5,540	8,489
<b>Total</b>	<b>7,555</b>	<b>10,942</b>

Notes -

- (i) Refer note 46 for information about liquidity risk and market risk of trade payables.
- (ii) Trade payables are non-interest bearing and are settled in line with respective industry norms.
- (iii) From total trade payables mentioned above, payables against unbilled dues are ₹ 1,603 lakhs (31 March 2023 - ₹ 970 lakhs).
- (iv) The outstanding balances as at 31 March 2024 includes trade payables amounting to ₹ 191 lakhs (31 March 2023: ₹ 428 lakhs), from vendors situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in payments of payables, beyond the timeline stipulated by the FED Master Direction No. 17/ 2016-17, under the Foreign Exchange Management Act, 1999. The Company is in the process of making the payment for outstanding payables. The Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the standalone financial statements do not include any consequential adjustments that may arise due to such delay.
- (v) Includes dues to related party (also refer note 49(ii))

#### (vi) Dues to micro enterprise and small enterprise (MSME)

The Company has certain dues to suppliers registered as Micro enterprise and small enterprise under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
(a) The principal amount remaining unpaid to any supplier at the end of the year	1,702	2,111
(b) Interest due remaining unpaid to any supplier at the end of the year	313	342
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	4,432	9,334
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	313	342
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	86	227

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

vendors under the said Act, as per the intimation received from them on requests made by the Company. Accordingly, the disclosure has been made in the financial statements and had been relied upon by the statutory auditors.

### Ageing for trade payables outstanding as at 31 March 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	188	1,575	238	10	4	2,015
Others	56	3,717	39	89	36	3,937
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>270</b>	<b>5,266</b>	<b>277</b>	<b>99</b>	<b>40</b>	<b>5,952</b>
Add- Unbilled dues						1,603
						<b>7,555</b>

### Ageing for trade payables outstanding as at 31 March 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	2,189	244	13	7	-	2,453
Others	4,472	2,822	189	36	-	7,519
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>6,661</b>	<b>3,066</b>	<b>202</b>	<b>43</b>	<b>-</b>	<b>9,972</b>
Add- Unbilled dues						970
						<b>10,942</b>

### 30. Other current financial liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Derivative liability	21	6
Deposits from dealers	200	200
Unclaimed dividends (refer note (ii) below)	2,341	788
Creditors for capital goods	83	92
Employee related payables (also refer note 49(ii))	1,284	1,148
Other financial liability	8	-
<b>Total</b>	<b>3,937</b>	<b>2,234</b>

#### Notes:

- (i) Refer note 46 for information about liquidity risk of other current financial liabilities.
- (ii) Refer note 17 for amounts transferred to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 31. Other current liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Revenue received in advance	302	337
Statutory dues	613	665
Prepaid rent	14	10
Contract Liability (refer note (i) below)	169	112
Other advances	12	-
<b>Total</b>	<b>1,110</b>	<b>1,124</b>

**Note:**

(i) Changes in contract liabilities (current and non current) are as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>112</b>	<b>55</b>
Revenue Recognised that was included in the contract liabilities balance at the beginning of the year	(112)	(55)
Increase due to contract liabilities recognised during the year	169	112
<b>Balance at the end of the year</b>	<b>169</b>	<b>112</b>

### 32. Provisions

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Provision for employee benefits		
- Compensated absences (refer note 52(c))	907	844
- Gratuity (refer note 52(b)(iv))	-	150
<b>Total</b>	<b>907</b>	<b>994</b>

### 33. Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Current tax liabilities (net)	-	63
<b>Total</b>	<b>-</b>	<b>63</b>
<b>Current tax liabilities (net) movement :</b>		
<b>Current tax liabilities (net) at the beginning</b>	<b>63</b>	<b>145</b>
Add : Provision for tax during the year	-	3,098
Less : Advance tax and TDS paid during the year	(63)	(3,180)
<b>Current tax liabilities (net) at the end</b>	<b>-</b>	<b>63</b>

### 34. Revenue from operations

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

<b>Sale of products (Also refer note 49(ii))</b>		
Finished goods - Bearings	1,00,274	1,00,303
<b>Other operating revenues</b>		
Scrap sales	1,540	1,384
Export incentives	423	569
Other operating income	35	54
<b>Total</b>	<b>1,02,272</b>	<b>1,02,310</b>

### Notes:-

(i) Disaggregated revenue

#### - Revenue based on geography

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Within India	77,560	77,910
Outside India	24,712	24,400
<b>Total</b>	<b>1,02,272</b>	<b>1,02,310</b>

#### - Revenue based on timing of recognition

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognition at a point in time	1,02,272	1,02,310
Revenue recognition over period of time	-	-
<b>Total</b>	<b>1,02,272</b>	<b>1,02,310</b>

#### - Reconciliation of revenue from operations with contract price

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract price	1,04,099	1,03,219
Less : Discounts, Incentives and others	(1,827)	(909)
<b>Total</b>	<b>1,02,272</b>	<b>1,02,310</b>

### Notes -

(a) There is no reconciliation between the contract price and revenue from customers except as disclosed above.

### 35. Other Income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend income on equity shares of subsidiary company (refer note 49(ii))	172	173
Dividend income on financial assets measured at FVOCI	10	8
Dividend income on financial assets measured at FVTPL	3	2
Interest income on financial assets measured at amortised cost		
- On bank deposits	42	26
- On loans inter corporate deposits (refer note 49(ii))	526	133
Fair value changes on financial assets measured at FVTPL	114	-
Fair valuation gain on derivative contracts measured at FVPTL	-	358
Profit on sale of property, plant and equipment's (net)	12	96

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Rent income	156	167
Gain on foreign currency exchange rate fluctuations (net)	720	1,444
Interest on electricity deposits	11	7
Insurance claim received towards loss of assets	34	36
Liabilities no longer required written back (net)	452	75
Reversal of provision for doubtful trade receivables (refer note 46(a))	169	-
Others	18	26
<b>Total</b>	<b>2,439</b>	<b>2,551</b>

### 36. Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock	9,682	8,675
Add: Purchases (also refer note 49 (ii))	47,033	50,577
Less: Closing stock (refer note 14)	(9,712)	(9,682)
<b>Total</b>	<b>47,003</b>	<b>49,570</b>

### 37. Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening inventories</b>		
Finished goods	4,949	4,594
Work-in-progress	8,326	6,580
	<b>13,275</b>	<b>11,174</b>
<b>Closing inventories (refer note 14)</b>		
Finished goods	(5,810)	(4,949)
Work-in-progress	(6,486)	(8,326)
	<b>(12,296)</b>	<b>(13,275)</b>
<b>Total</b>	<b>979</b>	<b>(2,101)</b>

### 38. Employee benefits expense

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages *	11,089	10,728
Directors sitting fees and commission (refer note 49(ii))	51	53
Contribution to provident and other funds (also refer note 52(a))	578	574
Staff welfare expenses	662	589
<b>Total</b>	<b>12,380</b>	<b>11,944</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 681 lakhs (31 March 2023 - ₹ 832 lakhs) (refer note 49(iv)).

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 39. Finance costs

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Interest expense on financial liabilities measured at amortised cost		
- Long term borrowings	643	635
- Short term borrowings	1,253	891
Interest on lease liabilities (refer note 53(ii))	58	74
Interest payable to MSME vendors (refer note 29(vi))	86	227
Other borrowing costs	24	25
<b>Total</b>	<b>2,064</b>	<b>1,852</b>

### 40. Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Depreciation on property, plant and equipment (refer note 3)	3,364	3,264
Depreciation on right to use assets (refer note 53(ii))	196	202
Amortisation on intangible assets (refer note 3)	187	131
<b>Total</b>	<b>3,747</b>	<b>3,597</b>

### 41. Other expenses

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Consumption of stores and spare parts	6,773	6,655
Processing charges	1,318	1,374
Power and fuel	4,051	3,935
Repairs and maintenance -		
Buildings	309	306
Plant and equipment's	565	471
Others	284	198
Office and administrative expense	1,630	1,496
Rent (refer note 53(ii))	153	182
Rates and taxes	149	328
Legal and professional fees	1,837	1,124
Selling and distribution expense	4,344	6,118
Bad debts written off (net of amounts provided thereagainst ₹ 274 lakhs (31 March 2023 - ₹ nil))	-	69
Information technology expenses	431	683
Provision for doubtful advances(*)	0	28
Contract labour	4,880	3,837
Fair value changes on financial assets measured at FVTPL	-	2
Fair valuation loss on derivative contracts measured at FVPTL	13	-
Auditors' remuneration (refer note 41.1 below)	144	121
Expenditure on corporate social responsibility (refer note 54)	170	127
Miscellaneous expenses	703	512

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

<b>Total</b>	<b>27,754</b>	<b>27,566</b>
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(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### Note -

#### 41.1 Auditors' remuneration (excluding goods and service tax) (₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditors - audit and limited review	85	65
Tax audit	4	4
GST attestation	35	29
Transfer pricing attestation	10	10
Certification	4	8
Reimbursement of expenses	6	5
<b>Total</b>	<b>144</b>	<b>121</b>

#### 42. Exceptional items- gain / (loss) (net) (₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>i) Impairment allowance on doubtful trade receivables (refer note (i) below)</b>	-	(1,053)
<b>ii) Gain on sale of investment in subsidiary (refer note 22(ii) and note 49(ii))</b>	2,295	-
<b>iii) Waluj fire impact</b>		
- Loss of inventories due to fire (refer note 14)	(1,658)	-
- Impairment loss allowance on property, plant and equipments damaged due to fire		
a) Plant and equipments and other accessories (refer note 3)	(348)	-
b) Building and other civil structures (refer note 3)	(70)	-
- Claim received from insurance company (refer note (ii) below)	3,051	-
<b>iv) Gain on sale of land and building (net) (refer note 22)</b>	17,768	-
<b>Total</b>	<b>21,038</b>	<b>(1,053)</b>

#### Notes :-

- (i) During the previous financial year, the Company observed significant increase in credit risk as compared to earlier years which resulted into significant increase in provision for doubtful trade receivables in accordance with the expected credit loss method adopted by the Company. Considering the nature and significance of amount, such charge is considered as an exceptional loss.
- (ii) A fire incident had occurred at one of the Company's plant situated at Waluj, Aurangabad on 8 May 2023. There has been no loss or injury to human life or other casualty due to fire incident, however an auto product assembly line has been majorly damaged along with production related stores and spares. The Company had filed an insurance claim with the insurer basis the preliminary assessment of loss by the management with respect to the damage caused to inventories, plant and equipments and other accessories, buildings, and other civil structures.

In respect of the above, the Company along with surveyor has estimated and provided for an impairment loss against book value amounting to ₹ 2,076 lakhs for inventories, plant and equipments and other accessories, buildings and other civil structures.

The Company believes it has adequate insurance coverage for its assets situated at Waluj plant and till date no claim of the Company has been refuted by the insurer. The surveyor appointed by the Insurance Company has finalised the claim with respect to inventories and is in process of ascertaining the amount of actual



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

loss for settlement against the insurance claim filed by the Company for plant and equipments and other accessories, buildings, and other civil structures. The Insurance Company has disbursed a total amount of ₹ 3,051 lakhs i.e., ₹ 1,801 lakhs as final payment against inventories and ₹ 1,250 lakhs as an interim payment on replacement cost basis against plant and equipments and other accessories, buildings and other civil structures, which is classified as an exceptional gain for the year ended 31 March 2024. The Company is currently in the process of ascertaining the further operational losses caused due to fire and believes that all such losses are adequately insured.

### 43. Tax expense in standalone statement of profit and loss (including other comprehensive income ('OCI'))

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax expense</b>		
Current tax for the year	6,010	3,098
<b>Total current tax expense</b>	<b>6,010</b>	<b>3,098</b>
<b>Deferred taxes</b>		
Relating to origination and reversal of temporary differences recognised through profit and loss	765	(298)
Relating to origination and reversal of temporary differences recognised through profit and loss and through OCI	72	(74)
<b>Total deferred tax expense (net)</b>	<b>837</b>	<b>(372)</b>
<b>Total tax expense</b>	<b>6,847</b>	<b>2,726</b>

### 43.1 (i) Tax reconciliation (for profit and loss including OCI)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Profit before income tax expense</b>	31,822	11,380
Tax at the rate of 25.17% (31 March 2023 - 25.17%)	8,010	2,864
<b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b>		
Non deductible expenses for tax purpose	64	89
Additional allowances for tax purpose	217	(148)
Impact of Capital Gains on Sale of subsidiary (NRB Thailand) - effect of difference in tax rate	(526)	-
Impact of Capital Gains on Thane land sale - effect of difference in tax rate	(924)	-
Others	6	(79)
<b>Income tax expense</b>	<b>6,847</b>	<b>2,726</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 43.2 (ii) Deferred tax related to the following

(₹ in lakhs)

Deferred tax liabilities (net)	As at 31 March 2022	Recognised through profit and loss and OCI	As at 31 March 2023	Recognised through profit and loss and OCI	As at 31 March 2024
<b>Deferred tax liabilities on account of:</b>					
Difference between book and tax depreciation	(2,328)	90	(2,238)	(425)	(2,663)
IND AS 116 (Right of use asset)	(242)	84	(158)	49	(109)
Financial liabilities measured at amortised cost	(4)	1	(3)	-	(3)
Equity investment measured at fair value through other comprehensive income	-	-	-	(25)	(25)
Equity investment measured at fair value through profit and loss	-	-	-	(154)	(154)
Fair valuation of derivative contracts	(10)	10	-	-	-
Others	7	21	28	(28)	-
<b>Total deferred tax liabilities</b>	<b>(2,577)</b>	<b>206</b>	<b>(2,371)</b>	<b>(583)</b>	<b>(2,954)</b>
<b>Deferred tax assets on account of:</b>					
Provision for gratuity	58	(20)	38	(62)	(24)
Amortisation of borrowings	4	(4)	-	-	-
Provident fund contribution	19	-	19	-	19
Provision for doubtful trade receivables	475	263	738	(112)	626
Voluntary retirement compensation	13	-	13	-	13
Provision for compensated absence	253	(41)	212	16	228
Lease liabilities	248	(80)	168	(43)	125
Fair valuation of derivative contracts / others	-	48	48	(53)	(5)
<b>Total deferred tax assets</b>	<b>1,070</b>	<b>166</b>	<b>1,236</b>	<b>(254)</b>	<b>982</b>
<b>Total deferred tax liabilities (net)</b>	<b>1,507</b>	<b>(372)</b>	<b>1,135</b>	<b>837</b>	<b>1,972</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

#### Note :-

The Company offsets tax assets and liabilities if and only if it has legally enforceable rights to do so and the entity's intention is to settle it on a net basis, or to realise such assets and liabilities simultaneously and deferred tax assets and deferred tax liabilities related to taxes levied by same tax authorities.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 44. Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
<b>- Items that will not be reclassified to profit or loss</b>		
Actuarial gain on remeasurements of the net defined benefit plans	211	9
Fair value changes on equity instruments through other comprehensive income	254	42
Income tax relating to items that will not be reclassified to profit or loss	(79)	(2)
	<b>386</b>	<b>49</b>
<b>- Items that will be reclassified to profit or loss</b>		
Remeasurement of gains on derivative hedging instruments	(26)	(300)
Income tax relating to items that may be reclassified to profit or loss	7	76
	<b>(19)</b>	<b>(224)</b>
<b>Total</b>	<b>367</b>	<b>(175)</b>

### 45. Fair value measurements

Financial instruments by category -

(₹ in lakhs)

Particulars	31 March 2024			31 March 2023		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
<b>Financial assets - non-current</b>						
Investments (other than subsidiaries)*	698	28	-	415	23	-
Other financial assets	-	-	932	-	-	1,076
Loans	-	-	5,331	-	-	-
<b>Financial assets - current</b>						
Trade receivables *	-	-	22,618	-	-	25,930
Investments (other than subsidiaries)*	-	620	-	-	11	-
Cash and cash equivalents	-	-	4,295	-	-	3,951
Bank balances other than cash and cash equivalents	-	-	2,529	-	-	973
Loans	-	-	2,411	-	-	3,652
Other financial assets	-	-	30	-	-	33
<b>Financial liabilities - non-current</b>						
Borrowings	-	-	2,684	-	-	6,559
Lease liabilities	-	-	293	-	-	501
Other financial liabilities	-	-	202	-	-	95
<b>Financial liabilities - current</b>						
Borrowings (including current maturities of non-current borrowings)	-	-	9,990	-	-	23,143
Lease liabilities	-	-	208	-	-	169
Trade payables	-	-	7,555	-	-	10,942
Other financial liabilities	-	21	3,916	-	6	2,228

Note - The carrying value of trade receivables, cash and cash equivalents, bank balance other than cash

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## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

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and cash equivalents, loans, other current financial assets, short term borrowings, lease liabilities, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

(\*) Net of impairment

### I. Fair value hierarchy -

The fair values of the financial assets and liabilities are included at the amount 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.

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 standalone 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.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**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.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

### II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

(i) The fair values for investments in equity instrument are based on the quoted market prices and mutual fund are based on the net assets value. Fair values of security deposits, loans are based on discounted cash flows using a discount rate determined considering Company's incremental borrowing rate. Non current borrowings are fair valued using effective interest rates.

(ii) Fair valuation of interest rate swap and foreign currency option contracts are calculated on the basis of estimated mid-market levels, estimated bid-side or offer side levels, or on the basis of indicative bid or offer or unwind prices or on such other appropriate basis. It is derived from other proprietary or other pricing models based on certain assumptions.

(iii) Fair valuation of forward exchange contracts are determined using forward exchange rates at the balance sheet date.

(iv) The carrying value of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, loans, other current financial assets, short term borrowings, lease liabilities, trade payables, other current financial liabilities are considered to be approximately equal to the fair value and hence they have not been disclosed under tables below.

### III. Valuation process

The finance department performs the calculations of financial assets and liabilities required for financial reporting purposes. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every three months, in line with the quarterly reporting periods.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

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

(₹ in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investment in mutual fund measured at FVTPL	648	-	-	34	-	-
Investments in equity instrument measured at FVOCI	698	-	-	415	-	-
Derivative assets	-	-	-	-	-	-
<b>Financial liabilities</b>						
Derivative liabilities	-	21	-	-	6	-

### 46. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks.

#### (a) Credit risk

The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and other financial instruments).

#### Credit risk management

To manage credit risk, the Company follows a policy of providing 30-180 days credit on the basis of nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating. However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

#### Other financial assets

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

The Company has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Company and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from top customer	4%	5%
Revenue from top 5 customers	17%	20%

### Expected credit loss for trade receivables as on 31 March 2024 (₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
Gross trade receivables (a)	18,569	4,727	55	1,756	25,107
Expected loss rate	0.39%	13.97%	0.00%	100.00%	
Expected credit loss (b)	73	660	-	1,756	2,489
<b>Carrying amount of trade receivables (a-b)</b>	<b>18,496</b>	<b>4,067</b>	<b>55</b>	<b>-</b>	<b>22,618</b>

### Expected credit loss for trade receivables as on 31 March 2023 (₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
Gross trade receivables (a)	19,209	6,853	807	1,993	28,862
Expected loss rate	1.55%	9.35%	0.00%	100.00%	
Expected credit loss (b)	298	641	-	1,993	2,932
<b>Carrying amount of trade receivables (a-b)</b>	<b>18,911</b>	<b>6,212</b>	<b>807</b>	<b>-</b>	<b>25,930</b>

\* - Balances under the classification of "More than 1 Year" for the year ended 31 March 2023 includes receivables from related parties which are not provided for expected credit loss.

### Movement in provision of doubtful debts (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening provision	2,932	1,879
Add - (reversal) / creation of provision made during the year	(169)	1,053
Less - bad debts written off	(274)	
Closing provision	<b>2,489</b>	<b>2,932</b>

### Expected credit loss for other financial assets as on 31 March 2024 (₹ in lakhs)

Particulars	Loans	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Other financial assets
Estimated gross carrying amount at default	7,742	4,295	2,529	962
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>7,742</b>	<b>4,295</b>	<b>2,529</b>	<b>962</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Expected credit loss for other financial assets as on 31 March 2023

(₹ in lakhs)

Particulars	Loans	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Other financial assets
Estimated gross carrying amount at default	3,652	3,951	973	1,109
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>3,652</b>	<b>3,951</b>	<b>973</b>	<b>1,109</b>

### (b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

#### Liquidity risk management

The Company's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (except lease liabilities) at each reporting date:

### Maturities of financial liabilities

#### As at 31 March 2024

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	1,193	1,491	<b>2,684</b>
Short term borrowings (including current maturities of non-current borrowings)	9,990	-	-	<b>9,990</b>
Trade payables	7,555	-	-	<b>7,555</b>
Lease liabilities (current and non-current)	208	232	61	<b>501</b>
Other non-current financial liabilities	-	-	202	<b>202</b>
Other current financial liabilities	3,916	-	-	<b>3,916</b>
<b>Derivative</b>				
Interest rate swap and foreign currency option	21	-	-	<b>21</b>
<b>Total</b>	<b>21,690</b>	<b>1,425</b>	<b>1,754</b>	<b>24,869</b>

#### As at 31 March 2023

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	2,637	3,922	<b>6,559</b>
Short term borrowings (including current maturities of non-current borrowings)	23,143	-	-	<b>23,143</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Trade payables	10,942	-	-	<b>10,942</b>
Lease liabilities (current and non-current)	169	208	293	<b>670</b>
Other non-current financial liabilities	-	95	-	<b>95</b>
Other current financial liabilities	2,228	-	-	<b>2,228</b>
<b>Derivative</b>				
Interest rate swap and foreign currency option	6	-	-	<b>6</b>
<b>Total</b>	<b>36,488</b>	<b>2,940</b>	<b>4,215</b>	<b>43,643</b>

### (c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk.

#### (i) Foreign currency risk

The Company is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Company's exposure arises mainly on import of raw material and capital items and export of finished goods. The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The Company uses forward contracts, options and cross currency swap to hedge its exposure to foreign currency risk. The Company designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Impact of hedging activities

#### (i) Disclosures of effects of hedge accounting in standalone balance sheet -

As at 31 March 2024

(₹ in lakhs, except price per rate)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b> Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 30	-	21	Oct 2020 - Jul 2025	1:1	87.30	(53)	53

As at 31 March 2023

(₹ in lakhs, except price per rate)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b> Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 30	-	6.00	Oct 2020 - Jul 2025	1:1	87.30	(164)	164

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (ii) Disclosure of effects of hedge accounting in standalone statement of profit and loss

For the year ended 31 March 2024

(₹ in lakhs)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk	(53)	-	79	Revenue
			13	Foreign exchange loss / (gain) *

For the year ended 31 March 2023

(₹ in lakhs)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk	164	-	(136)	Revenue
			(397)	Foreign exchange loss / (gain) *

\* During the Financial year 2022-23, the Company had unwound one of its cross currency interest rate swap hedge contract and accordingly recorded a gain of Rs. 397 lakhs (net of losses of ₹ 39 lakhs on other derivative contracts) which is classified under other income in the previous financial year.

