

September 7, 2023

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 58<sup>th</sup> Annual General Meeting and Annual Report for FY 2022-23.**

Dear Sir/Madam,

This is to inform you that the 58<sup>th</sup> Annual General Meeting (AGM) of NRB Bearings Limited is scheduled to be held on Friday, September 29, 2023 at 3:30 p.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 2022-23, 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).

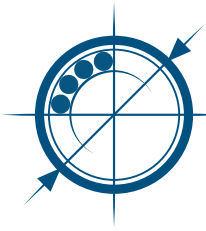
The Notice inter-alia provides the process and manner of remote e-voting / e-voting at the AGM and the instructions for participation at the AGM through VC/OAVM.

We request you to kindly take the same on record.

Thanking You,

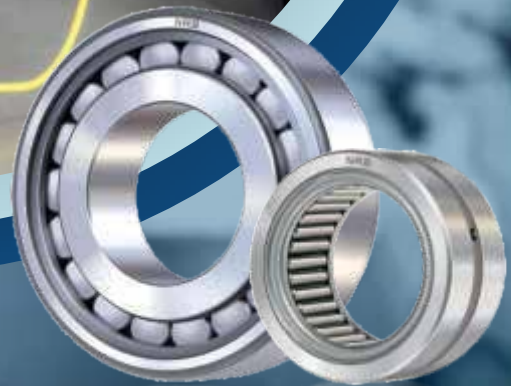
Sincerely,  
**For NRB Bearings Limited**

Shruti Joshi  
Company Secretary



**NRB**  
**BEARINGS**

**1000**  
CRORES  
MILESTONE



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

2022-2023



**CIN : L29130MH1965PLC013251**

- Directors** : Tashwinder Singh - Chairman  
Harshbeena Zaveri - Vice Chairman & Managing Director  
Satish C. Rangani - Executive Director  
Devesh Singh Sahney  
Ashank Desai  
Rustom Desai  
Vishakha R. M.
- 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
- Auditors** : Walker Chandiok & 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 263153
- Website** : [www.nrbbearings.com](http://www.nrbbearings.com)  
**E-mail** : [investorcare@nrbbearings.co.in](mailto:investorcare@nrbbearings.co.in)
- Registrar & Share Transfer Agent** : Universal Capital Securities Private Limited  
(100% subsidiary of Link Intime India Private Limited)  
C 101, 247 Park, LBS Road, Vikhroli West, Mumbai 400083  
Tel Nos. 022 49186178-79, Fax: 022 49186060  
E-mail: [info@unisec.in](mailto:info@unisec.in)

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## NOTICE

The Members,  
NRB BEARINGS LIMITED

NOTICE is hereby given that the fifty-eighth Annual General Meeting of the Members of NRB Bearings Limited will be held on Friday, September 29, 2023 at 3:30 p.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, 2023 and the Audited Consolidated Financial Statements for the financial year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2023.
3. To appoint a director in place of Mr. Devesh Singh Sahney (DIN: 00003956) who retires by rotation and being eligible has offered himself for re-appointment
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 Sections 139, 142 and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five (5) consecutive years commencing from the conclusion of the 58th Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and M/s Walker Chandiook & Co. LLP from time to time."

### SPECIAL BUSINESS

5. 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, the remuneration of Rs. 1,13,000/- (Rupees One Lac Thirteen 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, 2024, be and is hereby ratified and confirmed."

By Order of the Board

Place: Mumbai  
Date : September 7, 2023

**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 23, 2023 to Friday, September 29, 2023 (both days inclusive).
3. The Members whose names appear in the Register of Members on Friday, September 22, 2023 shall be entitled to participate in remote e-voting / e-voting at the AGM. (Record Date)
4. The dividend after declaration, will be paid to those Members whose names appear in the Register of Members of the Company on Friday, September 22, 2023 (Record Date) and to the Members holding shares in demat form whose names appear in the Register of Members beneficiary position with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, September 22, 2023. (Record Date)

5. Pursuant to the Income-tax Act, 1961, as amended, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on the Final Dividend for the financial year ended March 31, 2023 has been sent separately to the Members.
6. 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 Agents (RTA) Universal Capital Securities Private Limited, (100% subsidiary of Link Intime India Private Limited), situated at, C 101, 247 Park, LBS Road, Vikhroli West, Mumbai 400083 or email at info@unisec.in.
7. 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.
8. The Company has transferred on due dates, the unpaid/unclaimed dividends for the financial year ended March 31, 2016 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).
9. 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 2022-23, 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).
10. 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.
11. 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.
12. 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 [58thagm@nrb.co.in](mailto:58thagm@nrb.co.in).
13. 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 Working Days of the same being passed.
14. Pursuant to the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India from time to time, the 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 [58thagm@nrb.co.in](mailto:58thagm@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.