### (iii) Movement in cash flow hedging reserve

(₹ in lakhs)

Particulars	Foreign currency and interest rate risk
<b>Cash flow hedge reserve</b>	
<b>Balance as at 1 April 2022</b>	<b>(371)</b>
Add - Changes in fair value of hedging instruments	164
Less - Amounts reclassified to standalone statement of profit or loss	136
Less - Deferred tax relating to above (net)	(76)
<b>Balance as at 31 March 2023</b>	<b>(147)</b>
Add - Changes in fair value of hedging instruments	(53)
Less - Amounts reclassified to standalone statement of profit or loss	79
Less - Deferred tax relating to above (net)	(7)
<b>Balance as at 31 March 2024</b>	<b>(128)</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

The Company's exposure to foreign currency risk at the end of reporting period are as under:

As at 31 March 2024

(₹ in lakhs)

Particulars	USD	EURO	THB	CHF	JPY	AED	GBP
<b>Financial liabilities</b>							
Trade payables	191	132	-	4	1,101	1	2
Creditors for capital goods	-	-	-	-	79	-	-
	191	132	-	4	1,180	1	2
<b>Financial assets</b>							
Trade receivables	5,074	9,334	-	-	-	-	-
Inter corporate deposits to related parties (including interest receivable)	7,725	-	-	-	-	-	-
Balance with government authorities	-	1,442	-	-	-	-	-
Bank balance in EEFC account	350	480	-	-	-	-	-
Guarantee commission receivable (refer note 51)	107	-	-	-	-	-	-
	13,149	11,256	-	-	-	-	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>12,958</b>	<b>11,124</b>	<b>-</b>	<b>(4)</b>	<b>(1,180)</b>	<b>(1)</b>	<b>(1)</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	USD	EURO	THB	CHF	JPY	AED	GBP
<b>Financial liabilities</b>							
Trade payables	297	1,791	-	2	1,947	3	2
Creditors for capital goods	2	-	-	-	65	-	-
Foreign currency forward contracts							
	299	1,791	-	2	2,012	3	2
<b>Financial assets</b>							
Trade receivables	350	480	-	-	-	-	-
Inter corporate deposits to related parties (including interest receivable)	107	-	-	-	-	-	-
Balance with government authorities		1,872	-	-	-	-	-
Bank balance in Earners' Exchange Foreign Currency account	343	1,142	-	-	-	-	-
	9,568	13,902	1,283	-	-	-	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>9,269</b>	<b>12,111</b>	<b>1,283</b>	<b>(2)</b>	<b>(2,012)</b>	<b>(3)</b>	<b>(2)</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in above currencies with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

Particulars	31 March 2024		31 March 2023	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
<b>Currencies</b>				
USD	259	(259)	185	(185)
EUR	222	(222)	242	(242)
THB	-	-	26	(26)
CHF(*)	(0)	0	(0)	0
JPY	(24)	24	(40)	40
AED(*)	(0)	0	(0)	0
GBP(*)	(0)	0	(0)	0

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### (2) Cash flow and fair value interest rate risk

The Company's interest rate risk is mainly due to the borrowing acquired at floating interest rate. The Company's policy is to maintain most of its borrowing at fixed rate using interest rate swaps to hedge the exposure. During the year ended 31 March 2024 and 31 March 2023, the Company's borrowing at variable rate were denominated in INR.

The fixed rate borrowings are carried at amortised cost, hence they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates.

The Company's variable rate borrowings structure at the end of reporting period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowing	4,187	9,174
<b>Total</b>	<b>4,187</b>	<b>9,174</b>

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in lakhs)

Particulars	31 March 2024		31 March 2023	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	4,187	33.03%	9,174	30.89%
<b>Net exposure to cashflow interest rate risk</b>	<b>4,187</b>	<b>33.03%</b>	<b>9,174</b>	<b>30.89%</b>

### Sensitivity analysis - variable rate borrowing

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	31 March 2024	31 March 2023
Increase by 50 basis points	(21)	(46)
Decrease by 50 basis points	21	46

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (3) Price risk

The Company is exposed to price risk from its investment in equity instruments measured at fair value through other comprehensive income and investment in mutual fund measured at fair value through profit and loss.

(₹ in lakhs)

Sensitivity	31 March 2024	31 March 2023
Impact on profit after tax for 5% increase in price of underlying shares	66	22
Impact on profit after tax for 5% decrease in price of underlying shares	(66)	(22)

### 47. Capital management

#### (i) Risk management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

#### (ii) The capital composition is as follows:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Gross debt (long term and short term borrowings)	12,674	29,702
Add - lease liabilities (current and non current) (refer note 53(iv))	501	670
Less - cash and cash equivalents	(4,295)	(3,951)
<b>Net debt (A)</b>	<b>8,880</b>	<b>26,421</b>
<b>Equity (B)</b>	<b>84,651</b>	<b>64,180</b>
<b>Gearing ratio (A / B) (%)</b>	<b>10.49%</b>	<b>41.17%</b>

#### (iii) Dividends

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Equity shares (face value of ₹ 2 each)</b>		
Final dividend paid for the financial year ended 31 March 2023 of ₹ 1 per share (31 March 2022 - ₹ 2 per share)	969	1,938
Interim dividend paid for the financial year ended 31 March 2024 of ₹ 4.1 per share (31 March 2023 - Nil)	3,974	
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above, at year end the directors have not recommended the payment of any final dividend for the financial year 2023-24 (31 March 2023 - ₹ 1 per equity share).	-	969

### 48. Net debt reconciliation

(₹ in lakhs)

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings (current and non-current)	12,674	29,702
Lease liabilities (current and non current) (refer note 53(iv))	501	670
	<b>13,175</b>	<b>30,372</b>
Less - cash and cash equivalents	(4,295)	(3,951)
<b>Net debt movement</b>	<b>8,880</b>	<b>26,421</b>

(₹ in lakhs)

Particulars	Liabilities		Assets	Total (A+B-C)
	Borrowings (current and non-current) (A)	Lease liabilities (current and non- current) (B)	Cash and cash equivalents (C)	
<b>Net debt as at 1 April 2022</b>	<b>27,028</b>	<b>830</b>	<b>5,065</b>	<b>22,793</b>
Cash flows (net)	2,674	(160)	(1,131)	3,645
Finance cost recognised	1,778	74	-	1,852
Finance cost paid	(1,778)	(74)	-	(1,852)
Exchange (loss) / gain (net)	-	-	17	(17)
<b>Net debt as at 31 March 2023</b>	<b>29,702</b>	<b>670</b>	<b>3,951</b>	<b>26,421</b>
Cash flows (net)	(17,028)	(169)	568	(17,665)
Finance cost recognised	1,896	58	-	1,954
Finance cost paid	(1,896)	(58)	-	(1,954)
Exchange (loss) / gain (net)	-	-	(224)	224
<b>Net debt as at 31 March 2024</b>	<b>12,674</b>	<b>501</b>	<b>4,295</b>	<b>8,880</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 49 Related party disclosure

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Indian Accounting Standard are given below:

**(i) Names of related parties and description of relationship with the Company (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)**

Subsidiaries	SNL Bearings Limited
	NRB Holdings Limited
Step-down subsidiaries	NRB Bearings USA Inc.
	NRB Bearings Europe GmbH
	NRB Bearings (Thailand) Limited (subsidiary upto 31 March 2023)
Key management personnel (KMP)	Ms. Harshbeena Zaveri, Vice Chairman and Managing Director
	Mr. Satish Chellaram Rangani, Director
	Mr. Tashwinder Singh, Independent Director
	Mr. Ashank Datta Desai, Independent Director
	Mr. Rustom Desai, Independent Director
	Ms. Vishakha Maheshwari, Independent Director
	Mr. Ravi Teltia, Chief Financial Officer (upto 18 February 2023)
	Mr. Devesh Singh Sahney (upto 29 September 2023)
	Mr. Pankaj Khemka, Chief Financial Officer (upto 31 December 2023)
	Mr. Raman Malhotra, Chief Financial Officer (w.e.f. 15 February 2024)
Ms. Shruti Joshi, Company Secretary	
A firm where Ms. Harshbeena Zaveri is a partner	New Indo Trading Company
Trust exercising significant influence over the Company and in which KMP has significant influence	(Late) Mr. Trilochan Singh Sahney Trust 1
Company over which relatives of KMP are able to exercise significant influence:	NRB Industrial Bearings Limited
	First Engineering Technologies Private Limited
	First Technology BV
Employee benefits Trust	NRB Bearings Limited - Staff Gratuity Fund
	NRB Bearings Limited - Officer's Gratuity Fund

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (ii) Transactions with related parties during the year -

(₹ in lakhs)

Name of related party	Nature of transaction	Transactions during the year		Receivable / Advances as at		Payable as at	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
SNL Bearings Limited	Sale of finished goods	28	117	-	-	-	-
	Sale of property, plant and equipment	7	26	-	-	-	-
	Purchase of raw materials	1,579	1,584	-	-	152	227
	Reimbursement of expenses from the Company	4	-	4	-	-	-
	Dividend received on equity shares	172	173	-	-	-	-
NRB Bearings (Thailand) Limited (#)	Sale of finished goods	874	815	896	2,127	-	-
	Sale of property, plant and equipment	4	47	-	-	-	-
	Purchase of raw materials	7,133	6,408	-	-	-	-
	Advances given for purchase of raw materials	-	-	2,110	1,469	-	-
	Inter corporate deposits repayment received	1,282	114	-	-	-	-
	Interest income on inter corporate deposits	26	79	-	-	-	-
	Reimbursement of expenses to the Company	-	86	-	-	-	-
	Guarantee extended during the year	5,349	-	-	-	-	-
	Guarantee commision receivable	107	-	107	-	-	-
	Inter corporate deposits receivable (including interest)	-	-	-	1,284	-	-
NRB Industrial Bearings Limited	Sale of finished goods	-	-	18	18	-	-
NRB Holdings Limited	Inter corporate deposit disbursed	4,970	2,305	-	-	-	-
	Inter corporate deposit renewal	2,321	-	-	-	-	-
	Interest income on inter corporate deposits	500	54	-	-	-	-
	Sale of Investments in equity shares of NRB Bearings (Thailand) Limited	4,708	-	-	-	-	-
	Inter corporate deposits receivable (including interest)	-	-	7,725	2,341	-	-
NRB Bearings Europe GmbH	Sales promotion expenses	103	376	-	-	53	54
	Sale of finished goods	10,650	5,241	6,551	4,233	-	-



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Transactions with related parties during the year - (contd.)

Name of related party	Nature of transaction	Transactions during the year		Receivable / Advances as at		Payable as at	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
NRB Bearings USA Inc	Sales promotion expenses	-	247	-	-	-	-
	Advance given for sales promotion expenses	78	363	179	166	-	-
	Sale of finished goods	3,205	1,852	2,233	1,618	-	-
First Engineering Technologies Private Limited	Sale of finished goods	-	-	4	4	-	-
	Purchase of raw materials/ components (*)	3	11	-	0	-	-
First Technology BV	Legal and professional fees	319	311	-	-	-	24
New Indo Trading Company	Service charges	5	5	-	-	-	-
(Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name)	Dividend paid	1,724	676	-	-	-	-
Ms. Harshbeena Zaveri	Remuneration and commission	376	514	-	-	125	85
	Dividend paid	577	225	-	-	-	-
Mr. S. C. Rangani	Remuneration	135	137	-	-	-	-
	Dividend paid (*)	-	0	-	-	-	-
Mr. D. S. Sahney	Sitting fees and commission	1	7	-	-	-	6
	Dividend paid	43	17	-	-	-	-
Mr. Pankaj Khemka	Remuneration (upto 31 December 2023)	67	-	-	-	-	-
Mr. Raman Malhotra	Remuneration (w.e.f. 15 February 2024)	18	-	-	-	-	-
Mr. Ravi Teltia	Remuneration	-	101	-	-	-	-
Ms. Shruti Joshi	Remuneration	85	80	-	-	-	-
Other KMPs (Directors)	Sitting fees and commission to non-executive directors	50	46	-	-	30	30
Trust	Contribution to gratuity fund trust	150	232	-	-	-	-

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

(#) Also refer note 51 and note 55(a) for guarantee in the form of stand by letter of credit and corporate guarantee given to bank on behalf of foreign subsidiary company and renewed during the year.

#### Notes -

(i) Equity infusion by / in Company is not disclosed under receivables / payables since it is not considered as an

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

outstanding balance. (refer note 8 and 23)

- (ii) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions, for which prior approval of Audit Committee has been obtained.
- (iii) Foreign currency transactions are reported in INR using exchange rate as at the transaction date. Foreign currency balances are restated in INR using year end exchange rates.
- (iv) The Board of Directors of the Company at its meeting held on 7 August 2021 had approved incorporation of a wholly owned subsidiary (WOS) in the United Arab Emirates (UAE) for the growth, consolidation of the global business and for setting up of an Innovation centre. Further, as decided by the Board of Directors of the Company, this WOS will be overseen by the Managing Director of the Holding Company and accordingly, w.e.f 1 November 2021, Managing Director received 50% remuneration from above newly incorporated wholly owned subsidiary, which is within the overall remuneration approved by the shareholders of the Company.

### (iii) Additional disclosure pursuant to Circular CRD/GEN/2003/1 dated 6 February 2003 of The Stock Exchange, Mumbai (₹ in lakhs)

Particulars	Balance as at		Maximum amount outstanding during the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Loans and advances (including interest receivable) in the nature of loans to subsidiary company				
NRB Bearings (Thailand) Limited (refer note 18 and note 55(b))	-	1,284	1,238	1,397
NRB Holdings limited (NHL)	7,725	2,341	7,725	2,341

No shares are held by the subsidiary in the Company

#### Note -

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Further, no amounts have either been written off or written back during the year.
- (ii) The loan given to the subsidiary company was for the purpose of making payment of suppliers and meeting operating expenses of the subsidiary company.
- (iii) Refer note 51 for guarantee given towards the borrowings availed by the subsidiary company.

### (iv) Key management personnel (KMP) compensation (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Short term employee benefits	658	809
Post-employment benefits	23	23
<b>Total compensation (*)</b>	<b>681</b>	<b>832</b>

(\*) This aforesaid amount does not include benefits determined on actuarial basis as the same is not determinable for individuals.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (v) Salaries and employer benefits

The KMP's are covered under the Company's gratuity policy, leave encashment policy and bonus policy along with other eligible employees of the Company. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially are not mentioned in the aforementioned disclosures as these are computed for the Company as a whole.

### 50. Collateral / Security pledged

The carrying amount of assets pledged as security for current and non-current borrowings of the Company are as follows: **(₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	12,005	13,451
Current assets	71,077	70,601

### 51. Contingent liabilities, capital and other commitments

**(₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Claim against the Company not acknowledge as debt</b>		
Income tax	4,064	3,904
Sales tax, value added tax and local body tax	306	326
The Honourable Supreme Court, has passed a decision on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, has been advised to wait for further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present. From November 2020, the Company have started making the deduction and payment of provident fund basis the revised definition of "basic wages". For the period 1 April 2019 to 31 October 2020 the Company have recognised a provision of ₹ 76 lakhs as per the revised definition, for which they are awaiting further clarifications before depositing the same with the authorities.	Amount not ascertainable	
<b>Other money for which the Company is contingently liable</b>		
Outstanding Gurantees furnished to Banks and Financial Institutions including in respect of Letters of Credits and Corporate Gurantee(refer note (v) below)		
- in respect of Step down subsidiaries	5,349	2,637
- in respect of Others	1,341	2,008
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,819	341

#### Notes -

- (i) The Company is contesting all of the above demands in respect of Income tax, Sales tax, Value added tax and Local body tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

- (ii) The above disclosure has been made on the basis of information available with the Company.
- (iii) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (iv) The amounts disclosed above represent the best possible estimates arrived at on the basis of the available information and do not include any penalty payable.
- (v) The guarantee given towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods and working capital purposes.

### 52 Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of employee benefits as defined in the Standard are given below:

**(a) Defined contribution plan - Amount of ₹ 578 lakhs (31 March 2023: ₹ 574 lakhs) is recognised as expense and included in "Note 38 - employee benefits expenses**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Employer's contribution to provident fund (including EDLI and admin charges)	367	334
(ii) Employer's contribution to family pension fund	161	184
(iii) Employer's contribution to superannuation fund	47	50
(iv) Employer's contribution to employee state insurance corporation	3	6
	<b>681</b>	<b>832</b>

#### (i) Actuarial assumptions

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets	7.19% - 7.23%	7.39% - 7.50%
Discount rate (per annum)	7.19% - 7.23%	7.39% - 7.50%
Rate of salary increase(#)	6% - 10%	6% - 10%
Attrition / withdrawal rate (per annum)	2% - 11%	2% - 11%
Retirement Age	58 years - 60 years	58 years - 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Mortality rate after employment	N.A.	N.A.

# takes into account the inflation, seniority, promotions and other relevant factors. These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Risk

Factor	Impact
Salary increase	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

### (ii) Changes in the present value of defined benefit obligation (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the beginning of the year	3,333	3,453
Interest expense	248	242
Current service cost	152	163
Actuarial gains on obligations - due to change in demographic assumptions / due to change in financial assumptions	28	(149)
Benefit paid directly by the employer	(51)	(355)
Benefit paid directly by the fund	(240)	(21)
<b>Present value of obligation at the end of the year</b>	<b>3,470</b>	<b>3,333</b>

### (iii) Changes in the fair value of plan assets (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets at beginning of the year	3,183	3,221
Interest income	237	225
Contributions by the employer	150	232
Benefit Paid from the fund	(240)	(355)
Return on plan assets excluding interest income	239	(140)
<b>Fair value of plan assets at the end of the year</b>	<b>3,569</b>	<b>3,183</b>

### (iv) Assets and liabilities recognised in the standalone balance sheet (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of the defined benefit obligation at the end of the year	3,470	3,333
Less: Fair value of plan assets at the end of the year	(3,569)	(3,183)
<b>Net (assets) / liabilities recognised in the standalone balance sheet (refer note 20 and note 32)</b>	<b>(99)</b>	<b>150</b>
<b>Recognised under (assets) / provisions</b>		
Non current (assets) / provision	-	-
Current (assets) / provision	(99)	150

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (v) Net interest expense (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest expenses	248	242
Interest income	(237)	(225)
<b>Net interest cost</b>	<b>11</b>	<b>17</b>

### (vi) Expenses recognised in the standalone statement of profit and loss (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current service cost	152	163
Net interest expense	11	17
<b>Net gratuity cost recognised</b>	<b>163</b>	<b>180</b>

### (vii) Income recognised in the standalone statement of other comprehensive income (OCI)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial (gains) / losses	28	(149)
Return on plan assets, excluding amount recognised in net interest expense	(239)	140
<b>Total remeasurement credit for the year recognised in OCI (refer note 44)</b>	<b>(211)</b>	<b>(9)</b>

### (viii) Reconciliation of net assets / (liabilities) recognised

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Net liabilities recognised at the beginning of the year	(150)	(232)
Company contributions	150	232
Benefits paid directly by Company	51	21
Gain recognised in other comprehensive income	211	9
Expenses recognised in standalone statement of profit and loss	(163)	(180)
<b>Net assets / (liabilities) recognised at the end of the year (refer note 20 and note 32)</b>	<b>99</b>	<b>(150)</b>

### (ix) Major categories of plan assets (as percentage of total plan assets)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (x) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Change in discount rate by - / + 1%	211	187	197	174
Change in salary growth rate by - / + 1%	188	209	176	196
Change in attrition rate by - / + 1%	4	3	8	7

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the standalone balance sheet. The sensitivity analysis is based on a change in one assumption while not changing any other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

### (xi) Maturity analysis of the benefit payments from the fund

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Expected cash flow over the next (valued on undiscounted basis) -</b>		
1 year	473	649
2 to 5 years	1,621	1,368
6 to 10 years	1,303	1,292
More than 10 years	2,544	2,477

### (xii) General descriptions of significant defined plans

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

### (c) Other long term benefits:

Compensated absences recognised in the standalone statement of profit and loss for the current year, under the Note 38 - Employee benefits expense, is ₹ 197 lakhs (31 March 2023: ₹ 153 lakhs). Liability towards provision for compensated absences as at 31 March 2024 of ₹ 907 lakhs (31 March 2023 - ₹ 844 lakhs).

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening provision at the beginning of the year</b>	<b>844</b>	<b>1,011</b>
Add : Provision created during the year	197	153
Less : Amount paid during the year	(134)	(320)
<b>Closing provision at the end of the year</b>	<b>907</b>	<b>844</b>

**Note - The liability of ₹ 907 lakhs (31 March 2023 - ₹ 844 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.**

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### 53. Ind AS 116- Lease

#### Company as a lessee

The Company's lease asset primarily consist of lease for building and flats on leasehold land and vehicles. The Company has recognised ₹ 153 lakhs (31 March 2023 - ₹ 182 lakhs) as rental expenses during the year which pertains to short term leases / low value assets (refer note 41).

The weighted average incremental borrowing rate applied to lease liabilities is 10%

Information about leases for which the Company is a lessee are presented below -

#### (i) Right-of-use assets (ROU)

(Included in property, plant and equipment)

(₹ in lakhs)

Particulars	Buildings and flats	Vehicles	Total
<b>Gross carrying value</b>			
<b>Balance as at 1 April 2022</b>	<b>999</b>	<b>4</b>	<b>1,003</b>
Additions	-	-	-
Disposals	(22)	(4)	(26)
<b>Balance as at 31 March 2023</b>	<b>977</b>	<b>-</b>	<b>977</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31 March 2024</b>	<b>977</b>	<b>-</b>	<b>977</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2022</b>	<b>170</b>	<b>3</b>	<b>173</b>
Charge for the year	201	1	202
Disposal / adjustment	(22)	(4)	(26)
<b>Balance as at 31 March 2023</b>	<b>349</b>	<b>-</b>	<b>349</b>
Charge for the year	196	-	196
Disposal / adjustment	-	-	-
<b>Balance as at 31 March 2024</b>	<b>545</b>	<b>-</b>	<b>545</b>
<b>Net carrying value</b>			
<b>Balance as at 31 March 2023</b>	<b>628</b>	<b>-</b>	<b>628</b>
<b>Balance as at 31 March 2024</b>	<b>432</b>	<b>-</b>	<b>432</b>

#### (ii) Amount recognised in the standalone statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest cost on lease liabilities (refer note 39)	58	74
Depreciation on right of use assets (refer note 40)	196	202
Rental expense recorded for short-term lease payments and payments for lease of low-value assets not included in the measurement of the lease liability (refer note 41)	153	182



## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Note - Breakdown of rent

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Short-term lease expense	86	15
Low value lease expense	67	167
<b>Total lease expense</b>	<b>153</b>	<b>182</b>

### (iii) Cash outflow from leases

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash payments for the principal portion of the lease liability within financing activities	169	160
Cash payments for the interest portion of the lease liability within financing activities	58	74
Short-term lease payments, payments for lease of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities	153	182

### (iv) Lease liabilities

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>830</b>
Add: Movement during the year	-
Add: Interest cost accrued during the year	74
Less: payment of lease liabilities	(234)
<b>Balance as at 31 March 2023</b>	<b>670</b>
Add: Movement during the year	-
Add: Interest cost accrued during the year	58
Less: Payment of lease liabilities	(227)
<b>Balance as at 31 March 2024</b>	<b>501</b>

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	293	501
Current	208	169
<b>Total</b>	<b>501</b>	<b>670</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### (v) Maturity analysis of lease liabilities

Maturity analysis – contractual discounted cash flows

As at 31 March 2024

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Buildings and flats	208	232	61	-
Vehicles	-	-	-	-
<b>Total</b>	<b>208</b>	<b>232</b>	<b>61</b>	<b>-</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Buildings and flats	169	208	293	-
Vehicles	-	-	-	-
<b>Total</b>	<b>169</b>	<b>208</b>	<b>293</b>	<b>-</b>

Maturity analysis – contractual undiscounted cash flows

As at 31 March 2024

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Buildings and flats	248	249	62	-
Vehicles	-	-	-	-
<b>Total</b>	<b>248</b>	<b>249</b>	<b>62</b>	<b>-</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Buildings and flats	228	248	311	-
Vehicles	-	-	-	-
<b>Total</b>	<b>228</b>	<b>248</b>	<b>311</b>	<b>-</b>

(vi) There are several lease agreements with extension and termination options for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise the extension options and not to exercise the termination options, the Company has opted to include such extended term and ignore the termination option in determination of the lease term.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### . Corporate social responsibility

As per section 135 of the Companies Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has CSR committee as per the Act. The funds are utilised on the activities which are specified in schedule VII of the Act. Details of CSR expenditure are as follows -

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Amount required to be spent by the company during the year	170	127
(ii) Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	170	127
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Promotion of education, Promoting gender equality and empowering women, Employment enhancing vocational skills and promoting social business projects including ensuring environmental sustainability	
(vii) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	NA	NA

The amount spent towards CSR does not involve any long term project and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

### 55. Disclosure of Section 186(4) of the Companies Act, 2013

#### (a) Guarantee given to other body corporate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Guarantee in the form of stand by letter of credit given to bank on behalf of NRB Bearings (Thailand) Limited (step down subsidiary company)	-	2,637
Guarantee in the form of corporate gurantee given to bank on behalf of NRB Bearings (Thailand) Limited (step down subsidiary company)	5,349	-
<b>Total</b>	<b>5,349</b>	<b>2,637</b>

#### (b) Inter corporate deposits (unsecured)

##### Movement in inter corporate deposit for the year ended 31 March 2024

(₹ in lakhs)

Name of borrower	Opening balance as on 1 April 2023	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing as on 31 March 2024
NRB Bearings (Thailand) Limited (step-down subsidiary)	1,284	-	26	(1,282)	(28)	-
NRB Holdings Limited (subsidiary)	2,341	4,970	500	(172)	86	7,725
	<b>3,625</b>	<b>4,970</b>	<b>526</b>	<b>(1,454)</b>	<b>58</b>	<b>7,725</b>

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### Movement in inter corporate deposit for the year ended 31 March 2023

(₹ in lakhs)

Name of borrower	Opening balance as on 1 April 2023	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing as on 31 March 2024
NRB Bearings (Thailand) Limited (subsidiary)	1,329	-	79	(193)	69	1,284
NRB Holdings Limited (subsidiary)	-	2,305	54	-	(18)	2,341
	<b>1,329</b>	<b>2,305</b>	<b>133</b>	<b>(193)</b>	<b>51</b>	<b>3,625</b>

#### Notes -

- During the current year, the Company has received full Inter corporate deposit from NRB Bearings (Thailand) Limited (Step down subsidiary) as a result of business restructuring.
- Rate of interest for above inter corporate deposits is 8.5% per annum for new inter corporate deposit amounting ₹ 4970 lakhs issued to NHL Holdings Limited whereas the existing inter corporate deposit carries at 8.23% per annum (31 March 2023 - 7.5% per annum).
- These inter corporate deposits are unsecured and have been given for meeting borrower's business requirements.
- During the current year, the Company has renewed inter corporate deposit given to NRB Holdings Limited (Step down subsidiary) amounting to ₹ 2,321 lakhs out of the opening balance as at 1 April 2023.

### 56. Key financial ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023:

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance*
Current ratio (in times)	Current assets	Current liabilities	3.00	1.89	58%
Debt-equity ratio (in times)	Debt	Net worth	0.15	0.46	(68%)
Debt service coverage ratio (in times)	EBITDA	Finance costs + principal repayments of non current borrowings within next one year	4.56	3.09	47%
Return on equity ratio (in %)	Profit for the year	Average net worth	33.66%	14.08%	139%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventories	2.13	2.22	(4%)
Trade receivables turnover ratio (in times)	Net credit sales	Average net trade receivables	3.72	4.19	(11%)
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	5.09	4.35	17%
Net capital turnover ratio (in times)	Net sales	Working capital	2.12	2.99	(29%)
Net profit ratio (in %)	Profit for the year	Revenue from operations	24.49%	8.39%	192%
Return on capital employed (in %)	EBIT	Capital Employed	12.94%	13.93%	(7%)
Return on investment	Profit before tax	Total assets	28.03%	10.25%	174%

#### Notes :-

- Debt = Non current borrowings + Current borrowings
- Net worth = Paid up share capital + Reserves created out of profit - Accumulated losses
- EBITDA = Earnings before finance costs, depreciation and amortisation expense and tax
- Cost of goods sold = Cost of materials consumed + Changes in inventories of finished goods and work-in-progress
- Net purchase = Purchases of raw material
- Working capital = Current assets - Current liabilities
- EBIT = Earnings before finance costs and tax
- Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024

### \*Reasons for significant(>25% and <-25%) variance

Current ratio - The Company has repaid borrowings in the current year resulting in improvement in current ratio.

Debt-equity - The Company has repaid its debt and there is increase in profits due to which there is improvement in the ratio.

Debt service coverage ratio - The Company has repaid its borrowings and hence the current maturities of long term borrowings have reduced leading to the variance.

Return on equity - The Company has incurred exceptional gains due to sale of land and building and sale of investment in subsidiary, hence leading to increase in return on equity.

Net capital turnover ratio - The Company has repaid the borrowings and hence a increase in the working capital.

Net profit ratio -The Company has incurred exceptional gains.

### 57 Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck off under section 248 of the Companies Act, 2013.

#### For the year ended 31 March 2024

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
NA	NA	Nil	Nil	NA

#### For the year ended 31 March 2023

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
Fuchs Lubricants (India) Private Limited	Payable	6,40,793	6,40,973	Third party vendor
Perfect Office Systems Private Limited	Payable	-	3,835	Third party vendor
Fanuc India Private Limited	Payable	38,169	38,169	Third party vendor
Sew Eurodrive India Private Limited	Advance	3,82,049	3,82,049	Third party vendor

### 58. Other regulatory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency.
- (iii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (iv) The Company has not made any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Company has not been declared a wilful defaulter by any bank.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2024**

- (vi) The Company has sanctioned borrowings / facilities from bank on the basis security of current assets. The quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of account.
- (vii) The Company has complied with the number of layers prescribed under section 2(87) of the Act.
- (viii) The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2024 and 31 March 2023.
- (ix) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ('Intermediaries') with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (x) There are no charges which are yet to be registered with the ROC beyond the statutory period as at 31 March 2024.
- (xi) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of books of account. However, the audit trail (edit log) at the application level for the accounting software was enabled and operating for all relevant transactions recorded in the software.

### **61 Previous year comparatives**

The figures for previous year have been regrouped/recast/rearranged to render them comparable with the figures of the current year, which are not considered material to these standalone financial statements.

### **62 Authorisation of standalone financial statements**

The standalone financial statements as at and for the year ended 31 March 2024 were approved by the Board of Directors on 27 May 2024.

This is the summary of material accounting policies and other explanatory information referred to in our audit report of even date

#### **For Walker Chandiook & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N /  
N500013

#### **Adi P. Sethna**

Partner  
Membership No.: 108840

**Place : Mumbai**

**Date : 27 May 2024**

#### **Tashwinder Singh**

Chairman  
DIN : 06572282

#### **Raman Malhotra**

Chief Financial Officer

#### **For and on behalf of the Board of Directors**

#### **Harshbeena Zaveri**

Vice Chairman and Managing Director  
DIN : 00003948

#### **Shruti Joshi**

Company Secretary

#### **S. C. Rangani**

Director  
DIN : 00209069

**Place : Mumbai**

**Date : 27 May 2024**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of NRB Bearings Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

1. We have audited the accompanying consolidated financial statements of NRB Bearings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as listed below, which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

#### **List of subsidiary companies included in the Report (including step-down subsidiaries\*)**

1. SNL Bearings Limited
  2. NRB Holdings Limited, UAE
  3. NRB Bearings (Thailand) Limited\*
  4. NRB Bearings Europe (GmbH)\*
  5. NRB Bearings USA Inc\*
2. In our opinion and 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 auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements ('the financial statement') give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matters**

##### **Non-compliance with laws and regulations**

4. We draw attention to Note 14(iv) and Note 28(iv) to the accompanying consolidated financial statements, which indicates delay in receipts of foreign currency trade receivables amounting to ₹ 3,091 lakhs and delay in foreign currency trade payables amounting to ₹ 191 lakhs, as at 31 March 2024 beyond the timelines stipulated vide FED Master Direction No.16/2015-16 and FED Master Direction No. 17/ 2016-17 respectively, under the Foreign Exchange Management Act, 1999. The management of the Parent Company is in the process of recovering these outstanding dues and making the payments for outstanding payables and regularising these defaults by filing necessary applications with the appropriate authority for condonation of such delays. The management of the Parent Company is of the view that the fines/penalties if any, that may be levied pursuant to delay, are currently unascertainable but are not expected to be material and accordingly, the accompanying consolidated financial statements do not include any consequential adjustments that may arise due to such delay/default. Our opinion is not modified in respect of this matter.
5. We draw attention to Note 41 of the accompanying consolidated financial statements, which described that a fire incident occurred at one of the Parent Company's manufacturing plant situated at Waluj on 8 May 2023, effecting the operations of the plant and resulting in damage to inventories, plant and equipments, building and other civil structures, for which the Parent Company has estimated and provided for impairment loss (net) amounting to ₹

2,076 lakhs for the year ended 31 March 2024. The Parent Company has also recorded total insurance claim income amounting to ₹ 3,051 lakhs received as a final payment towards inventories and interim payment towards plant and equipments and other accessories, building and other civil structures. Such loss and insurance claim income has been disclosed as 'Exceptional Items' in the accompanying consolidated financial statements. The management of the Parent Company is currently in the process of ascertaining the further operational losses caused due to fire and believes that all such losses are adequately insured. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

6. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
7. We have determined the matter described below to be the key audit matters to be communicated in our report.

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<b><u>Existence and valuation of Inventories of Parent Company</u></b>	
Refer Note 1.1(i) to the accompanying consolidated financial statements for material accounting policy on inventories and Note 12 for details of inventory as at 31 March 2024.  As at 31 March 24, total value of inventories amounting to ₹ 41,813, comprising of raw materials, work-in-progress, stores and spares and finished goods, represent 33.71 % of the total assets of the Group. Such inventories are stored at various locations which include plants and warehouses situated nationwide and carried at cost or net realisable value (NRV) whichever is lower.	Our audit procedures relating to existence and valuation of inventories included, but was not limited to, the following: <ul style="list-style-type: none"> <li>• Understood the Parent Company's management process of physical verification of inventories, valuation of inventories, identifying slow-moving obsolete inventories and NRV assessment and assessed the appropriateness of Parent Company's accounting policy and valuation of inventories method in accordance with Ind AS 2.</li> <li>• Evaluated the design and tested the operating effectiveness of the Parent Company's key manual and IT application controls over physical verification, valuation of inventories, identifying slow-moving obsolete inventory and NRV assessment.</li> </ul>
<b>A) Physical verification of inventories</b>	<b>A) Physical verification of inventories</b>
The management of Parent Company has undertaken the physical verification of inventories at periodic intervals during the year and shortage/excess, if any are recorded in the books of account. Owing to multiple plant locations and significant amount of inventory held at such locations, significant attention and audit efforts are spent by us to obtain comfort on existence of such inventories.	<ul style="list-style-type: none"> <li>• Inspected Parent Company management's inventory count records and observed physical verification conducted by Parent Company's management for locations selected based on materiality and risk considerations.</li> <li>• Performed independent test counts to corroborate the Parent Company's management counts for the selected locations.</li> <li>• Ensured that necessary adjustments have been made in the books of account basis the results of the physical counts performed by the parent company's management.</li> </ul>



<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>B) Valuation of inventories</b></p> <p>Raw material costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress cost consists of direct materials, labour and allocation of various production and administration overheads.</p> <p>The valuation of inventories of work in progress and finished goods is complex as it is carried out across the locations in excel spreadsheets based on the quantitative inputs received from the respective departments and the valuation process involves Parent Company managements judgement and estimation around inputs used for overhead allocation basis various criteria's, cost drivers, product mix and allocation of expenses through various stages of production.</p>	<p><b>B) Valuation of inventories</b></p> <ul style="list-style-type: none"> <li>• Verified the expenses considered as cost of conversion including estimates for apportionment of the cost of conversion on the different classes of finished goods and work in progress, corroborated the same with underlying records such as, books of account, purchase register, cost and productions records etc. and recomputed the arithmetical accuracy thereof for calculating the overhead rates considered as part of the finished goods and work in progress for a sample of items.</li> <li>• Tested on a sample basis, the appropriateness of capturing of cost of overheads from various process and basis of allocation of overheads.</li> </ul>
<p><b>C) Slow-moving/obsolete/NRV (Net realisable value) assessment</b></p> <p>At the end of each reporting period, management of the Parent Company assesses whether there is adequate provision for inventory on account of lower net realizable value and for slow-moving/obsolete inventory. The Parent Company's provisioning policy is based on past trends of usage of materials and sales forecasts, which further involves estimation and uncertainty. During the current year the Parent Company also revised its inventory provisioning policy for work in progress based on the usability of the inventory. An allowance of ₹ 2,459 is created as at 31 March 2024, for obsolesces of slow and non-moving inventories.</p> <p>Further during the year, a fire incident occurred at the Parent Company's manufacturing plant in Waluj, resulting damage to inventories held at that location amounting to ₹ 1,658 lakhs (net of provisions amounting ₹ 375 lakhs) against which the Parent Company received an insurance claim amounting ₹ 1,801 lakhs.</p> <p>Owing to complexities as stated above, significance of carrying amount of inventories and significant management assumptions, estimates and judgement involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit.</p>	<p><b>C) Slow-moving/obsolete/NRV assessment</b></p> <ul style="list-style-type: none"> <li>• Tested inventory ageing obtained through system reports.</li> <li>• Understood the Parent Company management's basis for classification of such inventories as slow and non-moving/obsolete inventories and ensured the same is consistently applied. Evaluated the Parent Company management's assessment for provisioning and estimating net realizable value by performing an independent age-wise analysis of the inventory items, comparing with subsequent and recent selling prices.</li> <li>• Obtained and reviewed the losses ascertained by the Parent Company's management and the surveyor with respect to the inventory damaged in fire incident, the insurance claim filed by the Parent Company's management with insurer and examined the insurance payments received by the Parent Company.</li> <li>• Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the requirements of applicable accounting standards.</li> </ul>

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

8. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the corporate governance report, but does not include the consolidated financial statements and our auditor's report thereon, which we have obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the Parent Company.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act 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; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Parent Company, as aforesaid.
10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those Board of Directors either intend to liquidate the respective entities included in the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
13. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of Parent Company;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated

financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

17. We did not audit the annual consolidated financial statements of one subsidiary (NRB Holdings Limited, UAE) included in audit report, whose consolidated financial statements (before eliminating inter-company transactions) reflects total assets of ₹ 30,480 lakhs as at 31 March 2024, total revenues of ₹ 26,108 lakhs and net cash outflows amounting to (₹ 458) for the year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Further, the subsidiary, is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the consolidated financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary, located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such company.
20. 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 consolidated financial statements of the subsidiary, we report that the Holding Company and one of its subsidiary incorporated in India, whose financial statements have been audited under the Act, 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 purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, for all companies covered under the Act, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books; except for the matters stated in paragraph 20(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 (as amended).
  - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - e) On the basis of the written representations received from the directors of the Holding Company, and its one Indian subsidiary company and taken on record by the Board of Directors of the respective companies, none of the directors of the respective companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and one of its subsidiary covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
  - h) 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 the Holding Company and its one subsidiary, whose financial statements have been audited under the Act:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
    - ii. The Holding Company, and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and one of its Indian subsidiary during the year ended 31 March 2024;
    - iv.
      - a. The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
      - b. The respective management of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of

their knowledge and belief, no funds have been received by the Holding Company or its subsidiary company, from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2024 and until the date of audit report, is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company and one of its subsidiary company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

- vi. As stated in Note 58(x) to the consolidated financial statements and based on our examination which included test checks, performed by us on the Holding Company and its subsidiary incorporated in India and audited under the Act, except for instance mentioned below, the Holding Company and its subsidiary company, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below.

Nature of exception noted	Details of Exception
Instances of accounting software used for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company and its subsidiary company incorporated in India.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Adi P. Sethna  
Partner  
Membership No.: 108840  
UDIN: 24108840BKFDQQ6174

Place: Mumbai  
Date: 27 May 2024

**Annexure A referred to the Independent Auditor's Report of even date to the members of NRB Bearings Limited on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act'), for the year ended 31 March 2024**

1. In conjunction with our audit of the consolidated financial statements of NRB Bearings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, and one subsidiary company, which are the only companies covered under the Act, as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company, and its subsidiary company which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements 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 ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, and one subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. 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 with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and one subsidiary company as aforesaid.

**Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated 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 consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Holding Company, and its one subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**

Partner

Membership No.: 108840

UDIN: 24108840BKFDQQ6174

Place: Mumbai

Date: 27 May 2024

**Consolidated Balance Sheet as at 31 March 2024**

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property, plant and equipment	2	33,248	34,685
	Capital work-in-progress	3	4,313	2,833
	Investment property	4	-	-
	Goodwill		48	48
	Other intangible assets	5	374	386
	Intangible assets under development	6	34	-
	Financial assets			
	i) Investments	7	2,366	2,083
	ii) Loans (*)	8	0	0
	iii) Other financial assets	9	1,078	1,338
	Income tax assets (net)	10	2,923	2,948
	Other non-current assets	11	765	805
	<b>Total non-current assets</b>		<b>45,149</b>	<b>45,126</b>
<b>2</b>	<b>Current assets</b>			
	Inventories	12	41,813	36,902
	Financial assets			
	i) Investments	13	2,042	1,536
	ii) Trade receivables	14	17,211	22,368
	iii) Cash and cash equivalents	15	5,879	6,531
	iv) Bank balances other than cash and cash equivalents	16	4,188	1,775
	v) Loans	17	18	34
	vi) Other financial assets	18	14	33
	Other current assets	19	7,410	6,796
	Current tax assets (net)	20	197	-
	<b>Total current assets</b>		<b>78,772</b>	<b>75,975</b>
	<b>Assets held for sale</b>	21	-	53
	<b>Total assets</b>		<b>1,23,921</b>	<b>1,21,154</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	Equity share capital	22	1,938	1,938
	Other equity	23	84,053	64,838
	<b>Equity attributable to owners of parent</b>		<b>85,991</b>	<b>66,776</b>
	Non-controlling interest	23 (ix)	1,608	1,462
	<b>Total equity</b>		<b>87,599</b>	<b>68,238</b>
<b>B</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	Financial Liabilities			
	i) Borrowings	24	2,684	6,562
	ii) Lease liabilities	55	300	508
	iii) Other financial liabilities	25	95	95
	Deferred tax liabilities (net)	42(ii)	2,167	1,300
	Other non-current liabilities	26	7	12
	<b>Total non-current liabilities</b>		<b>5,253</b>	<b>8,477</b>
<b>2</b>	<b>Current liabilities</b>			
	Financial Liabilities			
	i) Borrowings	27	14,652	25,643
	ii) Lease liabilities	55	208	170
	iii) Trade payables	28		
	Total outstanding dues of micro enterprises and small enterprises		2,045	2,490
	Total outstanding dues of creditors other than micro enterprises and small enterprises		7,592	10,398
	iv) Other financial liabilities	29	4,145	3,448
	Other current liabilities	30	1,268	1,073
	Provisions	31	957	1,046
	Current tax liabilities (net)	32	202	171
	<b>Total current liabilities</b>		<b>31,069</b>	<b>44,439</b>
	<b>Total liabilities</b>		<b>36,322</b>	<b>52,916</b>
	<b>Total equity and liabilities</b>		<b>1,23,921</b>	<b>1,21,154</b>

(\*) ₹ 0 lakhs represents amount lower than ₹ 1 lakh.  
 The accompanying notes form an integral part of these consolidated financial statements.  
 This is the Consolidated Balance Sheet referred to in our audit report of even date

**For Walker Chandok & Co LLP**  
 Chartered Accountants  
 Firm Registration No. 001076N / N500013

**Adi P. Sethna**  
 Partner  
 Membership No.: 108840

**Place : Mumbai**  
**Date : 27 May 2024**

**Tashwinder Singh**  
 Chairman  
 DIN : 06572282

**Raman Malhotra**  
 Chief Financial Officer

**For and on behalf of the Board of Directors**

**Harshbeena Zaveri**  
 Vice Chairman and Managing Director  
 DIN : 00003948

**Shruti Joshi**  
 Company Secretary

**S. C. Rangani**  
 Director  
 DIN : 00209069



**Consolidated Statement of Profit and Loss for the year ended 31 March 2024**

(₹ in Lakhs, except per share data)

Sr. No.	Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
	<b>INCOME</b>			
<b>I</b>	Revenue from operations	33	<b>1,09,403</b>	1,05,716
<b>II</b>	Other income	34	<b>1,778</b>	2,289
<b>III</b>	<b>Total Income (I+II)</b>		<b>1,11,180</b>	<b>1,08,005</b>
	<b>Expenses</b>			
<b>IV</b>	Cost of materials consumed	35	<b>44,322</b>	47,272
	Changes in inventories of finished goods and work-in-progress	36	<b>(2,450)</b>	(6,516)
	Employee benefits expense	37	<b>17,062</b>	16,061
	Finance costs	38	<b>2,227</b>	1,964
	Depreciation and amortisation expense	39	<b>4,332</b>	4,080
	Other expenses	40	<b>32,844</b>	31,329
	<b>Total Expenses</b>		<b>98,337</b>	<b>94,190</b>
<b>V</b>	<b>Profit before exceptional items and tax</b>		<b>12,843</b>	<b>13,815</b>
<b>VI</b>	Exceptional Items - gain / (loss) (net)	41	<b>18,743</b>	(1,053)
<b>VII</b>	<b>Profit before tax</b>		<b>31,586</b>	<b>12,762</b>
<b>VIII</b>	<b>Tax expense / (credit):</b>	42	<b>6,628</b>	<b>3,539</b>
	(i) Current tax		<b>794</b>	(403)
	(ii) Deferred tax		<b>14</b>	11
	Tax pertaining to earlier years		<b>7,436</b>	<b>3,147</b>
<b>IX</b>	<b>Profit for the year</b>		<b>24,151</b>	<b>9,615</b>
<b>X</b>	<b>Other comprehensive income / loss</b>	43		
	(i) Items that will not be reclassified subsequently to profit or loss (net of taxes)		<b>387</b>	38
	(ii) Items that will be reclassified subsequently to profit or loss (net of taxes)		<b>(172)</b>	417
			<b>215</b>	<b>455</b>
<b>XI</b>	<b>Total Comprehensive Income for the year (IX + X)</b>		<b>24,366</b>	<b>10,070</b>
	<b>Net profit after tax attributable to:</b>			
	-Owners of the parent		<b>23,943</b>	9,398
	-Non controlling interest		<b>208</b>	217
	<b>Other comprehensive income / (loss) attributable to:</b>			
	-Owners of the parent		<b>215</b>	458
	-Non controlling interest (*)		<b>0</b>	(3)
	<b>Total comprehensive income attributable to:</b>			
	-Owners of the parent		<b>24,158</b>	9,856
	-Non controlling interest		<b>208</b>	214
<b>XII</b>	<b>Earnings per equity share:</b>	59		
	Basic (in ₹)		<b>24.71</b>	9.70
	Diluted (in ₹)		<b>24.71</b>	9.70

(\*) ₹ 0 lakhs represents amount lower than ₹ 1 lakh.