15. **The Company is pleased to provide two-way facility of VC/OAVM of the AGM on Friday, September 29, 2023 from 3.30 p.m. onwards therefore Members can attend and participate in the ensuing AGM through VC/OAVM. 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.**
16. 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 and 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.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
18. 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.
19. 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.
20. 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.
21. 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:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, September 26, 2023, at 9:00 a.m. (IST) and ends on Thursday, September 28, 2023 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 22, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Electronic Voting Sequence Number (EVSN): 230905030**

- (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.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(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 number 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 shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<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 users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, 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 cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</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. The system will authenticate the user by sending OTP on registered Mobile &amp; 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>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<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.nsdl.com">https://eservices.nsdl.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 &amp; 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.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.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.nsdl.com/">https://www.evoting.nsdl.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 &amp; voting during the meeting</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<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 &amp; 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>
<p>Individual Members holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33</p>
<p>Individual Members holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

**Step 2 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (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>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN (230905030) for the relevant Company Name (NRB Bearings Limited) on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xv) 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 enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) 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 will be mapped automatically and can be delink in case of any wrong mapping. 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; [58thagm@nrb.co.in](mailto:58thagm@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 & 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 [58thagm@nrb.co.in](mailto:58thagm@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 [58thagm@nrb.co.in](mailto:58thagm@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 toll free no. 1800 22 55 33

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 1800 22 55 33.

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

**Item No. 4:**

Pursuant to approval of the shareholders accorded at the 53rd Annual General Meeting (AGM) held on August 9, 2018, M/s. Walker Chandiook & Co., LLP, Chartered Accountants, (Firm No. 001076N/N500013) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 53rd Annual General Meeting, to the conclusion of the 58th Annual General meeting held for the financial year ended March 31, 2023

M/s Walker Chandiook & Co. LLP, vide their letter dated May 26, 2023 have given their consent to act as the statutory auditors of the Company for a second term, and have confirmed that their re-appointment, if made, will be within the limit specified under sections 139 and 141 of the Companies Act, 2013 (the Act). They have also confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Based on the recommendation of the Audit Committee, the Board at its meeting held on May 30, 2023 approved the appointment of M/s Walker Chandiook & Co. LLP, for a second term of five (5) consecutive years from the conclusion of this 58th Annual General Meeting to the conclusion of the 63rd Annual General Meeting on such remuneration as may be mutually decided between the Company and M/s Walker Chandiook & Co. LLP.

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.

**Item No. 5:**

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 30, 2023, 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, 2024 at a remuneration of Rs. 1,13,000/- (Rupees One Lac Thirteen Thousand only), plus applicable taxes and reimbursement of out of pocket expenses. M/s R. Nanabhoy & Co. have vide their letter dated March 9, 2023 confirmed their eligibility and granted consent to act as the Cost Auditors of the Company for FY 2023-24. 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. 5 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. 5 of the Notice.

The Board recommends the Resolution under Item No. 5 of the Notice for approval of the Members as an Ordinary Resolution.

As required by SEBI (Listing Obligations 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	<b>Mr. Devesh Singh Sahney</b>
DIN	00003956
Date of Birth	17.11.1968
Nationality	Indian
Date of appointment on Board	May 2001
Brief Resume, Experience and Expertise	Mr. Sahney possesses experience in Bearings Industry in India and abroad. Experienced in the areas of Sourcing, Business Process Re-Engineering, Business Development.
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. Sahney has handled various positions of responsibility in areas of Management Services, Information Technology, Plant Operations and Sourcing. He was also appointed as Vice Chairman and on the Board of Schneeberger India, and is an active member of the Entrepreneurs Organization's Bombay Chapter since 2004 and the Young Presidents Organization (YPO).
Qualification	BA (Business Administration & Economics) from Richmond College, London and MBA (General management) from the Asian Institute of Management (Phillipines).
Number of meetings of the Board attended during FY 2022-23.	3
List of Directorships held in other Companies in the last three years.	1. NRB Industrial Bearings Limited 2. NRB IBC Bearings Private Limited 3. NIBL-Korta Engineering Private Limited 4. Sant Sahney Private Limited
Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies	NRB Industrial Bearings Limited - Audit Committee, Member
Shareholding in the Company as on March 31, 2023	8,50,089
Disclosure of relationships with Director interse	Mr. Devesh Singh Sahney is the brother of Ms. Harshbeena Zaveri, Vice Chairperson & Managing Director.

**Brief Resume and Expertise in specific functional areas for Mr. Devesh Singh Sahney:**

Mr. Devesh Singh Sahney, Non-executive Director of the Company is the Executive Chairman and Managing Director of NRB Industrial Bearings Limited which manufactures similar products, where he leads all aspects of the business from strategy to operations. Mr. Sahney holds a Bachelor's Degree in Arts (Business Administration & Economics) from Richmond College, London. He also holds Master's Degree in Business Administration from the Asian Institute of Management, Philippines and has completed Comprehensive Leadership Course, a Program for Management Development from Harvard Business School. After his Bachelors graduation from UK, Mr. Sahney worked with Larsen & Toubro (Bombay) (L&T), one of the largest and most renowned company in Indian private sector in the Finance department. He also worked with Credit Lyonnais, French Bank in Bombay in various departments. He also served as Vice Chairman on the Board of Schneeberger India (a joint venture with a Swiss corporation) and he was in charge of NRB Torrington (a joint venture with Torrington Bearing Company; a US based bearings manufacturing Multinational Company). Mr. Sahney is an active member of the Entrepreneurs Organisation's Bombay Chapter since the year 2004 and the Young Presidents Organisation. He had won a Special Award for Leadership and gave the Valedictorian Speech during the graduation ceremony at Philippines.

By Order of the Board

Place: Mumbai  
Date : September 7, 2023

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

## BOARD'S REPORT

To  
The Members  
NRB BEARINGS LIMITED

Your Directors have pleasure in presenting their fifty-eighth Report together with the standalone and consolidated Audited Financial Statements for the year ended March 31, 2023.

### 1. Financial Results

Particulars	Consolidated		Standalone	
	31.03.2023 Rs. Lacs	31.03.2022 Rs. Lacs	31.03.2023 Rs. Lacs	31.03.2022 Rs. Lacs
Revenue from operations (Net)	105,716	94,281	102,310	91,244
Profit before tax	12,762	10,155	11,380	9,302
Provision for taxation				
Current tax (net)	3,539	2,566	3,098	2,278
Deferred tax	(403)	28	(298)	10
Tax pertaining to earlier years	11	-	-	-
Profit after taxation	9,615	7,561	8,580	7,014
Add: Balance brought forward	9,398	34,991	41,404	34,836
Add: Other Comprehensive Income for the year	(1)	45	5	39
Appropriation:			-	
Dividend	(1,398)	(485)	(1,938)	(485)
General Reserve	-	-	-	-
Profit & Loss Account	49,337	41,878	48,051	41,404

### 2. Dividend

Considering the profits for the year under review your Directors are pleased to recommend a final dividend of 50% (Fifty percent) i.e. Re. 1.00 (Rupee one only) per equity share of face value Rs. 2.00 each aggregating to Rs. 969.22 lacs, which shall be payable to the Members/Beneficial Owners as applicable.

The Board at its meeting held on May 30, 2023 approved an Interim Dividend of 205% (Two Hundred and Five per cent) i.e. Rs. 4.10 (Rupees Four and ten paise only) per equity share of face value Rs. 2.00 each aggregating to Rs. 3973.82 lacs, which was paid to the shareholders on June 20, 2023.

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, 2023 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. 12.1 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. 1,05,716 lacs as against Rs. 94,281 lacs for the last fiscal. The Company recorded a net profit of Rs. 9,615 lacs, an increase of 27.2 per cent over Rs. 7,561 lacs for the last fiscal.