The accompanying notes form an integral part of these consolidated financial statements.  
This is the Consolidated Statement of Profit and Loss referred to in our audit report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N / N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840

**Place : Mumbai**  
**Date : 27 May 2024**
**Tashwinder Singh**  
Chairman  
DIN : 06572282

**Raman Malhotra**  
Chief Financial Officer

**For and on behalf of the Board of Directors**
**Harshbeena Zaveri**  
Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**  
Company Secretary

**S. C. Rangani**  
Director  
DIN : 00209069

**Consolidated Statement of Cash Flow for the year ended 31 March 2024**

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	<b>Profit before tax (after exceptional items)</b>	<b>31,586</b>	12,762
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	<b>4,332</b>	4,080
	Liabilities no longer required, written back	<b>(452)</b>	(75)
	Foreign exchange loss / (gain) (unrealised) (net)	<b>960</b>	(1,444)
	Fair valuation loss / (gain) on derivative instrument measured at FVTPL	<b>13</b>	(180)
	Fair valuation gain on financial assets measured at FVTPL	<b>(238)</b>	(71)
	Finance costs	<b>2,227</b>	1,964
	Interest income	<b>(104)</b>	(168)
	Dividend income	<b>(13)</b>	(10)
	Gain on sale of current investments	<b>(11)</b>	
	Profit on sale of property plant and equipments	<b>(29)</b>	(60)
	Gain on sale of assets classified as held for sale (exceptional item) (refer note 41)	<b>(17,768)</b>	-
	Rent Income	<b>(156)</b>	(167)
	Provision for doubtful advances	-	28
	Property, plant and equipments written off	<b>24</b>	-
	(Reversal) / provision for doubtful trade receivables and bad debts written off (including exceptional items) (refer note 41)	<b>(168)</b>	1,122
	Provision for gratuity	<b>178</b>	194
	Provision for leave encashment	<b>211</b>	168
	Changes in foreign currency translation reserve	<b>(153)</b>	196
	(Reversal) / provision towards slow moving and non-moving inventories (including inventories written off)	<b>647</b>	684
	Loss of inventories due to fire (exceptional item)	<b>1,658</b>	-
	Impairment loss on property, plant and equipments damaged due to fire (exceptional item) (refer note 41)	<b>418</b>	-
	Insurance claim received on property, plant and equipments damaged due to fire (exceptional item) (refer note 41)	<b>(1,250)</b>	-
	<b>Operating profit before working capital changes</b>	<b>21,913</b>	19,023
	<b>Changes in working capital:</b>		
	Adjustment for decrease / (increase) in assets		
	- Trade receivables	<b>4,453</b>	(626)
	- Inventories	<b>(7,216)</b>	(8,700)
	- Other non-current financial assets	<b>178</b>	(422)
	- Other current financial assets and loans	<b>10</b>	240
	- Other non-current assets	<b>137</b>	9
	- Other current assets	<b>(621)</b>	(2,353)

**Consolidated Statement of Cash Flow for the year ended 31 March 2024**

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	Adjustment in (decrease) / increase in liabilities		
	- Other non-current liabilities	(5)	(4)
	- Other non-current and current financial liabilities	(789)	661
	- Trade payables	(2,904)	2,311
	- Provisions	(263)	(587)
	- Other current liabilities	332	260
	<b>Cash generated from operations before tax</b>	<b>15,224</b>	<b>9,812</b>
	Direct taxes paid	(3,707)	(3,735)
	<b>Net cash generated from operating activities (A)</b>	<b>11,517</b>	<b>6,077</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of property, plant and equipment and intangible assets (including movement of capital work-in-progress, Intangible assets under development, capital advances and capital creditors)	(4,936)	(4,079)
	Sale proceeds from property, plant and equipment	29	60
	Insurance claim received on property, plant and equipments damaged due to fire	1,250	-
	Sale proceeds of assets held for sale	17,821	-
	Taxes on gain from sale of assets held for sale	(3,076)	-
	Investment in bank deposits	(858)	(564)
	Investments in mutual funds (net)	(287)	(164)
	Rent received	156	167
	Interest received	104	168
	Dividend received	13	10
	<b>Net cash used in investing activities (B)</b>	<b>10,216</b>	<b>(4,402)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	(Repayment) / proceeds of non current borrowings	(3,878)	511
	(Repayment) / proceeds of current borrowings (net)	(10,991)	2,285
	Finance costs paid	(2,058)	(1,889)
	Settlement of interest on lease liabilities	(59)	(75)
	Settlement of principal lease liabilities	(170)	(159)
	Movement in unclaimed dividend bank balance	(1,555)	(616)
	Dividend paid on equity shares	(3,388)	(1,322)
	Dividend paid to non controlling interest on equity shares held in a subsidiary	(62)	(62)
	<b>Net cash used in financing activities (C)</b>	<b>(22,161)</b>	<b>(1,327)</b>
	<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(428)</b>	<b>348</b>
	Add: Balance of Cash and Cash Equivalents at the beginning of the year	<b>6,531</b>	<b>6,167</b>
	Add: Effects of exchange rate changes on cash and cash equivalents	<b>(224)</b>	<b>16</b>
	<b>Closing balance of Cash and Cash Equivalents</b>	<b>5,879</b>	<b>6,531</b>

**Consolidated Statement of Cash Flow for the year ended 31 March 2024****Notes to the consolidated statement of cash flows**

1. Cash and cash equivalents as the end of the year comprise -

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Cash on hand	4	2
Balances with banks in current accounts		
- Current accounts	4,545	4,985
- EEFC account	830	1,485
Margin money deposits with the original maturity of upto 3 months	500	59
<b>Total cash and cash equivalents</b>	<b>5,879</b>	<b>6,531</b>

2. The consolidated statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind As - 7) Statement of Cash Flows.

The accompanying notes form an integral part of these consolidated financial statements  
This is the consolidated statement of cash flow referred to in our audit report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N /  
N500013

**Adi P. Sethna**

Partner  
Membership No.: 108840

**Place : Mumbai**

**Date : 27 May 2024**

**For and on behalf of the Board of Directors****Tashwinder Singh**

Chairman  
DIN : 06572282

**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai**

**Date : 27 May 2024**

**Harshbeena Zaveri**

Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Director  
DIN : 00209069

## Consolidated Statement of Changes in Equity for the year ended 31 March 2024

### A. Equity share capital (Refer note 22)

(₹ in lakhs)

Particulars	Number of shares	Amount
<b>Balance as at 1 April 2022</b>	<b>9,69,22,600</b>	<b>1,938</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2023</b>	<b>9,69,22,600</b>	<b>1,938</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2024</b>	<b>9,69,22,600</b>	<b>1,938</b>

### B. Other equity (Refer note 23)

(₹ in lakhs)

Particulars	Reserves and surplus					Fair value gain/ (loss) on equity instruments through OCI	Cash flow hedging reserve	Foreign currency translation reserve	Total other equity	Non-controlling interest	Total
	Securities premium	General reserve	Capital reserve	Capital redemption reserve	Retained earnings						
<b>Balance as at 1 April 2022</b>	<b>848</b>	<b>12,725</b>	<b>15</b>	<b>1,011</b>	<b>41,878</b>	<b>373</b>	<b>371</b>	<b>(301)</b>	<b>56,920</b>	<b>1,310</b>	<b>58,230</b>
<b>Transactions during the year</b>											
Profit for the year	-	-	-	-	9,398	-	-	-	9,398	217	9,615
Other comprehensive income (refer note 43)	-	-	-	-	(1)	42	(224)	641	458	(3)	455
Final dividend on equity shares for FY 2021-22 of ₹ 2 (previous year - ₹ 0.5) per equity share	-	-	-	-	(1,938)	-	-	-	(1,938)	-	(1,938)
Dividend paid to non controlling interest	-	-	-	-	-	-	-	-	-	(62)	(62)
<b>Balance as at 31 March 2023</b>	<b>848</b>	<b>12,725</b>	<b>15</b>	<b>1,011</b>	<b>49,337</b>	<b>415</b>	<b>147</b>	<b>340</b>	<b>64,838</b>	<b>1,462</b>	<b>66,300</b>
<b>Transactions during the year</b>											
Profit for the year	-	-	-	-	23,943	-	-	-	23,943	208	24,151
Other comprehensive income (refer note 43)	-	-	-	-	158	229	(20)	(152)	215	0	215
Interim Dividend paid @ ₹ 4.1 per equity share (31 March 2023 - ₹ Nil per equity share) (refer note 46(iii))	-	-	-	-	(3,974)	-	-	-	(3,974)	-	(3,974)
Final Dividend paid for FY 2022-23 @ ₹ 1 per equity share (FY 2021-22 - ₹ 2 per equity share) (refer note 47(iii))	-	-	-	-	(969)	-	-	-	(969)	-	(969)
Dividend paid to non controlling interest	-	-	-	-	-	-	-	-	-	(62)	(62)
<b>Balance as at 31 March 2024</b>	<b>848</b>	<b>12,725</b>	<b>15</b>	<b>1,011</b>	<b>68,495</b>	<b>644</b>	<b>127</b>	<b>188</b>	<b>84,053</b>	<b>1,608</b>	<b>85,661</b>

(\*) ₹ 0 lakhs represents amount lower than ₹ 1 lakh

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone Statement of Changes in Equity referred to in our audit report of even date.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N / N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840

**Place : Mumbai**  
**Date : 27 May 2024**
**Tashwinder Singh**  
Chairman  
DIN : 06572282

**Raman Malhotra**  
Chief Financial Officer

**For and on behalf of the Board of Directors**
**Harshbeena Zaveri**  
Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**  
Company Secretary

**S. C. Rangani**  
Director  
DIN : 00209069

## **Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

### **1. Company Information**

NRB Bearings Limited ('the Company' or the 'Parent Company' or the 'Holding Company'), and its subsidiaries (including step down subsidiaries) (collectively referred to as the 'Group') are mainly engaged in the manufacture and trading of bearing products. The Parent Company is a public limited company domiciled and incorporated in India in 1965. The registered and corporate office of the Parent Company is situated at Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra.

The consolidated financial statements (hereinafter referred to as the "CFS"/ the "financial statements") for the year ended 31 March 2024 were approved and authorised for issue in accordance with the resolution of the Board of Directors on 27 May 2024.

#### **Basis of preparation**

The Parent Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The consolidated financial statements (the "financial statement") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended, and the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities Exchange Board of India to the extent applicable. The accounting policies have been consistently applied for all the periods presented in the consolidated financial statements.

The consolidated financial statements have been prepared on an accrual basis using the historical cost convention, except for the following assets and liabilities :

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value; and
- iii) Derivative financial instrument

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

The revision to the consolidated financial statements is permitted by the Board of Directors of the Parent Company after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

### **1.1 Significant accounting policies**

#### **a. Principles of consolidation**

The consolidated financial statements incorporates the standalone financial statements of the parent company and consolidated financial statement of a subsidiary company.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which the control ceases.

The group combines the standalone financial statements of the parent and its subsidiary, line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the group's accounting policies. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the parent i.e. year ended 31 March 2024.

Non-controlling interests and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated balance sheet respectively. The Group treats transactions with non controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amount of the controlling and non controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognised within equity.

Refer note 48 for the list of subsidiaries considered in the consolidated financial statement.

## **Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

### **b. Foreign currency transactions**

Items included in the consolidated financial statements of the Group entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (₹), which is parent's functional and presentation currency.

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

Foreign currency monetary items are reported using the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

### **c. Revenue recognition**

The group derives revenues mainly from sale of manufactured goods. Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the group expects to receive in exchange for those products. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentives and returns, etc., if any.

Revenue is recognised on satisfaction of performance obligation, i.e. upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products.

The group does not expect to have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year. As a consequence, it is not required to adjust any of the transaction prices for the time value of money.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export entitlement from government authority are recognised in the profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Sales Return can be made by Customers having contractual right to return goods only when authorized by the Group. An estimate is made of goods that will be returned and a liability is recognized for this amount using best estimate based on accumulated experience

### **d. Other income**

Interest income for all 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 assets 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 instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Apart from the above, the subsidiary company recognises interest income on its security deposits given to the Jharkhand State Electricity Board, on acknowledgement of credit by the Board.

Dividend are recognised in consolidated statement of profit and 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.

Insurance claim is recognised as income in the year the claim is acknowledged or only on receipt of money.

The Group recognises other incomes on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### e. Income tax

The income tax expense or credit for the period (current tax) is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period.

Deferred income tax (including Minimum Alternate Tax (MAT) credit) is recognised in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax (including Minimum Alternate Tax (MAT) credit) is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in consolidated statement of profit and loss, except to the extent that it relates to items recognised in the consolidated other comprehensive income or directly in equity. In this case, the tax is also recognised in consolidated other comprehensive income or directly in equity, respectively.

### f. Leases

#### Measurement and recognition of leases

The group assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the group assesses whether the contract meets three key criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the group.
- the group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the group has the right to direct the use of the identified asset throughout the period of use. The group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### Group as a lessee

At lease commencement date, the group recognises a right-of-use asset and a lease liabilities on the consolidated balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the group and any lease payments made in advance of the lease commencement date.

The group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the group measures the lease liabilities at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the group's



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**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

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incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or consolidated statement of profit and loss, as the case may be.

On the consolidated balance sheet date, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities (non-current and current).

The group has elected to account for short-term leases and leases of low-value assets using the exemption / practical expedient given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liabilities, the payments in relation to these are recognised as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the group's benefit.

**Group as a lessor**

Leases for which the group is a lessor are classified as finance or operating lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the consolidated balance sheet based on their nature.

**g. Impairment of non-financial assets**

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the consolidated statement of profit and loss.

After impairment, depreciation / amortisation (where applicable) is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

**h. Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**i. Inventories**

Raw material and components: Valuation of raw material is done on moving average price of cost.

Cost of inventory in raw material comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. Trade discount, rebates and other similar items are deducted in determining the cost of purchase.

Work-in-progress ("WIP") and Finished goods ("FG"): Inventories of Work-in-progress ("WIP") and Finished goods ("FG") are valued at the lower of cost or net realisable value. 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 machine hour rates.

Stores and spares: Stores and spares are stated at cost and are charged to the consolidated statement of profit and loss, when consumed.

**j. Investments and financial assets****Classification**

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

## **Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

- those to be measured subsequently at fair value (either through consolidated other comprehensive income, or through consolidated statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in consolidated statement of profit and loss or consolidated 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.

Trade receivables are recognised at their transaction price unless those contain significant financing component determined in accordance with Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### **Measurement**

At initial recognition, the Group measures a financial asset, except trade receivables, at fair value plus or minus the transaction costs. In case of financial assets classified at 'fair value through profit or loss', the initial recognition is done at fair value in accordance of Ind AS 109 Financial Instruments. Further, as an exception to these principles, according to Ind AS 109 Financial Instruments, financial assets in the form of trade receivables, are initially measured at their transaction price (as defined in Ind AS 115 Revenue from contracts with customers) unless those contain a significant financing component determined in accordance with Ind AS 115 Revenue from contracts with customers.

### **Measurement of debt instruments**

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

- **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 consolidated statement of profit and 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.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in consolidated statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVPTL):** Assets that do not meet the criteria for amortised cost or FVOCI 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 and presented net in consolidated statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### **Measurement of equity instruments**

The group subsequently measures all equity investments at fair value. Where the group has elected to present fair value gains and losses on equity investments in consolidated 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 consolidated statement of profit and 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 gain / (losses) in the consolidated 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.

## **Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

### **Impairment of financial assets**

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on 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.

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all trade receivables that do not constitute a financing component. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### **De-recognition of financial assets**

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- 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 group 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 group 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.

### **k. Derivatives**

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in other gains / (losses).

The Parent Company uses cross-currency interest rate swaps to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these cross-currency interest rate swaps in a cash flow hedging relationship by applying the hedge accounting principles.

Derivative contracts are stated at fair value on the consolidated balance sheet at each reporting date. At inception of the hedge relationship, the Parent Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item. The Parent Company documents its risk management objective and strategy for undertaking its hedging transactions. The Parent Company designates amounts excluding foreign currency basis spread in the hedging relationship for cross currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the consolidated statement of profit and loss. Amounts accumulated in equity are reclassified to the consolidated statement of profit and loss in the periods in which the forecasted transactions occur.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the consolidated statement of profit and loss in the periods in which the forecast transactions affect profit or loss. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the consolidated statement of profit and loss for the year.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### **i. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the consolidated 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.

### **m. Property plant and equipment (including Capital Work-in-Progress) and depreciation**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical costs include cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated statement of profit and loss during the reporting period in which they are incurred.

Schedule II to the Companies Act, 2013 prescribes useful lives for property, plant and equipment and allows Companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the consolidated financial statements. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

Depreciation/ amortisation on property plant and equipment's has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. Depreciation/ amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

The group uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset..

<b>Class of asset</b>	<b>Revised useful life based on SLM (Range)</b>
Leasehold land	60 – 90 years
Buildings and flats/ Building on leasehold land / Building Improvement	15 – 50 years
Plant and equipment	3 – 30 years
Furniture and fixtures	3 – 10 years
Office equipments	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 - 8 years

Assets not yet ready for use are recognised as capital work in progress.

Gains / losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the statement of profit and loss, in the period of disposal.

### **n. Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

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## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

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### **o. Right of use assets**

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

### **p. Intangible assets and amortisation**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Software's are capitalised at the amounts paid to acquire the respective license for use and the costs incurred towards its development and are amortised, over the period of their useful lives, which is generally considered to be a period not exceeding three / five years, depending upon the nature of the software. The assets' useful lives are reviewed at each financial year end. Amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on date of disposal and are recognised in the consolidated statement of profit and loss when the asset is derecognised. Amortisation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Intangible assets under development include intangible assets which are not ready for intended use as on balance sheet date.

### **q. Assets held-for-sale**

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met -

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed, and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the balance sheet date.

Assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets classified as held for sale are presented separately in the consolidated balance sheet and are not depreciated post such classification.

### **r. Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the combination for the purpose of impairment testing. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Goodwill is tested for impairment annually or earlier, if events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of impairment testing, goodwill is allocated to a Cash generating unit (CGU) representing the lowest level within the group at which goodwill is monitored for internal management purposes, and which is not higher than the group operating segment. For goodwill impairment testing, the carrying amount of CGU's (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell or its value in use. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro rata on the basis of the carrying amount of such assets in CGU.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### s. Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### t. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in consolidated statement of profit and loss in the period in which they are incurred.

### u. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the consolidated statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the notes to the consolidated financial statements. Contingent assets are not recognised, but disclosed in the consolidated financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### v. Employee benefits

#### A) Short term employee benefits

All employee benefits payable within twelve months from the end of the period in which services are rendered are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

#### B) Post employment benefits

**i. Gratuity:** The group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan is governed by the Payment of Gratuity Act, 1972 and provides lumpsum payment to eligible employees at retirement, death while in employment or termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service. The Holding Company has established two trusts, one each for its staff and officers and makes contributions to such funds for funding these plans. The Indian subsidiary has obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC.

The group has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the remeasurement of defined benefit obligation and experience adjustments are charged/ credited to consolidated other comprehensive income. All other costs/reversals are recognised in the consolidated statement of profit and loss.

**ii) Provident fund:** For certain employees of one of its Indian subsidiary, the monthly contribution for Provident Fund

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## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

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is made to a Trust administered by the Group. Both the eligible employees and the Group make monthly contributions to the provident fund equal to a specified percentage of the covered employee's salary. The Group contributes a portion to the Employees' Provident Fund Trust ('The PF trust'). The PF trust invests in specific designated instruments as permitted by Indian Law. The rate at which the annual interest is payable to the beneficiaries by the PF trust is being administrated by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the PF trust and the notified interest rate. The Group makes provision for provident fund based on an actuarial valuation done as per projected unit credit method by an actuary. Actuarial gains and losses on shortfall, if any, arising on the remeasurement of defined benefit obligation is charged/ credited to consolidated OCI.

### iii) Defined contribution plans:

**Provident fund and family pension fund:** Defined contribution plans such as Provident Fund and family pension fund are charged to the consolidated statement of profit and loss as incurred. The Group's contribution to the state governed Provident Fund and family pension fund is determined based on a fixed percentage of the eligible employees' salary and charged to the consolidated statement of profit and loss on accrual basis. The Group's contributions to Defined Contribution Plan are charged to the statement of consolidated profit and loss as incurred. The Group does not have any obligation other than the contribution made to the fund administered by the government.

### C) Compensated absences

Liabilities for compensated absences that are not short term, are determined on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to consolidated statement of profit and loss. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### w. Exceptional Items

When items of income and expense within consolidated statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items (refer note 41) .

### x. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares (refer note 59).

### y. Operating cycle and classification of current and non - current items

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 a period not exceeding 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(i) An asset is considered as current when it is:

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
- b) Held primarily for the purpose of trading, or
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) All other assets are classified as non-current.

(iii) Liability is considered as current when it is:

- a) Expected to be settled in the normal operating cycle, or

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024X

- b) Held primarily for the purpose of trading, or
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- (iv) All other liabilities are classified as non-current

### **z. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **aa. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of segments, has been identified as the Board of Directors.

### **ab. Critical estimates and judgements**

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

#### **i) Property, plant and equipment, investment properties and intangible assets:**

Property, plant and equipment represents a significant proportion of the asset base of the group. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on technical evaluation performed by management's experts and historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### **ii) Income tax:**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

#### **iii) Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies / claim / litigations by / against the group as it is not possible to predict the outcome of pending matters with accuracy.

#### **iv) Expected credit loss on financial assets:**

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### **v) Deferred Taxes:**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



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**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024X**

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**vi) Impairment of financial assets:**

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the group assesses the expected credit losses on outstanding receivables. Further, group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

**vii) Impairment of non financial assets:**

Where the carrying amount of an asset or CGU exceeds its recoverable amount (fair value less costs of disposal or its value in use), the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**viii) Defined benefit obligation:**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**ix) Leases:**

Determining the lease term of contracts with renewal and termination options – group as lessee Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The group has several lease contracts that include extension and termination options. The group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the group includes such extended term and ignore termination option in determination of lease term

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

**x) Provisions:**

Provision is recognised when the group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**xi) Fair value measurements:**

Management of the Group applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities. Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

## **Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024X**

### **xii) Impairments of assets:**

In assessing impairment, group estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

### **xiii) Allowances for slow / Non-moving Inventory and obsolescence:**

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is an estimate taking into account various factors, including prevailing sales prices of inventory item and losses associated with usability/ obsolete / slow-moving / redundant inventory items. The Group has, based on these assessments, made adequate provision in the books.

### **xiv) Overhead Costing:**

Management of parent company has applied critical estimates and judgements in the calculation of the Machine Hour Rate (MHR) for overhead costing. These estimates are based on data received, including machine-wise operating hours, utilized hours, power consumption, and labour details. Management of parent company reviews and adjusts these estimates on monthly basis to ensure they reflect the most current and reliable information available.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors includes expectation of future events that may have financial impact on the company and are believed to be reasonable under the circumstances.

### **ac. Events occurring after the reporting date:**

Where events occurring after the balance sheet date provide evidence at conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

### **1.2. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

#### **i. Ind AS 1 – Presentation of Financial Statements:**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its consolidated financial statements.

#### **ii. Ind AS 12 – Income Taxes:**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its consolidated financial statements.

#### **iii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in consolidated financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in consolidated financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

**2. Property, plant and equipment**

(₹ in Lakhs)

Particulars	Free Hold Land	Leasehold Land	Buildings & Flats #	Plant & Equipment	Furniture & Fixtures	Office Equipment	Electrical Installation	Leasehold improvement	Vehicles	Total
<b>Gross carrying value</b>										
<b>Balance as at 1 April 2022</b>	293	193	13,807	67,677	1,043	868	1,758	659	529	86,827
Additions	-	-	62	2,432	17	97	53	1	14	2,676
Foreign currency translation reserve	18	1	63	400	30	3	28	-	-	543
Disposals and discards	-	-	(24)	(73)	(1)	-	-	-	(4)	(102)
<b>Balance as at 31 March 2023</b>	<b>311</b>	<b>194</b>	<b>13,908</b>	<b>70,436</b>	<b>1,089</b>	<b>968</b>	<b>1,839</b>	<b>660</b>	<b>539</b>	<b>89,944</b>
Additions	-	-	162	2,779	285	63	46	-	-	3,335
Foreign currency translation reserve	(13)	-	(44)	(273)	(21)	(8)	(14)	-	-	(373)
Disposals and discards	-	-	(1)	(185)	(34)	-	-	-	(4)	(224)
<b>Balance as at 31 March 2024</b>	<b>298</b>	<b>194</b>	<b>14,025</b>	<b>72,757</b>	<b>1,319</b>	<b>1,023</b>	<b>1,871</b>	<b>660</b>	<b>535</b>	<b>92,682</b>
<b>Accumulated depreciation/ amortisation</b>										
<b>Balance as at 1 April 2022</b>	-	46	3,689	43,889	994	747	1,221	50	479	51,115
Charge for the year**	-	2	540	3,054	48	19	97	142	40	3,942
Foreign currency translation reserve	-	1	33	178	29	2	24	-	-	267
Reversal on disposals and discards	-	-	(24)	(36)	(1)	-	-	-	(4)	(65)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>49</b>	<b>4,238</b>	<b>47,085</b>	<b>1,070</b>	<b>768</b>	<b>1,342</b>	<b>192</b>	<b>515</b>	<b>55,259</b>
Charge for the year**	-	2	540	3,254	217	28	84	-	11	4,136
Foreign currency translation reserve	-	-	(22)	(156)	(20)	(5)	(14)	-	-	(217)
Reversal on disposals and discards	-	-	(1)	(124)	(34)	-	-	-	(3)	(162)
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>51</b>	<b>4,755</b>	<b>50,059</b>	<b>1,233</b>	<b>791</b>	<b>1,412</b>	<b>192</b>	<b>523</b>	<b>59,016</b>
<b>Impairment loss allowance (refer note 41)</b>										
Balance as at 1 April 2023	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	(70)	(348)	-	-	-	-	-	(418)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>(70)</b>	<b>(348)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(418)</b>
<b>Net carrying value</b>										
<b>Balance as at 31 March 2023</b>	<b>311</b>	<b>145</b>	<b>9,670</b>	<b>23,351</b>	<b>19</b>	<b>200</b>	<b>497</b>	<b>468</b>	<b>24</b>	<b>34,685</b>
<b>Balance as at 31 March 2024</b>	<b>298</b>	<b>143</b>	<b>9,200</b>	<b>22,350</b>	<b>86</b>	<b>232</b>	<b>459</b>	<b>468</b>	<b>12</b>	<b>33,248</b>

## Buildings includes those constructed on leasehold land.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### Notes:

- (i) Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2023: ₹ 750) in co-operative housing societies viz. 5 shares of ₹ 50 each in Vile Parle Vatika Cooperative Housing Society Limited, 5 shares of ₹ 50 each in The Ganesh Villa Co-operative Housing Society Limited and 5 shares of ₹ 50 each in Vinayak Bhavan Cooperative Housing Society Limited.
- (ii) The buildings of subsidiary company's are constructed on leasehold land, lessor being SBL Industries Limited, which is under liquidation with its assets under control of the Official Liquidator. The details of the lease period expired/ expiring are as follows: Out of the leasehold land of 1.46 acres plus 139,481 sq. ft., in respect of 1.46 acres and 88,320 sq. ft. lease period is valid till 29 August 2081 and in respect of 39,225 sq. ft. lease had expired on 30 September 2017. In respect of 11,936 sq. ft. the lease had expired on 29 August 2012. The Subsidiary Company continues to retain possession as monthly lessee and has been regularly depositing the monthly lease rents.
- (iii) For capital commitments, refer note 52.