On a standalone basis your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 102,310 lacs an increase of 12.1 per cent over Rs. 91,244 lacs of the last fiscal. The Company recorded a net profit of Rs. 8,580 lacs, with an increase of 22.3 per cent over the net profit of Rs. 7,014 lacs for the last fiscal.

Despite the global turmoil, the long-term growth story of the Indian economy remains the only bright spot in the dismal global growth scenario. As per estimates India's GDP growth in FY 2023-24 is expected to be 6.5 per cent, while the growth for the ongoing year has been projected at 7 per cent, compared to 8.7 per cent in FY 2021-22. At this growth rate, India will continue to be the fastest-growing economy in the world. The USD 222 bn Indian Automobile industry is expected to reach USD 300 bn by 2026. Automobile contributes nearly 6 per cent of India's GDP and 35 per cent of the manufacturing GDP. The EV market is expected to grow at CAGR of 49 per cent between 2022-30 and is expected to hit 10 mn annual sales by 2030. From FY 2016-2022, the auto component industry registered a CAGR of 6.35 percent and was valued at USD 56.50 billion in FY 2022. Due to the high development prospects in all vehicle industry segments, the auto component sector is expected to see double-digit growth in FY 2022-23. 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 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 and will grow at a rate of CAGR 15 per cent from its current revenue of USD 74 billion. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach USD 80 billion by 2026. The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalization of the sector as exports potential could increase exponentially in the next decade.

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 not be replaced with the advent of electric vehicle (EV) and new products for EV, and
- Expanding our portfolio to serve adjacent industries.

## 6. Finance

The Company has been rated AA-/Stable for both short term and long term borrowings and A1+ for commercial paper. 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, 2023, the outstanding principal amount for the loan given to NRB Bearings (Thailand) Limited, wholly owned subsidiary of the Company was THB 53.35 million and there was no interest outstanding as on March 31, 2023.
- As on March 31, 2023, the outstanding principal amount for the loan given to NRB Holdings Limited, wholly owned subsidiary of the Company was USD 2.78 million and there was interest outstanding of USD 0.06 million as on March 31, 2023.

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 retires by rotation and being eligible offers himself for re-appointment.

Ms. Vishakha R.M. was appointed as an Independent Director of the Company on November 2, 2018. Her first term as an Independent Director ends on November 1, 2023. Considering her active participation and invaluable advice at

the board / committee meetings, the Nomination and Remuneration Committee has recommended and the Board has approved her appointment as an Independent Director for a second term of 5 (five) consecutive years. Accordingly, at the meeting of the Board held on May 30, 2023 it was proposed to appoint Ms. Vishakha R.M. as an Independent Director for a second term of 5 (five) consecutive years with effect from November 2, 2023 and a special resolution for the same was placed before shareholders for obtaining their approval through postal ballot vide notice dated July 20, 2023. The same was approved by the shareholders on August 25, 2023.

Mr. Ravi Teltia resigned as the Chief Financial Officer of the Company with effect from February 18, 2023. The Board of Directors, at its meeting held on February 11, 2023, approved the appointment of Mr. Pankaj Khemka as the Chief Financial Officer of the Company with effect from April 7, 2023.

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
- Mr. Ravi Teltia – Chief Financial Officer (Ceased to be CFO on February 18, 2023)
- Mr. Pankaj Khemka – Chief Financial Officer (Appointed as CFO w.e.f. April 7, 2023)
- Ms. Shruti Joshi – Company Secretary

#### **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 14, 2023.

#### **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 6 (six) 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, 2023, the Company has three subsidiaries viz. SNL Bearings Limited, NRB Bearings (Thailand) Limited, NRB Holdings Limited. As at March 31, 2023, NRB Bearings, USA Inc. and NRB Bearings Europe GmbH 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 percent equity, has reported profit after tax of Rs. 818 lacs (previous year Rs. 883.00 lacs), lower by 7.3 per cent. Revenue from Operations during the year at Rs. 4,787 lacs is higher by 10 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 Bearings (Thailand) Limited (NRBT), a wholly owned subsidiary, has recorded higher sales by 32.98 percent to THB 444 million (Rs. 101.33 crores) (previous year THB 334.00 million – Rs. 76.00 crores). The share of manufacturing revenues out of total revenues have increased to THB 418.21 million (Rs. 95.33 crores) (previous year at THB 300.00 million) and trading revenues are at THB 26.34 million (previous year at THB 34.00 million). Consequently, the Company's EBITDA has grown from THB 48.00 million to THB 72.97 million (Rs. 16.63 crores). The Company has recorded an increase in profit of almost 57.69% percent for the year at THB 41 million (Rs. 9.32 crores) from THB 26.00 million (Rs. 6.00 crores) in the previous year.

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, 2023, NHL recorded a revenue of USD Nil (Rs. Nil lacs) and the resultant loss after tax was USD 5,53,120 (Rs. 445.70 lacs).

As a part of comprehensive international strategy of the Company, NRB Bearings Europe GmbH, and NRB Bearings USA Inc., which were set up to support increasing exports to Europe and North America respectively, was acquired by NHL. The companies provide marketing and customer support services. The income during the year is EURO 4,520,416 (Rs. 3,793.87 lacs) and USD 1,754,007 (Rs. 1,413.37 lacs) respectively and the resultant profit after tax is EURO 56,353 (Rs. 47.30 lacs) and USD 50,200 (Rs. 40.45 lacs).

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.nrbbearings.com](http://www.nrbbearings.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 the 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. The 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 liters rain water every year to increase ground water levels.
5. Energy conservation activities replacement of traditional lights with LED lamps to reduce the electrical consumption.
6. Conducted awareness program on food waste from external NGOs.
7. Annual Health Check-up for employees.
8. 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 including top management, organizing safety awareness week, reporting of near-miss incidents and first aid across the plant. The Company strives to achieve "Zero-Accident Tolerance".
9. 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.
10. Strict policy for non-consumption of tobacco and intoxicating materials to protect the mental and physical health of employees. Regular awareness programs like "Vyasan 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 (study of sciences, maths and engineering) and also for impactful social projects like Antim Prasthan (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 specialisation with a broader foundation of knowledge. The Company extended further support to Aseema, a NGO, which works for equipping the children of marginalized communities with high quality, value based education, enabling development of their limitless potential. The Trust runs 3 (three) municipality schools in Mumbai and runs its own school for marginalized community children in Igatpuri, which is set up for development of learning needs of tribal children, also provides vocational training to help them join main stream society.

The Company has been the chief supporter to IIT-Bombay for its Racing Car Project, and has been associated with the Project since 2016-17. The team participated in Formula Student UK 2021 Concept Class and became the only Indian Formula Student team ever to win an international competition, and they also won the FSEV Concept Challenge 2021. They were also working on driverless technologies, and plan to go completely driverless by 2024.

The Company also extended support to 321 Foundation, which is currently present in Hyderabad, Bangalore and Mumbai, and continues to be focused on foundational literacy and numeracy for all children studying in low cost private schools (LCPS). The Company also continued its support to the Apprenticeship Project (TAP) which is an education and skilling project which aims to empower all children in India to realise who they are and achieve what they want to be and empower children from low income schools with opportunities and resources to help them attain excellent education. It focuses on empowerment through choice following the explore model and the depth model. The Company also supported Aesthesis Foundation which helps blind and low vision students gain independence through vocational training and all-round development.

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. 127.00 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 inter-se except between Ms. Harshbeena Zaveri and Mr. Devesh Singh Sahney. Mr. Sahney is the brother of Ms. Harshbeena Zaveri.

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 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, 2023 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 August 9, 2018 for a term of 5 (five) consecutive years. The Audit Committee and the Board of Directors recommends the appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants as statutory auditors for a second term and resolution for the same has been included in the AGM notice annexed. A certificate from M/s Walker Chandiook & Co. LLP, has been received to the effect that their appointment, if made would be within the limits prescribed under section 139 of the Companies Act, 2013.

### **Cost Auditors**

Pursuant to the Rules issued by Ministry of Corporate Affairs under Companies (Cost records and Audit) Amendment 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, Practicing 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.

**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 2022-23.

**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 during the financial year 2022-23.

**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 1 (one) complaint was received and the same was resolved by the IC.