\*\* Charge for the year includes charge created on Right-of-use ('ROU') assets of ₹ 196 lakhs for building on leasehold land (31 March 2023 : ₹ 201 lakhs) and ₹ Nil lakhs for vehicles (31 March 2023: ₹ 1 lakhs) (Also refer note 55).

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 3. Capital work-in-progress (₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>735</b>
Additions	2,624
Capitalised during the year	(526)
<b>Balance as at 31 March 2023</b>	<b>2,833</b>
Additions	2,432
Capitalised during the year	(952)
<b>Balance as at 31 March 2024</b>	<b>4,313</b>

\* It includes construction contract of extension single storey warehouse, factory & office, retrofitting machine, mezzanine floor cabins and sorting machine pending for installation as at 31 March 2024

### Ageing of Capital work in progress (₹ in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2024</b>					
Project in progress	2,189	491	1,607	26	4,313
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2023</b>					
Project in progress	1,688	868	150	127	2,833
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by Group management as at 31 March 2024 and as at 31 March 2023, no projects from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

### 4. Investment property (₹ in lakhs)

Particulars	Amount (₹)
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2022</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2024</b>	<b>41</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 1 April 2022</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2024</b>	<b>41</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2023</b>	<b>-</b>
<b>Balance as at 31 March 2024</b>	<b>41</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

^ Investment property includes only buildings and flats which have been fully depreciated on Straight line method over the use full life of such assets as at respective reporting dates

Notes:-

### (i) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Buildings and flats</b>		
Fair value of investment properties	<b>1,606</b>	1,623
Valuation method used by the independent valuer	<b>Replacement cost method</b>	Replacement cost method

### (ii) Amounts recognised in the consolidated statement of profit and loss in relation to investment property

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rental income derived from investment properties (refer note 34)	<b>156</b>	167
Direct operating expenses from property (including repairs and maintenance) that generated rental income(*)	<b>(0)</b>	(1)
Direct operating expenses from property (including repairs and maintenance) that did not generate rental income(*)	<b>(0)</b>	(0)
Income arising from investment property before depreciation	<b>156</b>	167
Depreciation	-	-
<b>Income from investment property (net)</b>	<b>156</b>	<b>167</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### Disclosure as per Para 75 (g) under Ind AS - 40 "Investment Property"

The Parent Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements on such properties.

### (iii) Estimation of fair value

(a) The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent, ready reckoner rate etc.

(b) The fair value of investment property have been determined by an independent registered valuer as defined under rule 2 of Companies (Registered Valuers and valuation) Rules 2017, who has professional experience as well as adequate expertise of the location and category of the investment property.

### (iv) Maturity analysis - Company as a lessor

The Parent Company has given its premises on operating leases. These lease arrangements range for a period between 12 months to 5 years and include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses

Maturity analysis – contractual undiscounted cash flows

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Within one year	<b>113</b>	133
After one year but not more than five years	<b>80</b>	198
More than five years	-	-
<b>Total</b>	<b>193</b>	<b>331</b>

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**5. Other intangible assets**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Computer Software</b>
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2022</b>	<b>465</b>
Additions	505
Foreign currency translation reserve	-
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>970</b>
Additions	184
Foreign currency translation reserve	-
Disposals	-
<b>Balance as at 31 March 2024</b>	<b>1,154</b>
<b>Accumulated amortisation</b>	
<b>Balance as at 31 March 2022</b>	<b>446</b>
Amortisation charge for the year	138
Foreign currency translation reserve	-
Reversal on disposal	-
<b>Balance as at 31 March 2023</b>	<b>584</b>
Amortisation charge for the year	196
Foreign currency translation reserve	-
Reversal on disposal	-
<b>Balance as at 31 March 2024</b>	<b>780</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2023</b>	<b>386</b>
<b>Balance as at 31 March 2024</b>	<b>374</b>

^ Intangible assets include only Computer softwares as at respective reporting dates

Note - For capital commitments, refer note 52.

**6. Intangible assets under development**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Amount</b>
<b>Balance as at 1 April 2022</b>	<b>386</b>
Additions	-
Capitalized during the year	(386)
Written off during the year	-
<b>Balance as at 31 March 2023</b>	<b>-</b>
Additions	34
Capitalized during the year	-
Written off during the year	-
<b>Balance as at 31 March 2024</b>	<b>34</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 7. Investment - Non-current

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares / units	Amount (₹ in lakhs)	No of shares / units	Amount (₹ in lakhs)
<b>- Equity investment measured at fair value through other comprehensive income</b>				
<b>(A) Quoted</b>				
IndusInd Bank Limited (face value ₹ 10 each)	<b>8,541</b>	<b>133</b>	8,541	91
Eicher Motors Limited (face value ₹ 1 each)	<b>6,000</b>	<b>241</b>	6,000	177
Hero Motocorp Limited (face value ₹ 2 each)	<b>6,250</b>	<b>296</b>	6,250	147
<b>(B) Unquoted</b>				
21st Century Battery Limited (face value ₹ 10 each)	<b>10,000</b>	<b>1</b>	10,000	1
Less: Provision for impairment in value		<b>(1)</b>		(1)
		<b>670</b>		<b>415</b>
<b>- Equity investment measured at fair value through profit and loss (unquoted)</b>				
Matternet Inc (face value USD 0.0001 each)	<b>2,90,567</b>	<b>1,668</b>	2,90,567	1,645
DSP Flexi Cap Fund - Regular Plan - IDCW	<b>50,000</b>	<b>28</b>	50,000	23
<b>- Mutual fund investment measured at fair value through profit and loss (unquoted)</b>				
DSP Flexi Cap Fund - Regular Plan - IDCW	<b>50,000</b>	<b>28</b>	50,000	23
<b>Total</b>		<b>2,366</b>		<b>2,083</b>
Refer note 44 for information about fair value measurement				
<b>Notes:</b>				
Aggregate carrying value of quoted investments (gross)		<b>670</b>		415
Aggregate market value of quoted investments		<b>670</b>		415
Aggregate carrying value of unquoted investments (gross)		<b>1,697</b>		1,669
Aggregate amount of impairment in value of investments		<b>(1)</b>		(1)

#### Disclosure as per para 11A under Ind AS - 107 "Financial Instruments: Disclosures"

Equity instruments designated at fair value through other comprehensive income (OCI) include investment in equity shares of non-listed companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.



## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 8. Loans (Non-current)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loans and advances to employees (*)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Break up of security details</b>		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (*)	0	0
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
<b>Total</b>	<b>0</b>	<b>0</b>
Loss allowance	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

#### Notes-

(i) Refer note 44 for information about fair value measurement and note 45 for information about credit risk.

(ii) There are no loans and advances in the nature of loans granted to promoters, directors and KMP's of the Group.

### 9. Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(Unsecured, considered good)</b>		
Security deposits	485	736
Margin money deposits with the maturity of more than 12 months (refer note (i) below)	593	602
<b>Total</b>	<b>1,160</b>	<b>1,338</b>

#### Note -

(i) Held as lien by bank against bank guarantees amounting to ₹ 461 lakhs (31 March 2023: ₹ 416 lakhs)

(ii) Refer Note 45 for information about credit risk.

### 10. Income tax assets (net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance taxes paid (net of provision for tax ₹ 26,816 lakhs (31 March 2023: ₹ 26,536 lakhs))	2,923	2,948
<b>Total</b>	<b>2,923</b>	<b>2,948</b>

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**Income Tax Asset Movement:**

Income tax assets at the beginning of the year	2,948	2,964
Less: Income tax refund (net)	(30)	(29)
Less: Tax pertaining to earlier years	(14)	(11)
Add: Reclassified from current income tax assets	19	24
<b>Income tax assets (net) at the end of the year</b>	<b>2,923</b>	<b>2,948</b>

**11. Other non-current assets**
**(₹ in lakhs)**
**Particulars**

	As at 31 March 2024	As at 31 March 2023
Capital advances	425	452
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	23	38
Balance with government authorities	442	440
<b>Total</b>	<b>765</b>	<b>805</b>

**12. Inventories**
**(₹ in lakhs)**
**Particulars**

	As at 31 March 2024	As at 31 March 2023
Raw materials, packing material and components (including goods-in-transit ₹ 907 lakhs (31 March 2023 ₹ 858 lakhs))	12,284	11,333
Work-in-progress	7,284	8,814
Finished goods (including goods-in-transit ₹ 714 lakhs (31 March 2023 ₹ 442 lakhs))	14,563	10,583
Stores and spares (including goods-in-transit ₹ 22 lakhs (31 March 2023 - ₹ 29 lakhs))	7,682	6,172
<b>Total</b>	<b>41,813</b>	<b>36,902</b>

**Notes:-**

(i) Finished goods inventories of ₹ 807 lakhs (31 March 2023 - ₹ 1,049 lakhs) is written down to its realisable value of ₹ 615 lakhs (31 March 2023 - ₹ 821 lakhs).

(ii) The provision towards slow moving and obsolete inventories as at 31 March 2024 is ₹ 2,469 lakhs (31 March 2023 - ₹ 2,057 lakhs)

(iii) Also, refer note 27, 40 and note 51.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 13. Investments (Current)

(₹ in lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Quantity (Nos.)	Amount (₹ in lakhs)	Quantity (Nos.)	Amount (₹ in lakhs)
<b>Investment in mutual funds measured at fair value through profit and loss (unquoted):</b>				
HDFC ultra short term fund	91,37,069	1,288	91,37,069	1,197
HDFC nifty 100 fund	9,99,950	134	10,00,000	100
DSP ultra short term fund	-	-	6,389	200
Kotak Liquid Fund Direct Plan - Growth	2,575	126	229	10
Kotak Overnight Fund Direct - Growth	32,112	410	116	1
Kotak Money Market Fund - Direct Plan - Growth (Erstwhile Kotak Floater ST)	1,420	59	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG	429	25	-	-
ICICI Prudential Overnight Fund Direct Plan Growth (*)	24	0	-	-
ASBL short term fund	-	-	65,553	28
<b>Total</b>		<b>2,042</b>		<b>1,536</b>

#### Notes-

Aggregate amount of unquoted investments

Aggregate amount of impairment in value of investments

#### Note -

(i) Refer note 51 and 24 for information about assets pledged as security for current and non-current borrowings.

(ii) Refer note 44 for information about Fair value measurements.

(iii) Refer note 45(c) for information about Market risk.

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### 14. Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
	<b>Receivables from</b>	
- Related parties (refer note (ii) below and note 50)	22	22
- Others	19,735	25,284
Less: Allowance for expected credit loss - others	(2,546)	(2,938)
<b>Total</b>	<b>17,211</b>	<b>22,368</b>
Current portion	17,211	22,368
Non current portion	-	-
<b>Break up of security details</b>		
Trade receivables considered good - secured	97	92
Trade receivables considered good - unsecured	17,902	23,219
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,758	1,995
<b>Total</b>	<b>19,757</b>	<b>25,306</b>
Loss: Allowance for expected credit loss	(2,546)	(2,938)
<b>Total</b>	<b>17,211</b>	<b>22,368</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

**Notes:**

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2023 - ₹ 4 lakhs) from a private company where director of the Parent Company is also a director.
- (ii) No trade or other receivable are due from directors or other officers of the group either severally or jointly with any other person.
- (iii) Refer note 45 for information about credit risk and market risk of trade receivables.
- (iv) The outstanding balances as at 31 March 2024 includes trade receivables amounting to ₹ 3,091 lakhs (31 March 2023: ₹ 5,020 lakhs) from customers situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in remittance of receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999. The Parent Company is in the process of recovering these outstanding dues however, wherever required, provision has been made in the books of account. The Parent Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the accompanying consolidated financial statements do not include any consequential adjustments that may arise due to such delay.
- (v) Trade receivables are non interest bearing and are generally on credit terms in line with respective industry norms.
- (vi) Unbilled trade receivables amount as at 31 March 2024 is ₹ Nil (31 March 2023 - ₹ Nil).
- (vii) Refer note 51 and 24 for information about assets pledged as security for current and non-current borrowings.

**Ageing for trade receivables (gross of allowance for expected credit loss) outstanding from the due date of payment as at 31 March 2024** (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	11,435	5,657	889	18			17,999
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired				330	439	989	1,758
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Gross amount of trade receivables</b>	<b>11,435</b>	<b>5,657</b>	<b>889</b>	<b>348</b>	<b>439</b>	<b>989</b>	<b>19,757</b>
Less: allowance for expected credit loss							(2,546)
<b>Carrying amount of trade receivables</b>							<b>17,211</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

Ageing for trade receivables (gross of allowance for expected credit loss) outstanding from the due date of payment as at 31 March 2023 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	15,505	6,280	1,508	-	-	18	23,311
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	787	251	957	1,995
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Gross amount of trade receivables</b>	<b>15,505</b>	<b>6,280</b>	<b>1,508</b>	<b>787</b>	<b>251</b>	<b>975</b>	<b>25,306</b>
Less: allowance for expected credit loss							(2,938)
<b>Carrying amount of trade receivables</b>							<b>22,368</b>

### 15. Cash and cash equivalents

(₹ in lakhs)

#### Particulars

As at  
31 March 2024

As at  
31 March 2023

Balances with banks in:

- Current accounts

4,545

4,985

- EEFC account

830

1,485

- Deposit accounts with the original maturity of less than three months

-

59

Cash on hand

4

2

Margin money deposits with the original maturity of upto 3 months

500

-

**Total**

**5,879**

**6,531**

#### Notes:-

(i) There are no repatriation restrictions with regards to bank balances stated above.

(ii) Also, refer note 45 and note 51.

### 16. Bank balances other than cash and cash equivalents

(₹ in lakhs)

#### Particulars

As at  
31 March 2024

As at  
31 March 2023

Unpaid dividend account (refer note (i) below)

2,373

818

Margin money deposits (bank deposits pledged with banks) (refer note (ii) below)

-

884

Margin money deposits with the maturity of more than 3 months but less than 12 months

1,815

73

**Total**

**4,188**

**1,775**

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

**Notes:-**

(i) This represents earmarked balance in respect of unpaid dividends

Particulars	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Financial year</b>		
2015-16 (refer note (iii) below)	-	5
2016-17 (refer note (v) below)	4	7
2017-18	13	13
2018-19	11	11
2019-20	5	5
2020-21	158	158
2021-22	619	619
2022-23	311	-
2023-24 (refer note (vi) below)	1,252	-
<b>Total</b>	<b>2,373</b>	<b>818</b>

(ii) The unclaimed dividend transferred to Investor Educations and Protection Fund during the year is ₹ 8 lakhs (31 March 2023 - ₹ 3 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 303 lakhs (31 March 2023: ₹ 75 lakhs)

(iv) There are no repatriation restrictions with regards to bank balances.

(v) The due date for the transfer of the unpaid dividend is on 20 April 2024.

(vi) The same pertains to interim dividend declared by the parent company during the financial year 2023-24.

**17. Loans (current)**

Particulars	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loans to employees	18	34
Unsecured, credit impaired		
Loans to employees	15	15
	<b>33</b>	<b>49</b>
Less: Loss allowance	(15)	(15)
<b>Total</b>	<b>18</b>	<b>34</b>
<b>Break up of security details</b>		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (refer note (i) below)	18	34
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
<b>Total</b>	<b>33</b>	<b>49</b>
Loss allowance	(15)	(15)
<b>Total</b>	<b>18</b>	<b>34</b>

**Notes -**

(i) No loans or other receivable are due from directors or other officers of the Group either severally or jointly

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

with any other person.

(ii) Refer note 45 for information about credit risk and market risk for loans.

(iii) Refer note 51 for information about assets pledged as security for current and non-current borrowings.

### 18. Other current financial assets

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Rent receivable	5	32
Others	9	1
<b>Total</b>	<b>14</b>	<b>33</b>

#### Note -

(i) Refer note 51 for information about assets pledged.

(ii) Refer note 45(c) for information about Market risk.

### 19. Other current assets

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Advances to suppliers -		
- Related parties (refer note (ii) and note 50 below)(*)	0	0
- Others	1,965	1,852
- Employees	1	1
Less: Loss allowance - Others	(501)	(501)
Other advances	258	118
Less: Loss allowance	(29)	(29)
Export incentive and duty drawback receivable	63	124
Balance with government authorities	4,974	4,912
Prepaid expenses	568	319
Gratuity planned assets (net) (refer note 53(b)(1)(iv))	111	-
<b>Total</b>	<b>7,410</b>	<b>6,796</b>

#### Note -

(i) includes ₹ 0 (\*) lakhs (31 March 2023 - ₹ 0 (\*) lakhs) due from a private company in which director of the Parent Company is a director.

(ii) Refer note 24 and note 51 for information about assets pledged as security for current and non-current borrowings.

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 20. Current tax assets (net) (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax assets (net)	197	-
<b>Total</b>	<b>197</b>	<b>-</b>
Current tax assets (net) at the beginning of the year	-	-
Add: Advance tax and tax deducted at source (TDS)	6,469	-
Less: Current income taxes	(6,272)	-
<b>Current tax assets (net) at the end of the year</b>	<b>197</b>	<b>-</b>

### 21. Assets held-for-sale (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Group of tangible assets held for sale</b>		
Freehold land	-	5
Buildings and flats (gross carrying value - ₹ 129 lakhs, accumulated depreciation - ₹ 81 lakhs)	-	48
Furnitures and fixtures (gross carrying value - ₹ 66 lakhs, accumulated depreciation - ₹ 66 lakhs)	-	-
Electrical installations (gross carrying value - ₹ 83 lakhs, accumulated depreciation - ₹ 83 lakhs)	-	-
<b>Total</b>	<b>-</b>	<b>53</b>

#### Notes -

The Board of directors of the Parent Company at its meeting held on 22 January 2022 had approved sale/transfer/disposal of freehold land and building of Thane (freehold) situated at 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra. During the year ended 31 March 2024, the Parent Company has disposed the said freehold land and building having WDV of ₹ 53 lakhs at an agreed consideration of ₹ 19,605 lakhs adjusted by incidental expenses of ₹ 1,784 lakhs (being stamp duty and brokerage expenses) resulting into a net gain of ₹ 17,768 lakhs. Such gain is classified as an exceptional item for year ended 31 March 2024. (refer note 41)

### 22. Equity share capital (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Authorised share capital</b>		
100,000,000 (31 March 2023 : 100,000,000) equity shares of face value ₹ 2 each	2,000	2,000
<b>Total</b>	<b>2,000</b>	<b>2,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
96,922,600 (31 March 2023 : 96,922,600) Equity Shares of face value ₹ 2 each fully paid up	1,938	1,938
<b>Total</b>	<b>1,938</b>	<b>1,938</b>



## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
<b>Shares outstanding at the beginning of the year</b>	9,69,22,600	1,938	9,69,22,600	1,938
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>9,69,22,600</b>	<b>1,938</b>	<b>9,69,22,600</b>	<b>1,938</b>

### (ii) Terms and rights attached to equity shares

- (a) The Parent Company declares and pay dividend in Indian Rupees. Dividend proposed by the Board of Directors of the Parent Company is subject to approval by the shareholders of the Parent Company in Annual General Meeting (refer note 46(iii))
- (b) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- (c) Every member of the Parent Company holding equity shares has a right to attend the General Meeting of the Group and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Parent Company.
- (d) In the event of liquidation, the holders of equity shares will be entitled to receive assets of the Parent Company remaining after distribution of all preferential amounts, The distribution will be in proportion of the number of equity shares held by the shareholders.

### (iii) Details of shareholders holding more than 5% shares in the Company:

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
(Late) Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	<b>3,38,09,300</b>	<b>34.88%</b>	3,38,09,300	34.88%
Harshbeena Sahney Zaveri	<b>1,14,67,826</b>	<b>11.83%</b>	1,12,66,892	11.62%
Nalanda India Equity Fund Limited	<b>96,82,667</b>	<b>9.99%</b>	96,82,667	9.99%
HDFC Small Cap Fund	<b>87,48,982</b>	<b>9.03%</b>	89,63,982	9.25%
Mirae Asset Multicap Fund	<b>89,35,301</b>	<b>9.22%</b>	-	-

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (iv) Details of shareholding of promoter and promoter group of the parent company:

Particulars	As at 31 March 2024			As at 31 March 2023		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
<b>Name of promoters</b>						
Devesh Singh Sahney	8,50,089	0.88%	-	8,50,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	3,38,09,300	34.88%	-	3,38,09,300	34.88%	-
Harshbeena S Zaveri	1,14,67,826	11.83%	1.78%	1,12,66,892	11.62%	1.50%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	4,11,900	0.42%	-	4,11,900	0.42%	-
Bhupinder Singh Sahney	28,580	0.03%	7.12%	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	3,03,495	0.31%	-	3,03,495	0.31%	-
Mallika Sahney	4,920	0.01%	-	4,920	0.01%	-
Sahir Zaveri	19,752	0.02%	-	19,752	0.02%	-
Aziz Yousuf Zaveri	14,58,547	1.50%	33.02%	10,96,521	1.13%	8.16%
Anupa Rajiv Sahney	7,73,021	0.80%	-	7,73,021	0.80%	-
Szww General Trading Private Limited	5	0.00%	100.00%	-	0.00%	-
<b>Total</b>	<b>4,91,28,435</b>	<b>50.69%</b>		<b>4,85,63,570</b>	<b>50.11%</b>	

Particulars	As at 31 March 2023			As at 31 March 2022		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
<b>Name of promoters</b>						
Devesh Singh Sahney	8,50,089	0.88%	-	8,50,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	3,38,09,300	34.88%	-	3,38,09,300	34.88%	-
Harshbeena S Zaveri	1,12,66,892	11.62%	1.50%	1,11,00,917	11.45%	1.77%

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

<b>Name of promoter group</b>						
Aarti Devesh Sahney	<b>4,11,900</b>	<b>0.42%</b>	-	4,11,900	0.42%	-
Bhupinder Singh Sahney	<b>26,680</b>	<b>0.03%</b>	-	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	<b>3,03,495</b>	<b>0.31%</b>	-	3,03,495	0.31%	-
Mallika Sahney	<b>4,920</b>	<b>0.01%</b>	-	4,920	0.01%	-
Sahir Zaveri	<b>19,752</b>	<b>0.02%</b>	-	19,752	0.02%	-
Aziz Yousuf Zaveri	<b>10,96,521</b>	<b>1.13%</b>	<b>8.16%</b>	10,13,770	1.05%	0.10%
Anupa Rajiv Sahney	<b>7,73,021</b>	<b>0.80%</b>	-	7,73,021	0.80%	100.00%
<b>Total</b>	<b>4,85,63,570</b>	<b>50.11%</b>		<b>4,83,14,844</b>	<b>49.85%</b>	

Note - As per records of the group, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(v) The Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2024. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2024.