**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**

Executive Director

Place: Mumbai

Date: September 7, 2023

**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	NRBBearings (Thailand) Limited	NRB Bearings Europe GmbH (step down subsidiary)	NRB Bearings, USA Inc (step down subsidiary)	SNLBearings 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=34.18 THB	EURO EURO = Rs. 89.39	USD USD = Rs. 82.20	INR	USD USD = Rs. 82.20
5. Share capital (Rs.)	THB 147 million	EURO 25,000	USD 20,000	INR 361	USD 35,00,000
6. Reserves & surplus	THB (38) Million	EURO 153,089	USD 113,991	INR 5,043	USD (850,732)
7. Total assets	THB 485 million	EURO 8,271,389	USD 2,535,547	INR 6,234	USD 5,506,506
8. Total Liabilities	THB 376 million	EURO 8,093,300	USD 2,401,557	INR 830	USD 2,857,238
9. Investments	-	-	-	INR 1,525	USD 2,000,000
10. Turnover	THB 445 million	EURO 4,520,416	USD 1,754,007	INR 4,787	-
11. Profit /(Loss) before taxation	THB 48 million	EURO 66,628	USD 68,728	INR 1,113	USD (553,120)
12. Provision for taxation	THB 7 million	EURO 10,274	USD 18,529	INR 295	-
13. Profit /(Loss) after taxation	THB 41 million	EURO 56,353	USD 50,200	INR 818	USD (553,120)
14. Proposed Dividend	Nil	Nil	Nil	Nil	Nil
15. Extent of shareholding (in percentage)	100	100	100	73.45	100

The following information shall be furnished:-

- 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 – N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year. – N.A.

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Executive Director

Place: Mumbai

Date: September 7, 2023

## 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:-

- Installation done of new Reactive Power (Statcom solution) panel with thyristor control for power factor maintaining. Benefits are :
  - A) Harmonic level maintains 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.
- Ipsen cooling capacity utilized added SQF HTF FC on Ipsen cooling tower: - 31536 KWH Saving / Year
- Electrical circuit modified and Timer added to stop motor after dressing cycle of 10 Minutes: -3324 KWH Saving / Year
- Electrical connection converted in star instead of delta for GN120T4 centerless grinding machine CP area, - 2244 KWH Saving / Year
- Utilization Centralized chiller capacity for PSPL 100 T /ELPN 100 T / ELPN 30 T / Platarg 3 Hydraulic Press: - 2820 KWH Saving / Year / Machine
- DG synchronization done, Power backup provided to Ipsen f/c and plant machineries Utilized DG capacity, no requirement of new DG set and 500 KVA DG set spared as extra capacity.
- DG synchronization done, Spare DG set shift to other plant (500 Kva DG set send to Jalana Plant): - 1 DG set, Power backup contingency & Spare capacity of DG Utilization done at other plant
- GN 120 T3 Grinding Machine Previously 5.5 Nm motor used for Auto compensation, -New electronic system upgrade with new panel and used 2.5 Nm motor for the same: - 3510 KWH Saving/ Year
- Mando line 1 Modification in PLC program, - Cycle time reduced 6.5 sec. from 9 sec.  
Capacity enhanced by 28% and Energy saving done in terms of Kwh 18067/Year.
- Thane Transfer Wesman f/c upgradation and modification done for F/c heater element canthol type Heater with SS tube in placed on Ceramic tube, Temp. attain in time & Improved life & handling of heating tubes & heaters.
- Manual Valve (for Controlling flow) installation done on Ipsen Endo, Propane gas saving done: - Yearly Propane saving is 9.48 MT.
- Timer provided to Bihler 1 machine motor to stop when machine is idle more than 5 min  
Yearly KWH Saving in Kwh 798.
- Solar Energy Initiation: Solar Light installed near Proper Yard for streetlight (80 w), 100-watt/Hr. energy saving.  
Yearly KWH Saving in Kwh 438.
- In phosphating Plant, drier Heaters are always ON condition, carried out necessary modification in PLC program and control circuit so that heaters are ON during drying process, hence increased the life of heaters and reduce the power consumption.  
Power saving per Annum = 18000 kwh
- Timer provided to polishing barrel machine motor to stop the motor after cycle completion.