### 23. Other equity

<b>Particulars</b>	<b>(₹ in lakhs)</b>	
	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Securities premium	<b>848</b>	848
General reserve	<b>12,725</b>	12,725
Capital reserve	<b>15</b>	15
Capital redemption reserve	<b>1,011</b>	1,011
Retained earnings	<b>68,495</b>	49,337
Fair value gain on equity instruments through other comprehensive income	<b>644</b>	415
Foreign currency translation reserve	<b>187</b>	340
Cash flow hedge reserve	<b>128</b>	147
<b>Total</b>	<b>84,052</b>	<b>64,838</b>

#### Nature and purpose of reserves

##### (i) Securities premium

<b>Particulars</b>	<b>(₹ in lakhs)</b>	
	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Balance at the beginning of the year</b>	<b>848</b>	848
Add - changes during the year	-	-
<b>Balance at the end of the year</b>	<b>848</b>	<b>848</b>

Amount received (on issue of shares) in excess of the face value has been classified as securities premium. This reserve will be utilised in accordance with the provision of the Act.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (ii) General reserve (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>12,725</b>	12,725
Transferred from debenture redemption reserve		
<b>Balance at the end of the year</b>	<b>12,725</b>	<b>12,725</b>

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is distributable reserve.

### (iii) Capital reserve (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>15</b>	15
Add - changes during the year	-	-
<b>Balance at the end of the year</b>	<b>15</b>	<b>15</b>

### (iv) Capital redemption reserve (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>1,011</b>	1,011
Add - changes during the year		
<b>Balance at the end of the year</b>	<b>1,011</b>	<b>1,011</b>

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision of the Companies Act, 2013.

### (v) Retained earnings (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>49,337</b>	41,878
Add - Profit for the year	<b>23,943</b>	9,398
Add: Other comprehensive income for the year (refer note 43)	<b>158</b>	(1)
Less - Interim Dividend paid @ ₹ 4.1 per equity share (31 March 2023 - ₹ Nil per equity share)(refer note 46(iii))	<b>(3,974)</b>	-
Less - Final Dividend paid for FY 2022-23 @ ₹ 1 per equity share (FY 2021-22 - ₹ 2 per equity share) (refer note 46(iii))	<b>(969)</b>	(1,938)
<b>Balance at the end of the year</b>	<b>68,495</b>	<b>49,337</b>

Retained earnings represents the accumulated profits / losses made by the Group over the years.

### (vi) Fair value gain / (loss) on equity instruments measured through OCI (₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>415</b>	373
Change in fair value of equity instrument (net of tax) (refer note 43)	<b>229</b>	42
<b>Balance at the end of the year</b>	<b>644</b>	<b>415</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

The Group has elected to recognise changes in the fair value of equity investments in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserves within equity and will be transferred to retained earnings on derecognition of these equity instruments.

### (vii) Other comprehensive income (items which will be reclassified to profit and loss):

#### Foreign currency translation reserve

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>340</b>	(301)
Add: Addition during the year (net of tax) (refer note 43)	<b>(153)</b>	641
<b>Balance at the end of the year</b>	<b>181</b>	<b>340</b>

The exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The same will be cumulatively reclassified to consolidated statement of profit and loss when the foreign operation is disposed off.

### (viii) Cash flow hedge reserve

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>147</b>	371
Add: Change in fair value of derivative hedging instrument (net of tax) (refer note 43)	<b>(19)</b>	(224)
<b>Balance at the end of the year</b>	<b>128</b>	<b>147</b>

It represents the effective portion of the fair value of option contracts designated as cash flow hedge.

### (ix) Non Controlling Interest (NCI)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>1462</b>	1310
Profit for the year	208	217
Other Comprehensive Income / loss (net of tax) (refer note 43)	0	(3)
Final dividend on equity shares for the year ended 31 March 2023 of ₹ 6.5 per equity share ( 31 March 2022: ₹ 6.5 per share)	-	(62)
<b>Balance at the end of the year</b>	<b>1,670</b>	<b>1462</b>

It represents the non controlling interest in the Indian Subsidiary of the Group

### 24. Borrowings (non-current)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Term loan from banks - secured (Refer note (a) below)	<b>2,661</b>	6,489
Deferred sales tax loan - unsecured (Refer note (b) below)	<b>23</b>	73
<b>Total</b>	<b>2,684</b>	<b>6,562</b>

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

Particulars	Security	Terms of repayment of principal	Number of installments outstanding as at		Rate of interest (per annum)(#)	As at 31 March 2024	As at 31 March 2023
			31 March 2024	31 March 2023			
<b>(a) Term loan from banks (*)</b>							
Term loan	Secured by exclusive charge by way of mortgage of a residential property of the Company situated in Mumbai.	Annual installments starting from 8 April 2021 to be completed in 8 April 2023	0	1	9.25%	-	833
Term loan	Secured by first exclusive charge by way of a hypothecation over property plant and equipment purchased towards capex out of the said term loan proceeds.	Quarterly installments starting from 1 October 2020 to be completed on 1 July 2025	5	9	1 year MCLR+0.50%	965	2,908
Vehicle loan	Secured by first exclusive charge by way of hypothecation over vehicle of the Group purchased last year	Monthly installments starting from December 2021 to be completed on December 2024.	9	20	7.73%	3	6
Term loan	Secured by first exclusive charge by way of a hypothecation over property plant and equipment purchased towards capex out of the said term loan proceeds.	Quarterly installments starting from 31 March 2023 to be completed on 31 December 2027	15	19	8.6% (1 year MCLR + 0%)	3,222	4,078
Working capital term loan	Secured by way of mortgage of a residential property of the Company situated in Mumbai.	Monthly installments starting from 1 October 2022 to be completed on 1 September 2026, however fully paid in FY 23-24	0	42	3 Month T-Bill +2.09%	-	2,188
					<b>Total</b>	<b>4,190</b>	<b>10,013</b>
Comprises of							

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

Long term borrowings						2,661	6,489
Current maturities of long term debt(^) (refer note 28)						1,529	3,524
						4,190	10,013
(b) Deferred sales tax loan							
Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	2	3	-	73	146
					Total	73	146
Comprises of							
Long term borrowings						23	73
Current maturities of long term debt (^) (refer note 28)						50	73
						73	146

\* The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 51.

^ Includes interest / instalments payable, recognised as part of carrying value of financial liabilities at amortised cost.

# The rate of interest is same for both the reported financial years.

Note - Refer note 27 for cash flow changes in liabilities arising from financial activities and note 47 for net debt reconciliation.

### 25. Other non-current financial liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Security deposits	95	95
<b>Total</b>	<b>95</b>	<b>95</b>

Refer note 45 for information about liquidity risk of other financial liabilities.

### 26. Other non-current liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Prepaid rent received	7	12
<b>Total</b>	<b>7</b>	<b>12</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 27. Borrowings (current) (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
<b>Loans from banks - repayable on demand</b>		
- Packing credit loan (refer note (ii) below)	7,508	12,014
- Working capital demand loan	4,659	7,535
- Cash credit - repayable on demand (refer note (iii) below)	-	2,497
- Credit card dues	906	
<b>Current maturities of non-current borrowings (refer note 24)</b>		
- Term loans from banks	1,529	3,524
- Deferred sales tax loan	50	73
<b>Total</b>	<b>14,652</b>	<b>25,643</b>

### Cash flow changes in liabilities arising from financial activities : (₹ in lakhs)

Particulars	Borrowings (current and non-current) (A)	Lease liabilities (current and non-current) (B)
<b>As at 1 April 2022</b>	<b>29,409</b>	<b>837</b>
Non cash movement - additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 47)	2,796	(159)
<b>As at 31 March 2023</b>	<b>32,205</b>	<b>678</b>
Non cash movement - additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 47)	(14,869)	(170)
<b>As at 31 March 2024</b>	<b>17,336</b>	<b>508</b>

#### Notes -

- (i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in note 51.
- (ii) Packing credit loan amounting to ₹ 7,508 lakhs (31 March 2023 - ₹ 12,014 lakhs) which is secured by first pari passu hypothecation charge on all the existing and future current assets of the Company. The weighted average interest rate on packing credit loan is 6.21% (31 March 2023 - 6.34%).
- (iii) Cash credit loan - repayable on demand amounting to ₹ Nil (31 March 2023 - ₹ 2,497 lakhs) which was secured by stand by letter of credit issued by Citi bank, India.
- (iv) The statement of current assets filed by the Group with banks are in agreement with the books of account which subjected to limited review and audit.
- (v) Refer note 45 for liquidity risk and market risk.
- (vi) Refer note 46 for capital management.
- (vii) Working capital demand loan amounting to ₹ 4,658 lakh (31 March 2023 - ₹ 7,535 lakhs) which is secured by way of mortgage of a residential property of the Company situated in Mumbai
- (viii) Credit card dues are unsecured.



## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 28. Trade payables

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note (v) below)	2,045	2,490
Total outstanding dues of creditors other than micro enterprises and small enterprises *	7,593	10,398
<b>Total</b>	<b>9,638</b>	<b>12,888</b>

#### Notes -

- (i) Refer note 45 for information about liquidity risk and market risk of trade payables.
- (ii) Trade payables are non-interest bearing and are settled in line with respective industry norms.
- (iii) From total trade payables mentioned above, payables against unbilled dues are ₹ 1,603 lakhs (31 March 2023 - ₹ 1,134 lakhs).
- (iv) The outstanding balances as at 31 March 2024 includes trade payables amounting to ₹ 191 lakhs (31 March 2023: ₹ 428 lakhs), from vendors situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in payments of payables, beyond the timeline stipulated by the FED Master Direction No. 17/ 2016-17, under the Foreign Exchange Management Act, 1999. The Parent Company is in the process of making the payment for outstanding payables. The Parent Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management of Parent company believes that the exposure is not expected to be material. Accordingly, the Consolidated financial statements do not include any consequential adjustments that may arise due to such delay.

#### (v) Dues to micro enterprise and small enterprise (MSME)

The Company has certain dues to suppliers registered as Micro enterprise and small enterprise under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
(a) The principal amount remaining unpaid to any supplier at the end of the year	1,732	2,148
(b) Interest due remaining unpaid to any supplier at the end of the year	313	342
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	4,432	9,334
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	313	342
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	86	227

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group. The disclosure has been made in the consolidated financial statements and had been relied upon by the statutory auditors.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### Ageing for trade payables outstanding from the date of transaction as at 31 March 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME(*)	218	1,575	238	10	4	2,045
Others	56	5,769	39	89	36	5,989
Disputed dues (MSMEs)	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-
	275	7,344	277	99	40	8,035
Add - Unbilled dues						1,603
						9,638

### Ageing for trade payables outstanding from the date of transaction as at 31 March 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	2,219	251	13	7	-	2,490
Others	5,663	3,278	295	28	-	9,264
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>7,882</b>	<b>3,529</b>	<b>308</b>	<b>35</b>	<b>-</b>	<b>11,754</b>
Add- Unbilled dues						1,134
						12,888

### 29. Other financial liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Derivative liability	21	6
Deposits from dealers	200	200
Unpaid dividends (unclaimed) (Refer footnote i and ii)	2,373	818
Creditors for capital goods	83	92
Employee related payables (also refer note 50(iii))	1,450	1,243
Other payables	18	1,089
<b>Total</b>	<b>4,145</b>	<b>3,448</b>

#### Notes:

- (i) Refer note 45 for information about liquidity risk of other current financial liabilities.
- (ii) Refer note 16 for amount transferred to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 30. Other current liabilities

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Statutory dues	735	783
Prepaid rent	14	10
Revenue received in advance	339	0
Contractual liability (unearned revenue)	169	113
Other advances	11	167
<b>Total</b>	<b>1,268</b>	<b>1,073</b>

#### Note

Other advances include the Rs 12 lakhs advance rent received by parent Company for the period April 1, 2024, to March 31, 2025, from Sudarshan Realtech LLP for redevelopment purposes.

#### (i) Changes in contract liabilities are as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Balance at the beginning of the year</b>	<b>113</b>	<b>4</b>
Revenue recognised that was included in the contract liability balance at the beginning of the year	(113)	(4)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	169	113
<b>Balance at the end of the year</b>	<b>169</b>	<b>113</b>

### 31. Provisions

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Provision for employee benefits</b>		
- Compensated absences (refer note 53(c))	957	895
- Gratuity (refer note 53(b)(1)(iv))	-	151
<b>Total</b>	<b>957</b>	<b>1,046</b>

### 32. Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Current tax liabilities (net)	202	171
<b>Total</b>	<b>202</b>	<b>171</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 33. Revenue from operations

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Sale of products (also refer note 50(ii))</b>		
Finished goods - Bearings	1,07,213	1,03,523
<b>Other operating revenues</b>		
Scrap sales	1,722	1,571
Export incentives	423	569
Other operating income	45	53
<b>Total</b>	<b>1,09,403</b>	<b>1,05,716</b>

#### (i) Disaggregated revenue

##### Revenue based on geography

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Within India	80,572	80,902
Outside India	28,831	24,814
<b>Total</b>	<b>1,09,403</b>	<b>1,05,716</b>

#### - Revenue based on timing of recognition

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognition at a point in time	1,09,403	1,05,716
Revenue recognition over period of time	-	-
<b>Total</b>	<b>1,09,403</b>	<b>1,05,716</b>

#### - Reconciliation of revenue from operations with contract price

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract price	1,11,235	1,06,630
Less : Discounts, Incentives and others	(1,832)	(914)
<b>Total</b>	<b>1,09,403</b>	<b>1,05,716</b>

#### Notes -

- (a) There is no reconciliation between the contract price and revenue from customers. Also, there is no contract assets generated during the year.
- (b) Refer note 45(a) for information regarding revenue from top customer and top 5 customers of the Group.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 34. Other Income

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend income on financial assets measured at FVOCI	10	8
Dividend income on financial assets measured at FVTPL	3	2
Interest income on financial assets measured at amortised cost	104	65
Fair value changes on financial assets measured at FVTPL	238	73
Profit on sale of property, plant and equipment's	29	60
Rent income	156	167
Net gain on foreign currency transactions and translation	480	1,394
Profit on sale of investment	11	-
Fair valuation gain on derivative instrument measured at FVTPL	-	358
Interest on electricity deposit's	11	7
Insurance claim received (excluding exceptional items)	34	36
Liabilities no longer required written back (net)	452	75
Reversal of provision for doubtful trade receivables (net)	168	-
Others	81	44
<b>Total</b>	<b>1,778</b>	<b>2,289</b>

### 35. Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock	11,333	10,060
Add: Purchases (also refer note 50 (ii))	45,273	48,545
Less: Closing stock (refer note 12)	(12,284)	(11,333)
<b>Total</b>	<b>44,322</b>	<b>47,272</b>
Add: Exceptional items (refer Note 41)	-	-
<b>Total</b>	<b>44,322</b>	<b>47,272</b>

### 36. Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening inventories</b>		
Finished goods	8,814	7,039
Work-in-progress	10,583	5,842
	<b>19,397</b>	<b>12,881</b>
<b>Closing inventories (refer note 12)</b>		
Finished goods	(7,284)	(8,814)
Work-in-progress	(14,563)	(10,583)
	<b>(21,847)</b>	<b>(19,397)</b>
<b>Total</b>	<b>(2,450)</b>	<b>(6,516)</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 37. Employee benefits expense

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages *	15,194	14,317
Directors sitting fees and commission	78	61
Contribution to provident and other funds (refer note 53(a))*	709	643
Staff welfare expenses	1,081	1,040
<b>Total</b>	<b>17,062</b>	<b>16,061</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 1,552 lakhs (31 March 2023 - ₹ 1,626 lakhs) (refer note 50(iii)).

### 38. Finance costs

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on financial liabilities measured at amortised cost		
- Long term borrowings	643	666
- Short term borrowings	1,415	972
Interest on lease liability (refer note 55 (ii))	59	75
Interest payable to MSME vendors	86	227
Other borrowing costs	24	24
<b>Total</b>	<b>2,227</b>	<b>1,964</b>

### 39. Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 2)	3,940	3,740
Depreciation on right to use assets (refer note 55(ii))	196	202
Amortisation on intangible assets (refer note 5)	196	138
<b>Total</b>	<b>4,332</b>	<b>4,080</b>

### 40. Other expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores and spare parts	7,979	7,872
Processing charges	1,464	1,516
Power and fuel	4,808	4,619
Repairs and maintenance -		
Buildings	315	307
Plant and equipments	939	798
Others	342	232
Office and administrative expense	2,577	2,484
Rent (refer note 55(ii))	455	383
Rates and taxes	152	335
Legal and professional fees	2,103	1,676

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

Selling and distribution expense	<b>5,033</b>	5,306
Bad debts written off (net of amounts provided thereagainst ₹ 274 lakhs (31 March 2023 - ₹ Nil))	-	69
Information technology expenses	<b>450</b>	694
Provision for doubtful advances	-	28
Assets scrapped/ written Off	-	2
Fair valuation loss on derivative contracts	<b>13</b>	-
Auditors' remuneration	<b>178</b>	167
Expenditure on corporate social responsibility	<b>189</b>	143
Contract labour	<b>4,880</b>	3,838
Miscellaneous expenses	<b>967</b>	860
<b>Total</b>	<b>32,844</b>	<b>31,329</b>

### 41. Exceptional items- gain / (loss) (net)

(₹ in lakhs)

<b>Particulars</b>	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
i) Impairment allowance on doubtful trade receivables (refer note (i) below)	-	(1,053)
ii) Waluj fire impact		
- Loss of inventories due to fire (refer note 12)	<b>(1,658)</b>	-
- Impairment loss reversal / (allowance) on property, plant and equipments damaged due to fire		
a) Plant and equipments and other accessories (refer note 2)	<b>(348)</b>	-
b) Building and other civil structures (refer note 2)	<b>(70)</b>	-
- Claim received from Insurance Company (refer note (ii) below)	<b>3,051</b>	-
iii) Gain on sale of land and building (net)	<b>17,768</b>	-
<b>Total</b>	<b>18,743</b>	<b>(1,053)</b>

Notes :-

- (i) During the previous financial year, the Holding Company observed significant increase in credit risk as compared to earlier years which resulted into significant increase in provision for doubtful trade receivables in accordance with the expected credit loss method adopted by the Holding Company. Considering the nature and significance of amount, such charge is considered as an exceptional loss.
- (ii) A fire incident had occurred at one of the Parent Company's plant situated at Waluj, Aurangabad on 8 May 2023. There has been no loss or injury to human life or other casualty due to fire incident, however an auto product assembly line has been majorly damaged along with production related stores and spares. The Parent Company had filed an insurance claim with the insurer basis the preliminary assessment of loss by the management with respect to the damage caused to inventories, plant and equipments and other accessories, buildings, and other civil structures.

In respect of the above, the Parent Company along with surveyor has estimated and provided for an impairment loss against book value amounting to ₹ 2,076 lakhs for inventories, plant and equipments and other accessories, buildings and other civil structures.

The Parent Company believes it has adequate insurance coverage for its assets situated at Waluj plant and till date no claim of the Parent Company has been refuted by the insurer. The surveyor appointed by the Insurance Company has finalised the claim with respect to inventories and is in process of ascertaining the amount of actual loss for settlement against the insurance claim filed by the Parent Company for plant

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

and equipments and other accessories, buildings, and other civil structures. The Insurance Company has disbursed a total amount of ₹ 3,051 lakhs i.e., ₹ 1,801 lakhs as final payment against inventories and ₹ 1,250 lakhs as an interim payment on replacement cost basis against plant and equipments and other accessories, buildings and other civil structures, which is classified as an exceptional gain for the year ended 31 March 2024. The Parent Company is currently in the process of ascertaining the further operational losses caused due to fire and believes that all such losses are adequately insured.

### 42. Tax expense in consolidated statement of profit and loss (including other comprehensive income (OCI))

Particulars	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax expense</b>		
Current tax for the year	6,628	3,539
Tax pertaining to earlier year	14	11
<b>Total current tax expense</b>	<b>6,642</b>	<b>3,550</b>
<b>Deferred taxes</b>		
Relating to origination and reversal of temporary differences recognised through profit and loss	794	(403)
Relating to origination and reversal of temporary differences recognised through OCI	73	(78)
<b>Total deferred tax expense (net)</b>	<b>867</b>	<b>(481)</b>
<b>Total tax expense</b>	<b>7,509</b>	<b>3,069</b>

### (i) Tax reconciliation (for profit and loss including OCI)

Particulars	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Profit before income tax expense</b>	31,586	12,762
Tax at the rate of 25.17% (31 March 2023 - 25.17%)	7,950	3,212
<b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b>		
Non deductible expenses for tax purpose	64	89
<b>Additional allowances for tax purpose</b>	217	(148)
Effect of difference in tax rate - Gain on sale of freehold land	(924)	-
Tax on income at different rate as per applicable jurisdiction	54	175
Tax adjustment in respect of earlier years	14	11
Others	134	(270)
<b>Income tax expense</b>	<b>7,509</b>	<b>3,069</b>



**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**(ii) Deferred tax related to the following**
**(₹ in lakhs)**

<b>Deferred tax liabilities (net)</b>	<b>As at 31 March 2022</b>	<b>Recognised through profit and loss and OCI</b>	<b>As at 31 March 2023</b>	<b>Recognised through profit and loss and OCI</b>	<b>As at 31 March 2024</b>
<b>Deferred tax liabilities on account of:</b>					
Difference between book and tax depreciation	<b>(2,484)</b>	100	<b>(2,384)</b>	(430)	<b>(2,814)</b>
IND AS 116 (Right of Use Asset)	<b>(244)</b>	86	<b>(158)</b>	50	<b>(108)</b>
Outside basis tax	<b>(182)</b>	182	-	-	-
Financial liabilities measured at amortised cost(*)	<b>(4)</b>	1	<b>(3)</b>	0	<b>(3)</b>
Equity investment measured at fair value through other comprehensive income	-	-	-	(25)	<b>(25)</b>
Equity investment measured at fair value through profit and loss	-	-	-	(154)	<b>(154)</b>
Fair valuation of derivative contracts	<b>(10)</b>	10	-	-	-
Unrealised capital gain on mutual funds	<b>(13)</b>	(27)	<b>(40)</b>	17	<b>(23)</b>
Others	<b>(3)</b>	3	-	(78)	<b>(78)</b>
<b>Total deferred tax liabilities</b>	<b>(2,940)</b>	355	<b>(2,585)</b>	(620)	<b>(3,205)</b>
<b>Deferred tax assets on account of:</b>					
Provision for gratuity	<b>66</b>	(28)	<b>38</b>	(57)	<b>(19)</b>
Provident fund contribution	<b>23</b>	-	<b>23</b>	-	<b>23</b>
Provision for doubtful trade receivables	<b>478</b>	262	<b>740</b>	(112)	<b>628</b>
Voluntary retirement compensation	<b>13</b>	-	<b>13</b>	-	<b>13</b>
Provision for compensated absence	<b>264</b>	(39)	<b>225</b>	19	<b>244</b>
Lease liabilities	<b>249</b>	(78)	<b>171</b>	(43)	<b>128</b>
Amortisation of borrowings	<b>4</b>	(4)	-	(1)	(1)
Unrealised profits on intercompany transactions	<b>62</b>	(62)	-	-	-
Fair valuation of derivative contracts / others	-	75	<b>75</b>	(53)	<b>22</b>
<b>Total deferred tax assets</b>	<b>1,159</b>	126	<b>1,285</b>	(247)	<b>1,038</b>
<b>Total deferred tax liabilities (net)</b>	<b>1,781</b>	(481)	<b>1,300</b>	867	<b>2,167</b>

**Note :-**

The Group offsets tax assets and liabilities if and only if it has legally enforceable rights to do so and the entity's intention is to settle it on a net basis, or to realise such assets and liabilities simultaneously and deferred tax assets and deferred tax liabilities related to taxes levied by same tax authorities.

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 43. Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
<b>- Items that will not be reclassified to profit or loss</b>		
Actuarial gain on remeasurements of the net defined benefit plans (refer note 53(b)(vii))	212	(6)
(Loss)/ gain on fair value equity instruments	254	42
Income tax relating to items that will not be reclassified to profit or loss	(79)	2
	<b>387</b>	<b>38</b>
<b>- Items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation's	(153)	641
Remeasurement of gains on derivative hedging instruments	(26)	(300)
Income tax relating to items that may be reclassified to profit or loss	7	76
	<b>(172)</b>	<b>417</b>
<b>Total</b>	<b>215</b>	<b>455</b>

### 44. Fair value measurements

#### Financial instruments by category -

(₹ in lakhs)

Particulars	31 March 2024			31 March 2023		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
<b>Financial assets - non-current</b>						
Investments (*)	670	1,668	-	415	1,645	-
Loans	-	-	0	-	-	0
Other financial assets	-	-	1,078	-	-	1,338
<b>Financial assets - current</b>						
Investments	-	2,042	-	-	1,536	-
Trade receivables (*)	-	-	17,211	-	-	22,368
Cash and cash equivalents	-	-	5,879	-	-	6,531
Bank balances other than cash and cash equivalents	-	-	4,188	-	-	1,775
Loans (*)	-	-	18	-	-	34
Other financial assets	-	-	14	-	-	33
<b>Financial liabilities - non-current</b>						
Borrowings	-	-	2,684	-	-	6,562
Lease liabilities	-	-	300	-	-	508
Other financial liabilities	-	-	95	-	-	95
<b>Financial liabilities - current</b>						
Borrowings (including current maturities of non-current borrowings)	-	-	14,652	-	-	25,643
Lease liabilities	-	-	208	-	-	170
Trade payables	-	-	9,637	-	-	12,888
Other financial liabilities	-	-	4,145	-	-	3,448

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## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

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Note - The carrying value of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, loans, other current financial assets, short term borrowings, lease liabilities, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

(\*) Net of impairment

### I. Fair value hierarchy -

The fair values of the financial assets and liabilities are included at the amount 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.

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 consolidated 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 is given below.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**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.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

### II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

(i) The fair values for investments in equity instrument are based on the quoted market prices and mutual fund are based on the net assets value. Fair values of security deposits, loans are based on discounted cash flows using a discount rate determined considering group's incremental borrowing rate. Non current borrowings are fair valued using effective interest rates.

(ii) Fair valuation of interest rate swap and foreign currency option contracts are calculated on the basis of estimated mid-market levels, estimated bid-side or offer side levels, or on the basis of indicative bid or offer or unwind prices or on such other appropriate basis. It is derived from other proprietary or other pricing models based on certain assumptions.

(iii) Fair valuation of forward exchange contracts are determined using forward exchange rates at the balance sheet date.

(iv) The carrying amounts of trade receivables, cash and cash equivalent, other bank balances, current loans, other current financial assets, other non-current financial liabilities, short term borrowings, trade payables, other current financial liabilities are considered to be approximately equal to the fair value and hence they have not been disclosed under tables below.

### III. Valuation process

The finance department of the group performs the calculations of financial assets and liabilities required for financial reporting purposes. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every three months, in line with the quarterly reporting periods.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

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

(₹ in lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investment in mutual fund measured at FVTPL	2,042	-	-	1,536	-	-
Investments in equity instrument measured at FVTPL	-	1,668	-	-	1,645	-
Investments in equity instrument measured at FVOCI	670	-	-	415	-	-
Derivative asset measured at FVTPL	-	-	-	-	-	-
<b>Financial liabilities</b>						
Derivative liabilities	-	21	-	-	6	-

### 45. Financial risk management

The Group's principal financial liabilities comprise borrowings, lease liability, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, market risk and liquidity risk. The senior management of the group oversees the management of these risks.

#### (a) Credit risk

The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and other financial instruments).

#### Credit risk management

To manage credit risk, the Group follows a policy of providing 30-180 days credit on the basis of nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the Group is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances and deposits are held with only high rated banks and majority of other security deposits are placed majorly with government agencies/public sector undertakings.

#### Expected credit loss for trade receivables as on 31 March 2024

(₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
<b>Gross trade receivables (a)</b>	11,435	6,546	18	1,758	19,757
Expected loss rate	0.65%	10.90%	0%	100.00%	
Expected credit loss (b)	74	714	-	1,758	2,546
<b>Carrying amount of trade receivables (a-b)</b>	11,361	5,832	18	-	17,211

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### Expected credit loss for trade receivables as on 31 March 2023 (₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
<b>Gross trade receivables (a)</b>	15,505	7,788	18	1,995	25,306
Expected loss rate	1.92%	8.28%	0.00%	100.00%	
Expected credit loss (b)	298	645	-	1,995	2,938
<b>Carrying amount of trade receivables (a-b)</b>	<b>15,207</b>	<b>7,143</b>	<b>18</b>	<b>-</b>	<b>22,368</b>

### Expected credit loss for other financial assets as on 31 March 2024 (₹ in lakhs)

Particulars	Loans	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Other financial assets
Estimated gross carrying amount at default	18	5,879	4,188	39
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>18</b>	<b>5,879</b>	<b>4,188</b>	<b>39</b>

### Expected credit loss for other financial assets as on 31 March 2023 (₹ in lakhs)

Particulars	Loans	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Other financial assets
Estimated gross carrying amount at default	18	5,879	4,188	14
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>18</b>	<b>5,879</b>	<b>4,188</b>	<b>14</b>

### Movement in provision of doubtful debts (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening provision	2,938	1,885
Add - (reversal) / creation of provision made during the year	(118)	1,053
Less - bad debts written off	(274)	-
Closing provision	<b>2,546</b>	<b>2,938</b>

### Movement in provision for loans (₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening provision	15	15
Add - (reversal) / creation of provision made during the year	-	-
Less - amount written off	-	-
Closing provision	<b>15</b>	<b>15</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from top customer	5.00%	5.00%
Revenue from top 5 customers	17.00%	17.00%

### (b) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

### Liquidity risk management

The Group's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (except lease liabilities which are at discounted value) at each reporting date:

### Maturities of financial liabilities

As at 31 March 2024

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	1,193	1,491	2,684
Short term borrowings (including current maturities of non-current borrowings)	14,652	-	-	14,652
Trade payables	9,637	-	-	9,637
Lease liabilities (current and non-current)	208	232	68	508
Other non-current financial liabilities	-	-	95	95
Other current financial liabilities	4,124	-	-	4,124
<b>Derivative</b>				
Derivative liability	21	-	-	21
<b>Total</b>	<b>28,642</b>	<b>1,425</b>	<b>1,654</b>	<b>31,721</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	2,640	3,922	6,562
Short term borrowings (including current maturities of non-current borrowings)	25,643	-	-	25,643
Trade payables	12,891	-	-	12,891
Lease liabilities (current and non-current)	170	208	300	678

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

Other non-current financial liabilities	-	95	-	<b>95</b>
Other current financial liabilities	3,442	-	-	<b>3,442</b>
<b>Derivative</b>				
Interest rate swap and foreign currency option	6	-	-	<b>6</b>
<b>Total</b>	<b>42,152</b>	<b>2,943</b>	<b>4,222</b>	<b>49,317</b>

### (c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and price risk.

#### (1) Foreign currency risk

The Group is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Group's exposure arises mainly on import of raw material and capital items and export of finished goods. The Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The Group uses forward contracts, options and cross currency swap to hedge its exposure to foreign currency risk. The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

### Impact of hedging activities

#### (i) Disclosures of effects of hedge accounting on consolidated balance sheet -

As at 31 March 2024

(₹ in lakhs, except price per rate)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b>								
Foreign exchange risk								
<u>Derivative instruments</u>								
(i) Cross currency swaps	EUR 30	-	21.00	Oct 2020 - Jul 2025	1:1	87.30	(53)	53

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**As at 31 March 2023**
**(₹ in lakhs, except price per rate)**

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
<b>Cash flow hedge</b>								
Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 30	-	6	Oct 2020 - Jul 2025	1:1	87.30	(164)	(164)

**(ii) Disclosure of effects of hedge accounting on consolidated statement of profit and loss**
**For the year ended 31 March 2024**
**(₹ in lakhs)**

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk	(53)	-	(79)	Revenue
			13	Foreign exchange loss / (gain)

**For the year ended 31 March 2023**
**(₹ in lakhs)**

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk	165	-	(136)	Revenue
			(397)	Foreign exchange loss / (gain)



**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**(iii) Movement in cash flow hedging reserve**
**(₹ in lakhs)**

Particulars	Foreign currency and interest rate risk
<b>Cash flow hedge reserve</b>	
<b>Balance as at 1 April 2022</b>	<b>(371)</b>
Add - Changes in fair value of hedging instruments	164
Less - Amounts reclassified to consolidated statement profit or loss	136
Less - Deferred tax relating to above (net)	(76)
<b>Balance as at 31 March 2023</b>	<b>(147)</b>
Add - Changes in fair value of hedging instruments	(53)
Less - Amounts reclassified to consolidated statement profit or loss	79
Less - Deferred tax relating to above (net)	(7)
<b>Balance as at 31 March 2024</b>	<b>(128)</b>

**The Company's exposure to foreign currency risk at the end of reporting period are as under:**
**As at 31 March 2024**
**(₹ in lakhs)**

Particulars	USD	EURO	THB	CHF	JPY	AED	GBP
<b>Financial liabilities</b>							
Trade payables	412	787	1,381	4	1,101	1	2
Creditors for capital goods	-	-	-	-	79	-	-
Loans payable	-	-	4,658	-	-	-	-
	412	787	6,039	4	1,180	1	2
<b>Financial assets</b>							
Trade receivables	3,457	4,844	443	-	-	-	-
Balance with government authorities	7	1,484	321	-	-	-	-
Bank balance in Earners' Exchange Foreign Currency account	966	1,012	373	-	-	26	-
	4,430	7,340	1,137	-	-	26	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>4,018</b>	<b>6,553</b>	<b>(4,902)</b>	<b>(4)</b>	<b>(1,180)</b>	<b>25</b>	<b>(2)</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

As at 31 March 2023

(₹ in lakhs)

Particulars	USD	EURO	THB	CHF	JPY	AED	GBP
<b>Financial liabilities</b>							
Trade payables	297	1,872	-	2	1,947	3	2
Creditors for capital goods	2	-	-	-	65	-	-
Foreign currency forward contracts	-	-	-	-	-	-	-
	299	1,872	-	2	2,012	3	2
<b>Financial assets</b>							
Trade receivables	6,931	10,889	-	-	-	-	-
Balance with government authorities		1,872	-	-	-	-	-
Bank balance in Earners' Exchange Foreign Currency account	343	1,142	-	-	-	-	-
	7,274	13,903	-	-	-	-	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>6,975</b>	<b>12,031</b>	<b>-</b>	<b>(2)</b>	<b>(2,012)</b>	<b>(3)</b>	<b>(2)</b>

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in above currencies with all other variables held constant. The below impact on the Group's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

Particulars	31 March 2024		31 March 2023	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
<b>Currencies</b>				
USD	80	(80)	118	(118)
EUR	131	(131)	218	(218)
THB	(98)	98	(54)	54
CHF(*)	(0)	0	(0)	0
JPY	(24)	24	(40)	40
AED(*)	0	(0)	0	(0)
GBP(*)	(0)	0	(0)	0

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### (2) Cash flow and fair value interest rate risk

The Group's interest rate risk is mainly due to the long term borrowing acquired at floating interest rate. The Group's policy is to maintain most of its borrowing at fixed rate using interest rate swaps to achieve this when necessary. During 31 March 2024 and 31 March 2023, the Group's borrowing at variable rate were mainly denominated in INR and USD.

The fixed rate borrowing are carried at amortised cost, hence they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

The Group's borrowing structure at the end of reporting period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowing	4,186	9,174
<b>Total</b>	<b>4,186</b>	<b>9,174</b>

As at the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts outstanding: **(₹ in lakhs)**

Particulars	31 March 2024		31 March 2023	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	4,186	24.15%	9,174	28.49%
Interest rate swaps	-	-	-	-
<b>Net exposure to cashflow interest rate risk</b>	<b>4,186</b>	<b>24.15%</b>	<b>9,174</b>	<b>28.49%</b>

### Sensitivity analysis - variable rate borrowing

**(₹ in lakhs)**

Interest rate	Impact on profit before tax	
	31 March 2024	31 March 2023
Increase by 50 basis points	(21)	(46)
Decrease by 50 basis points	21	46

### (3) Price risk

The Group is exposed to price risk from its investment in equity instruments measured at fair value through other comprehensive income and investment in mutual fund measured at fair value through profit and loss.

**(₹ in lakhs)**

Sensitivity	31 March 2024	31 March 2023
Impact on profit after tax for 5% increase in price of underlying shares	219	180
Impact on profit after tax for 5% decrease in price of underlying shares	(219)	(180)

## 46. Capital management

### (i) Risk management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**(ii) The capital composition is as follows:**
**(₹ in lakhs)**

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Gross debt (long term and short term borrowings)	<b>17,335</b>	32,205
Less: cash and cash equivalents	<b>(5,879)</b>	(6,531)
Add - lease liabilities (current and non current) (refer note 55](iv))	<b>508</b>	678
<b>Net debt (A)</b>	<b>11,965</b>	<b>26,352</b>
Equity (B)	<b>87,599</b>	68,238
<b>Gearing ratio (A / B) (%)</b>	<b>13.66%</b>	<b>38.62%</b>

**(iii) Dividends**
**(₹ in lakhs)**

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Equity shares (face value of ₹ 2 each)</b>		
Final dividend paid for the financial year ended 31 March 2023 of ₹ 1 per share (31 March 2022 - ₹ 2)	<b>969</b>	1,938
Interim dividend paid for the financial year ended 31 March 2024 of ₹ 4.1 per share (31 March 2023 - Nil)	<b>3,974</b>	-
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above, at year end the directors of the parent company have not recommended the payment of a any final dividend for the year 2023-24 (31 March 2023 - ₹ 1 per equity share).	-	969

**47. Net debt reconciliation**
**(₹ in lakhs)**

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Borrowings (current and non-current)	17,336	32,205
Lease liabilities (current and non current) (refer note 55(iv))	508	678
	<b>17,844</b>	<b>32,883</b>
Less - cash and cash equivalents	5,879	6,531
<b>Net debt movement</b>	<b>11,965</b>	<b>26,352</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Liabilities		Assets	Total (A+B-C)
	Borrowings (current and non-current) (A)	Lease liabilities (current and non-current) (B)	Cash and cash equivalents (C)	
<b>Net debt as at 1 April 2022</b>	29,409	837	6,167	24,079
Cash flows (net)	2,796	(159)	348	2,289
Finance cost paid	(1,889)	(75)	-	(1,964)
Finance cost incurred	1,889	75	-	1,964
Exchange (loss) / gain (net)	-	-	16	(16)
<b>Net debt as at 31 March 2023</b>	<b>32,205</b>	<b>678</b>	<b>6,531</b>	<b>26,352</b>
Cash flows	(14,869)	(170)	(428)	(14,611)
Finance cost paid	(2,058)	(59)	-	(2,117)
Finance cost incurred	2,058	59	-	2,117
Exchange (loss) / gain (net)	-	-	(224)	224
<b>Net debt as at 31 March 2024</b>	<b>17,336</b>	<b>508</b>	<b>5,879</b>	<b>11,965</b>

#### 48. Interest in other entities

The consolidated financial statements present the consolidated accounts of NRB Bearings Limited with its following subsidiaries

(₹ in lakhs)

Sr. No	Name of the entities	Principal place of business and country of incorporation	Activities	Proportion of ownership interest 31 March 2024	Proportion of ownership interest 31 March 2023
1	SNL Bearings Limited (subsidiary)	India	Manufacture and marketing of bearing products	73.45%	73.45%
2	NRB Bearings Holdings Limited (*) (subsidiary) (w.e.f. 14 October 2021)	UAE	Marketing of bearing products and customer support services	100%	100%
3	NRB Bearings (Thailand) Limited (step down subsidiary) (w.e.f. 1 April 2023)	Thailand	Manufacture and marketing of bearing products	100%	100%
4	NRB Bearings Europe GmbH (*) (w.e.f. 2 March 2022) (step down subsidiary)	Europe	Marketing of bearing products, customer support services and trading of goods	100%	100%
5	NRB Bearings USA Inc (*) (w.e.f. 7 January 2022) (step down subsidiary)	USA	Marketing of bearing products, customer support services and trading of goods	100%	100%

The Committee of Directors of Parent Company, constituted by the Board, at its meeting held on 28 January 2023 had approved the execution of the share purchase agreement with its wholly owned Subsidiary "NRB Holdings Limited" (NHL) for transfer of 100% of its share holding in the parent company's other wholly owned subsidiary, "NRB Bearing (Thailand) Limited" (NRBT) at a consideration of ₹ 4,708 lakhs as a result of which, the later has become wholly owned step down subsidiary of the Parent Company w.e.f. 1 April 2023.

(\*) The Board of Directors of the Parent Company at its meeting held on 25 October 2021 had approved the execution of a share purchase agreement with its wholly owned subsidiary "NRB Holdings Limited", for transfer of 100% of its shareholding in Company's two wholly owned subsidiaries, "NRB Bearings Europe GmbH" and "NRB USA Inc.", at a consideration of ₹ 132 lakhs and ₹ 97 lakhs, respectively, as a result of which both the wholly owned subsidiaries will become wholly owned step-down subsidiaries of the Parent Company. Since this sale/transfer of shares of the aforesaid wholly owned subsidiaries is to another wholly owned subsidiary of the Parent Company, it does not have any impact on the consolidated financial statement of the Group.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 49. Non controlling interests (NCI)

Below is the summarised financial information for SNL Bearings Limited as it has non controlling interests that are material to the Group. The amount disclosed is before inter-company elimination:

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Summarised balance sheet</b>		
Current assets	4,902	4,359
Current liabilities	(499)	(655)
<b>Net current assets</b>	<b>4,403</b>	<b>3,704</b>
Non - Current assets	1,750	1,875
Non - Current liabilities	(201)	(175)
<b>Net non-current assets</b>	<b>1,549</b>	<b>1,700</b>
<b>Net total assets</b>	<b>5,952</b>	<b>5,404</b>
<b>Accumulated NCI</b>	<b>1,608</b>	<b>1,462</b>

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Summarised statement of profit and loss</b>		
Revenue	4,769	4,787
Profit for the year	782	818
Other comprehensive income	1	(11)
<b>Total comprehensive income</b>	<b>783</b>	<b>807</b>
Profit allocated to NCI	208	217
Other comprehensive income allocated to NCI (*)	0	(3)

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Summarised cash flows</b>		
Net cash generated from operating activities	821	1,006
Net cash used in investing activities	(564)	(992)
Net cash used in financing activities	(239)	(239)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>18</b>	<b>(225)</b>

(\*) ₹ 0 lakhs represents amount lower than ₹ 1 lakh

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 50 Related party disclosure

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Indian Accounting Standard are given below:

#### (i) Names of related parties and description of relationship with the Company (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)

Key management personnel (KMP)	<b>KMPs - Parent Company:-</b>
	Ms. Harshbeena Zaveri, Vice Chairman and Managing Director
	Mr. Satish Chellaram Rangani, Director
	Mr. Tashwinder Singh, Independent Director
	Mr. Ashank Datta Desai, Independent Director
	Mr. Rustom Desai, Independent Director
	Ms. Vishakha Maheshwari, Independent Director
	Mr. Devesh Singh Sahney (upto 29 September 2023)
	Mr. Pankaj Khemka (Chief Financial Officer) (up to 31 December 2023)
	Mr. Raman Malhotra (Chief Financial Officer) (w.e.f. 15 February 2024)
	Mr. Ravi Teltia (Chief Financial Officer) (up to 18 February 2023)
	Ms. Shruti Joshi (Company Secretary)
	<b>KMPs - Subsidiary Companies (other than those covered above):-</b>
	Mr. Kaiyomarz Minoo Marfatia, Director
	Mr. Claude D'Gama Rose, Director
	Mr. Krishnakant Prasad Sinha, (Chief Executive Officer) (upto 24 February 2024)
	Mr. Lalit Mohan Pandey (w.e.f. 25 February 2024). (Chief Executive Officer)
	Ms. Reshmi Ramesh Panicker, Director
	Mr. Harshal Patil (upto 27 October 2023) (Company Secretary)
	Mrs. Pooja Jeswani (w.e.f. 08 February 2024), (Company Secretary)
Mr. Sahir Zaveri (also a relative of another KMP)	
Mr. Ram Narayan Sahu, Chief Financial Officer	
Relatives of KMP	Mr. Arvinder Singh Kohli, Director
	Mr. Bernard Francois Jean Chaffiote, Director
	Mr. Kishore Ochani, Director
	Mr. Rustom Desai, Director
	Mr. Bapsy Dastur, Director
	Mr. Supachet, Director
Ms. Hanwantbir Kaur Sahney (Mother of Ms. Harshbeena Zaveri)	

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

Trust	SNL Employee Provident Fund Trust
	SNL Officer's Provident Fund Trust
	NRB Bearings Limited - Staff Gratuity Fund
	NRB Bearings Limited - Officer's Gratuity Fund
A firm where Ms. Harshbeena Zaveri is a partner	New Indo Trading Company
Trust exercising significant influence over the Company and in which KMP has significant influence	(Late) Mr. Trilochan Singh Sahney Trust 1
Company over which relatives of KMP are able to exercise significant influence:	NRB Industrial Bearings Limited
	First Engineering Technologies Pvt Ltd
	Future Mobility Labs Limited
	First Technology BV

**(ii) Transactions with related parties during the year -**
**(₹ in lakhs)**

Name of related party	Nature of Transaction	Transactions during the year ended		Receivable/Advances as at		Payable as at	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
NRB Industrial Bearings Limited	Sale of finished goods	-	-	18	18	-	-
First Engineering Technologies Private Limited	Sale of finished goods	-	-	4	4	-	-
	Advance paid for purchases*	-	-	-	-	-	-
	Purchase of raw materials	3	11	-	-	-	-
First Technology BV	Legal and professional fees	319	311	-	-	-	24
New Indo trading	Service charges	5	5	-	-	-	1
(Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name)	Dividend paid	1,724	676	-	-	-	-
Ms. Harshbeena Zaveri	Remuneration and commission (refer note (iii) below)	708	814	-	-	125	85
Mr. Satish Chellaram Rangani	Dividend paid	579	227	-	-	-	-
	Sitting fee	4	4	-	-	2	2
	Remuneration	135	137	-	-	-	-
	Dividend paid	0	0	-	-	-	-
	Commission, sitting fees	3	3	-	-	2	2
Mr. Devesh Singh Sahney	Commission, sitting fees	1	7	-	-	6	6
	Dividend paid	43	17	-	-	-	-



**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

Mr. Kishore Ochani	Remuneration	399	401	-	-	-	9
Mr. Arvinder Singh Kohli	Remuneration	28	30	-	-	-	-
	Dividend paid	-	0	-	-	-	-
	Commission, sitting fees	0	3	-	-	1	1
Other KMPs	Sitting fees and commission to non-executive directors	69	57	-	-	33	33
	Remuneration	44	44	-	-	5	6
Trusts	Contribution to SNL Employee and Officer's provident fund trust	11	11	-	-	1	11
	Contribution to NRB Bearings - Staff and Officer's gratuity fund trust	150	232	-	-	-	-

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

**Notes -**

- (i) There are no commitments with any related party during the year or as at year end.
- (ii) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions for which prior approval of Audit Committee has been obtained.
- (iii) Foreign currency transactions are reported in INR using exchange rate as at the transaction date. Foreign currency balances are restated in INR using year end exchange rates.

**(iii) Key managerial personnel compensation**
**(₹ in lakhs)**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Short term employee benefits	1,483	1,603
Post-employment benefits	23	23
<b>Total compensation (*)</b>	<b>1,506</b>	<b>1,626</b>

(\*) This aforesaid amount does not include benefits determined on actuarial basis as the same is not determinable for individuals.

**(iv) Salaries and employer benefits**

(\*\*) The KMP's are covered under the Group's gratuity policy, leave encashment policy and bonus policy along with other eligible employees of the Group. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially are not mentioned in the aforementioned disclosures as these are computed for the Group as a whole.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 51. Collateral / Security pledged

The carrying amount of assets pledged as security for current and non-current borrowings of the Group are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	12,005	13,458
Current assets	78,772	75,975

### 52. Contingent liabilities, capital and other commitments

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Claim against the Group not acknowledge as debt</b>		
Income tax	4,090	3,937
Sales tax, value added tax and local body tax	248	341
The Honourable Supreme Court, has passed a decision on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group, has been advised to wait for further clarifications in this matter in order to reasonably assess the impact on its consolidated financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present. From November 2020, the Group have started making the deduction and payment of provident fund basis the revised definition of "basic wages". For the period 1 April 2019 to 31 October 2020 the Group have recognised a provision of ₹ 90 lakhs as per the revised definition, for which they are awaiting further clarifications before depositing the same with the authorities.	Amount not ascertainable	
<b>Other money for which the Company is contingently liable</b>		
- Bank Guarantees	1,341	2,008
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,819	341

#### Claim against the Indian subsidiary not acknowledge as debt

The Indian subsidiary had received an Order dated 6 September 2004 from the Employees Provident Fund Organisation raising a demand of ₹ 161 lakhs including interest of ₹ 47 lakhs for default in making payment of Employees Provident Fund and allied dues for the period April, 1986 to February, 2003. The subsidiary had been making contributions to the 'SNL Officers Provident Fund Trust' and 'SNL Employee's Provident Fund Trust', being Trusts formed by the subsidiary in earlier years; these Trusts have net assets of ₹ 166 lakhs and ₹ 40 lakhs respectively as at 31 March 2023 as reflected in their latest audited balance sheets. As per the order, the existence of the said Trusts and the act of switching over from Employees trust to the Officers trust on salary exceeding the statutory limit fixed by The Employee's Provident Funds and Miscellaneous Provisions Act, 1952, have been considered violative of the Act. The authorities had attached one of the subsidiary's bank accounts and had recovered an amount of ₹ 3 lakhs in an earlier year. The subsidiary has contested the above demand

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

and on a writ petition filed by the subsidiary in the High Court of Jharkhand, Ranchi, the High Court has directed the authorities not to take coercive steps till the disposal of the petition. The subsidiary denies all the allegations made against it since the subsidiary had made the necessary applications to grant exemption to the Trusts which was neither granted nor rejected in spite of several reminders from time to time. In view of the facts of the case, the subsidiary does not expect any liability in this regard.

**Notes -**

- (i) The Group is contesting all of the above demands in respect of income tax, sales tax, value added tax and local body tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the consolidated financial statements for the aforesaid demands. The Group believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the consolidated financial position and results of operations and hence no provision has been made in this regard.
- (ii) The above disclosure has been made on the basis of information available with the Group.
- (iii) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (iv) The amounts disclosed above represent the best possible estimates arrived at on the basis of the available information and do not include any penalty payable.
- (v) The guarantee given by the Parent Company towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods.

**53. Employee benefits**

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of employee benefits as defined in the Standard are given below:

**(a) Defined contribution plan - Amount of ₹ 627 lakhs (31 March 2023 ₹ 675) lakhs is recognised as expense and included in "Note No. 37 - Employee Benefits Expenses"**

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Employer's contribution to provident fund	396	359
(ii) Employer's contribution to family pension fund	181	205
(iii) Employer's contribution to superannuation fund	47	50
(iv) Employer's contribution to employee state insurance corporation	3	6
(v) Contribution by subsidiary companies to other funds	82	23
	<b>709</b>	<b>643</b>

**(b) Defined Benefit Plan :**

The Group has the following defined benefits plans:

Particulars	Remarks
Gratuity	Funded through Trust / LIC
Provident Fund (PF)	Funded through Trust

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (1) Gratuity (funded scheme)

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

#### (i) Actuarial assumptions for parent and Indian subsidiary

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets	7.19% - 7.23%	7.39% - 7.50%
Discount rate (per annum)	7.15% - 7.23%	7.39% - 7.50%
Rate of salary increase (#)	6% - 10%	6% - 10%
Rate of employee turnover	2% - 11%	2% - 11%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	"Indian Assured Lives Mortality (2012-14) Ultimate"
Mortality rate after employment	N.A.	N.A.
Retirement age	58 - 60 years	58-60 years

# takes into account the inflation, seniority, promotions and other relevant factors.

These assumptions were developed by the Group with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on Group's historical experience.

#### Risk

Factor	Impact
Salary increase	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

#### (ii) Changes in the present value of defined benefit obligation of group

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the beginning of the year	3,608	3,713
Interest cost	268	260
Current service cost	168	178
Actuarial (gains) on obligations - due to change in demographic assumptions / due to change in financial assumptions	23	(136)
Benefits paid	(320)	(407)
<b>Present value of obligation at the end of the year</b>	<b>3,747</b>	<b>3,608</b>

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**(iii) Changes in the fair value of plan assets of group (₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets at beginning of the year	3,457	3,500
Interest income	257	244
Contributions by the employer	177	241
Benefits paid from the fund	(268)	(386)
Return on plan assets, excluding interest income	235	(142)
<b>Fair value of plan assets at the end of the year</b>	<b>3,858</b>	<b>3,457</b>

**(iv) Assets and liabilities recognised in the consolidated balance sheet (₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of the defined benefit obligation at the end of the year	3,747	3,608
Less: Fair value of plan assets at the end of the year	(3,858)	(3,457)
<b>Net liability recognised in the consolidated balance sheet</b>	<b>(111)</b>	<b>151</b>
<b>Recognised under provisions / (assets)</b>		
Current assets - Gratuity planned assets	-	0
Current provisions	(111)	151

**(v) Expenses recognised in the consolidated statement of profit and loss (₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
Current service cost	168	178
Net interest (income)/ expense	11	16
<b>Net gratuity cost recognised in the current year (refer note 37)</b>	<b>179</b>	<b>194</b>

**(vi) Expenses recognised in the consolidated statement of other comprehensive income (OCI)**
**(₹ in lakhs)**

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial (gains) / losses	23	(136)
Return (differential) on plan assets, excluding interest income	(235)	142
<b>Net (income)/expense for the year recognised in OCI (refer note 43)</b>	<b>(212)</b>	<b>6</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (vii) Reconciliation of net assets / (liabilities) recognised

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Net assets / (liabilities) recognised at the beginning of the period	(151)	(213)
Contributions	177	241
Benefits paid by the company	52	21
Gain / (loss) recognised in OCI	212	(6)
Expenses recognised in the consolidated statement of profit and loss	(179)	(194)
<b>Net assets / (liabilities) recognised at the end of the year</b>	<b>111</b>	<b>(151)</b>

### (viii) Categories of assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### (ix) Sensitivity analysis

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Change in discount rate by +1%	451	436
Change in discount rate by -1%	(498)	(482)
Change in salary growth rate by + 1%	496	766
Change in salary growth rate by - 1%	(452)	(699)
Change in attrition rate by + 1%	276	531
Change in attrition rate by - 1%	282	(537)

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the consolidated balance sheet. The sensitivity analysis is based on a change in one assumption while not changing any other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (x) Maturity profile of defined benefit obligation:

Particulars	As at 31 March 2024	As at 31 March 2023
Weighted average duration (based on discounted cash flows)	4 years	4 years

### Maturity analysis of the benefit payments: From the fund:

#### Projected benefits payable in future years from the date of reporting:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
1 year	553	693
2 to 5 years	1,797	1,580
6 to 10 years	1,351	1,353
More than 10 years	2,650	2,577

### (xi) General descriptions of significant defined plans

The Indian entities in the Group operate separate gratuity plans wherein every employee is entitled to the benefit for each completed year of service as per the respective scheme. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

### (2) Provident fund (PF) :

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the defined benefit plan of Provident fund for the Indian subsidiary based on the following assumptions:-

#### (i) Actuarial assumptions

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Mortality rate	Indian Assured Lives Mortality (2012-14)	"Indian Assured Lives Mortality (2012-14)"
Discount rate (per annum)	7.13%	7.41%
Interest rate guarantee (per annum)	8.25%	8.15%
Average Historic Yield on the Investment (per annum)	7.96%	8.40%
Attrition rate based on ages :		
Upto 30 years	3.00%	3.00%
31 to 40 years	2.00%	2.00%
Above 40 years	1.00%	1.00%

#### (ii) Major categories of plan assets (as percentage of total plan assets)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Funds managed by trust	100%	100%

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (iii) Assets and liabilities relating to defined benefit provident fund

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of the defined benefit obligation at the end of the year	199	206
Less: Fair value of plan assets at the end of the year	(196)	(208)
<b>Net (assets) / liabilities recognised by the Trust (*)</b>	<b>3</b>	<b>(2)</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

#### Note:

A Group cannot offset the asset relating to the above plan against the liability relating to another plan as the entity does not have a legally enforceable right to use a surplus in one plan to settle obligations under the other plan.

### (iv) Major categories of plan assets (as percentage of Total plan assets)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Government of India securities	2%	7%
State Government securities	21%	26%
High quality corporate bonds	12%	12%
Equity shares of listed companies	12%	11%
Special deposit Scheme	36%	36%
Funds managed by Insurer	1%	1%
Bank balance and others	16%	7%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### (v) Sensitivity analysis:

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the consolidated balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Change in discount rate by - / + 1%	200	197	209	208
Change in interest rate guarantee by - / + 1%	196	207	206	215
Change in attrition rate - / + 1%	199	199	208	208
Change in expected return on plan assets - / + 1%	206	196	215	206

### (vi) General descriptions of significant defined plans:

The subsidiary company operates provident fund plan wherein every employee is entitled to the benefit of interest etc. as per scheme of the subsidiary company. The same is determined based on a fixed percentage of



## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The scheme is funded in various securities as mentioned in note (iii) above.

### (vii) Maturity profile of defined benefit obligation:

Particulars	31 March 2024	31 March 2023
Weighted average duration (based on discounted cash flows)	4 years	4 years
<b>Expected contribution during the next annual reporting period</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
The Group's best estimate of contribution during the next year	1	16

### (c) Other long term benefits:

Compensated absences recognised in the consolidated statement of profit and loss for the current year, under the employee cost in Note 37 - Employee benefits expense, is ₹ 211 lakhs ( 31 March 2023: ₹ 168 lakhs) liabilities towards provision for compensated absences amounted to ₹ 957 lakhs as at 31 March 2024 (31 March 2023 ₹ 895 lakhs)

**Note** - The liabilities of ₹ 957 lakhs (31 March 2023 - ₹ 895 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.

## 54. Segment Reporting

### (a) Primary segment: Business segment

The Group is primarily engaged in manufacturing of bearings and other activities having similar economic characteristics, primarily operated out of India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. For the purpose of disclosure of segment information, the Group considers these operations as a single business segment as all the product Groups are mainly having similar risks and returns.

The information relating to revenue from external customers and location of non-current assets of its single business segment has been disclosed as below:

Geographical non-current assets (property, plant and equipment, other intangible assets, CWIP, other non-current assets) are allocated based on the location of the assets.

### (b) Secondary segment: Geographical segment

Secondary segments have been identified with reference to geographical areas in which Group operates. Composition of secondary segments is as follows:

- i) within India
- ii) outside India

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
1) Segment revenue		
- Within India	80,572	80,902
- Outside India	28,831	24,814

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
2) Carrying amount of segment non current assets		
- Within India	35,910	37,143
- Outside India	9,239	7,994

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

**Note:-** None of the customer contribute more than 10% of the Group's revenue.

### 55. Ind AS 116- Lease

#### As a lessee

The Group's lease asset primarily consist of lease for building and flats on leasehold land and vehicles. The Group has recognised ₹ 155 lakhs (31 March 2023 - ₹ 383 lakhs) as rental expenses during the year which pertains to short term leases / low value assets (refer note 40).

The weighted average incremental borrowing rate applied to lease liabilities is 10%

Information about leases for which the Group is a lease are presented below -

#### (i) Right-of-use assets (ROU)

(Included in property, plant and equipment)

(₹ in lakhs)

Particulars	Leasehold land	Buildings and flats	Vehicles	Total
<b>Gross carrying value</b>				
As at 1 April 2022	5	999	5	1,009
Additions	-	-	-	-
Disposals	-	(22)	(5)	(27)
<b>Balance as at 31 March 2023</b>	5	977	-	982
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Balance as at 31 March 2024</b>	5	977	-	982
<b>Accumulated depreciation and impairment</b>				
As at 1 April 2022 (*)	0	170	3	173
Charge for the year (*)	-	201	1	202
Disposal/adjustment	-	(22)	(4)	(26)
<b>Balance at 31 March 2023 (*)</b>	0	349	-	349
Charge for the year (*)	0	196	-	196
Disposal/adjustment	-	-	-	-
<b>Balance at 31 March 2024 (*)</b>	0	545	-	545
<b>Net carrying value</b>				
<b>Balance as at 31 March 2023</b>	5	628	-	633
<b>Balance as at 31 March 2024</b>	5	432	-	437

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (ii) Amount recognised in consolidated profit and loss for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest cost on lease liabilities (refer note 38)	59	75
Depreciation on right of use assets (refer note 39)	196	202
Rental expense recorded for short-term lease payments and payments for lease for low-value assets not included in the measurement of the lease liabilities (refer note (i) below and refer note 40)	455	383

### Note - Breakdown of rent

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Short-term lease expense	388	216
Low value lease expense	67	167
<b>Total lease expense</b>	<b>455</b>	<b>383</b>

### (iii) Cash outflow from leases

(₹ in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash payments for the principal portion of the lease liability within financing activities	170	159
Cash payments for the interest portion of the lease liability within financing activities	59	75
Short-term lease payments, payments for lease of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities	455	383

### (iv) Lease liabilities

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>837</b>
Add: Movement during the year	-
Add: Interest cost accrued during the year	75
Less: payment of lease liabilities	(234)
<b>Balance as at 31 March 2023</b>	<b>678</b>
Add: Movement during the year	-
Add: Interest cost accrued during the year	59
Less: Payment of lease liabilities	(229)
<b>Balance as at 31 March 2024</b>	<b>508</b>

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	300	508
Current	208	170
	<b>508</b>	<b>678</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### (v) Maturity analysis of discounted and undiscounted lease liabilities

Maturity analysis – contractual discounted cash flows

As at 31 March 2024

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Land and buildings	208	232	64	4
Vehicles	-	-	-	-
<b>Total</b>	<b>208</b>	<b>232</b>	<b>64</b>	<b>4</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Land and buildings	170	208	295	5
Vehicles	-	-	-	-
<b>Total</b>	<b>170</b>	<b>208</b>	<b>295</b>	<b>5</b>

Maturity analysis – contractual undiscounted cash flows

As at 31 March 2024

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Land and buildings	249	250	64	39
Vehicles	-	-	-	-
<b>Total</b>	<b>249</b>	<b>250</b>	<b>64</b>	<b>39</b>

As at 31 March 2023

(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>Lease liabilities</b>				
Land and buildings	229	249	313	39
Vehicles	-	-	-	-
<b>Total</b>	<b>229</b>	<b>249</b>	<b>313</b>	<b>39</b>

#### Notes:

(i) The Group has not earned gain or incurred loss from sale and lease back transaction.

(ii) There are no significant restrictions or covenants imposed on leases.

(vi) There are several lease agreements with extension and termination options for which management of the Group exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise the extension options and not to exercise the termination options, the Group has opted to include such extended term and ignore the termination option in determination of the lease term.

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**

56. For disclosures mandated by Schedule III to Companies Act 2013, by way of additional information, refer below:

2023-24

Name of entity	Net assets (Total assets - Total liabilities)		Share in consolidated profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of Consolidated Net Asset (%)	Amount	As % of Consolidated profit and loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income
<b>Parent company</b>								
NRB Bearings Limited	84,651	96.63%	25,047	103.71%	367	170.65%	25,414	104.30%
<b>Indian Subsidiary Company</b>								
SNL Bearings Limited	4,344	4.96%	574	2.38%	1	0.47%	575	2.36%
NRB Holdings Limited (refer note 48)	2,095	2.39%	(115)	(0.47%)	-	0.00%	(115)	(0.47%)
<b>Foreign Step Down Subsidiary Companies (refer note 48)</b>								
NRB Bearings (Thailand) Limited	3,214	3.67%	714	2.96%	-	0.00%	714	2.93%
NRB Bearings Europe GmbH	449	0.51%	288	1.19%	-	0.00%	288	1.18%
NRB Bearings USA Inc.	391	0.45%	279	1.16%	-	0.00%	279	1.15%
Minority interest in subsidiary	1,608	1.84%	208	0.86%	-	0.00%	208	0.85%
	<b>96,752</b>		<b>26,995</b>		<b>368</b>		<b>27,363</b>	
Add: Foreign currency translation reserve	-	0.00%	-	0.00%	(153)	(71.16%)	(153)	(0.63%)
Less: Elimination	(9,153)	(10.45%)	(2,844)	(11.78%)	-	0.00%	(2,844)	(11.67%)
	<b>87,599</b>	<b>100.00%</b>	<b>24,151</b>	<b>100.00%</b>	<b>215</b>	<b>100.00%</b>	<b>24,366</b>	<b>100.00%</b>

**Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024**
**2022-23**

Name of entity	Net assets (Total assets - Total liabilities)		Share in consolidated profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of Consolidated Net Asset (%)	Amount	As % of Consolidated profit and loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income
<b>Parent company</b>								
NRB Bearings Limited	64,180	94.05%	8,580	89.24%	(175)	(38.46%)	8,405	83.47%
<b>Indian Subsidiary Company</b>								
SNL Bearings Limited	3,942	5.78%	601	6.25%	(8)	(1.76%)	593	5.89%
<b>Foreign Subsidiary Companies</b>								
NRB Bearings (Thailand) Limited	2,672	3.92%	932	9.69%	-	0.00%	932	9.26%
NRB Holdings Limited (refer note 48)	2,178	3.19%	(446)	(4.64%)	-	0.00%	(446)	(4.43%)
<b>Foreign Step Down Subsidiary Companies (refer note 48)</b>								
NRB Bearings Europe GmbH	159	0.23%	47	0.49%	-	0.00%	47	0.47%
NRB Bearings USA Inc.	215	0.32%	143	1.49%	-	0.00%	143	1.42%
Minority interest in subsidiary	1,462	2.14%	217	2.26%	(3)	(0.66%)	214	2.13%
	<b>74,808</b>		<b>10,074</b>		<b>(186)</b>		<b>9,888</b>	
Add: Foreign currency translation reserve	-	0.00%	-	0.00%	641	140.88%	641	6.37%
Less: Elimination	(6,570)	(9.63%)	(459)	(4.77%)	-	0.00%	(459)	(4.56%)
	<b>68,238</b>	<b>100.00%</b>	<b>9,615</b>	<b>100.00%</b>	<b>455</b>	<b>100.00%</b>	<b>10,070</b>	<b>100.00%</b>

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

### 57 Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck off under section 248 of the Companies Act, 2013.

**For the year ended 31 March 2024** (Rs. in lakhs)

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
NA	-	-	-	-

**For the year ended 31 March 2023** (Rs. in lakhs)

Name of struck off company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
Fuchs Lubricants (India) Private Limited	Payable	6	6	Third party vendor
Perfect Office Systems Private Limited (*)	Payable	-	0	Third party vendor
Fanuc India Private Limited (*)	Payable	0	0	Third party vendor
Sew Eurodrive India Private Limited	Advance	4	4	Third party vendor

### 58. Other regulatory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group has not traded or invested in Crypto currency or Virtual currency.
- (iii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)

or

  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (iv) The Group has not made any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Group has not been declared a wilful defaulter by any bank.
- (vi) The Group has sanctioned borrowings / facilities from bank on the basis security of current assets. The monthly returns or statements of current assets filed by the Group with the bank are in agreement with the books of account.
- (vii) The Group has complied with the number of layers prescribed under section 2(87) of the Act.
- (viii) The Group has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2024 and 31 March 2023.
- (ix) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2024

- (x) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of books of account of the Holding Company and its subsidiary incorporated in India.

### 59. Earnings per share

The earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by weighted average number of equity shares outstanding during the year.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit after tax for the year attributable to owners of the parent (₹ in lakhs)	23,943	9,398
Weighted average number of equity shares outstanding during the year	9,69,22,600	9,69,22,600
Basic and diluted earnings per share (₹)	24.71	9.70
Face value per share (₹)	2.00	2.00

**Note:-**

The Group does not have any outstanding dilutive potential equity shares as at 31 March 2024 and 31 March 2023. Consequently, basic and diluted earnings per share of the Group remain the same.

### 60. Authorisation of consolidated financial statements

The consolidated financial statements as at and for the year ended 31 March 2024 were approved by the Board of Directors of the Parent Company on 27 May 2024.

This is the summary of significant accounting policies and other explanatory information referred to in our audit report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants  
Firm Registration No. 001076N /  
N500013

**Adi P. Sethna**

Partner  
Membership No.: 108840

**Place : Mumbai**

**Date : 27 May 2024**

**For and on behalf of the Board of Directors**

**Tashwinder Singh**

Chairman  
DIN : 06572282

**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai**

**Date : 27 May 2024**

**Harshbeena Zaveri**

Vice Chairman and Managing Director  
DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Director  
DIN : 00209069





**FINANCIAL HIGHLIGHTS**

Rs. in lakhs

<b>Year Ended</b>	<b>31.03.20</b>	<b>31.03.21</b>	<b>31.03.22</b>	<b>31.03.23</b>	<b>31.03.24</b>
Sales (Net)					
Domestic	58,473	53,646	63,483	76,532	77,560
Exports	15,757	18,410	25,455	23,771	24,712
<b>Sales Total</b>	<b>74,230</b>	<b>72,056</b>	<b>88,938</b>	<b>1,00,303</b>	<b>1,02,272</b>
Operating Profit	7,258	8,730	13,006	15,331	14,156
Profit Before Tax	4,163	5,211	9,302	11,380	31,822
Tax (Net)	1,218	838	2,288	2,800	6,775
Profit After Tax	2,945	4,373	7,014	8,580	25,047
Total Comprehensive Income	2,466	5,057	7,244	8,405	25,414
Retained Earnings	-1,462	5,057	6,568	6,649	20,261
Dividend	3,295	-	485	1,938	-4,943
Tax on dividend	633	-	-	-	-
Earnings per share (FV Rs.2)	3.04	4.51	7.24	8.85	25.85
Dividend %	40	-	25	100	205
Shareholders' Funds	45,897	50,954	57,713	64,180	84,651
Funds Employed	79,046	73,774	84,741	91,944	95,388
Fixed Assets (Gross)	74,664	76,922	77,450	79,244	81,507
Fixed Assets (Net)	32,099	31,326	31,018	29,410	27,708
Fixed Asset Turnover (times)	2	2	3	3	3.69
Net Current Assets	14,110	21,619	24,033	34,387	47,369
Working Capital Turnover (times)	5	3	4	3	2
Shareholder Nos	23,343	45,403	48,181	47,966	52,837
Employee Nos	1,467	1,436	1,359	1,332	1,289

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

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

Final Dividend not provided as per INDAS, resulting in Retained Earnings, Dividend amount & %, Tax on dividend not being comparable.

# NRB PLANTS



**THAILAND**



**WALUJ**



**AURANGABAD**



**JALNA**



**RANCHI**



**HYDERABAD**



**PANTNAGAR**

NRB BEARINGS LIMITED,

Dhannur, 15, Sir P.M.Road, Fort, MUMBAI - 400 001, Maharashtra, INDIA

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