- In furnace, installed thyristor module and PID controllers for precisely controlling the current of Heaters, which will ensure optimum, power consumption and enhance heaters life.  
Power saving per Annum = 12000 kwh
- For auto turning machine reduced the cycle time by eliminating delay in cage transportation and simplified the process through PLC programmer modification hence reduced the power consumption for cage transportation.  
Power saving per Annum = 1200 kwh

(i) The capital investment on energy conservation equipment- Rs. 1.76 lacs.

## **B. 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 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, 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, 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 but does not tell 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% 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.
- (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.

**C. Foreign exchange earnings and outgo**

Foreign exchange earnings	Rs. 23,478 lacs
Foreign exchange outgo	Rs. 17,134 lacs

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

**Harshbeena Zaveri**  
Vice Chairman & Managing Director

**Satish Rangani**  
Executive Director

Place: Mumbai

Date: September 7, 2023

## **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 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**  
Executive Director

Place: Mumbai

Date: September 7, 2023

**ANNEXURE 4**

**Annual Report on Corporate Social Responsibility (CSR) 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	Chairman, (Vice Chairman & Managing Director)	1	1
2.	Mr. Ashank Desai	Member (Non- Executive / Independent Director)		1
3.	Mr. Satish Rangani	Member (Executive Director/ Whole Time 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. 6,220 lacs
- b) Two percent of average Net Profit of the Company as per sub-section (5) of section 135: Rs. 124.40 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. 0.18 lacs
- e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 124.22 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 & employment, enhancing vocational skills	Yes	Yes	Maharashtra	Mumbai	15.00	No	ASSEMA Charitable Trust	CSR00004000
4	Promoting education & 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- perenticeship Project	CSR00001497
6	Promotion of social business projects	Yes	Yes	Maharashtra	Mumbai	15.00	No	Hiralal Parikh Parivar Chari- table Trust	CSR00000249
7	Healthcare projects	Yes	Yes	Maharashtra	Mumbai	5.00	No	Aesthesis Foundation	CSR00000718
8	Promotion of social business projects	Yes	Yes	Maharashtra	Mumbai	5.00	No	Aarambh society	CSR00003004
9	Promotion of education	Yes	No	Maharashtra	Pune	5.00	Yes	Gyan Prakash Foundation	

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. 127 lacs

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



Total Amount Spent for the Financial Year. (Rs. In lacs)	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.
127.00	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

f) Excess amount for set-off if any

Sl. No.	Particular	Amount (Rs. in lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	124.22
(ii)	Total amount spent for the Financial Year	127.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2.78
(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)]	2.78

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/

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 Registration Number, if applicable	Name	Registered address
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**  
Executive Director

Place: Mumbai

Date: September 7, 2023

## **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.
<b>2. Details of material contracts or arrangement or transactions at arm's length basis</b>	
<b>(a) Name(s) of the related party and nature of relationship:</b>	
i) NRB Bearings (Thailand) Limited	- Subsidiary Company
ii) NRB Holdings Limited	- Subsidiary Company
iii) SNL Bearings Limited	- 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) First Engineering Technologies	-	Private Company in which a Director is Private Limited a Director
ix) New Indo Trading	-	Firm in which Director is a Partner
x) Trilochan Singh Sahney Trust 1	-	Trust in which Director has significant influence
xi) Ms. Hanwantbir Kaur Sahney	-	Relative of Key Managerial Personnel
xii) Ms. Harshbeena Zaveri	-	Key Managerial Personnel
Mr. Satish Rangani	-	Key Managerial Personnel
Mr. Devesh Singh Sahney	-	Key Managerial Personnel
Mr. Tashwinder Singh	-	Independent Director
Mr. Ashank Desai	-	Independent Director
Mr. Rustom Desai	-	Independent Director
Ms. Vishakha R. M.	-	Independent Director
Mr. Ravi Teltia	-	Chief Financial Officer upto February 18, 2023
Mr. Pankaj Khemka	-	Chief Financial Officer w.e.f. April 7, 2023
Ms. Shruti Joshi	-	Company Secretary
xiii) 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) First Engineering Technologies Private Limited	-	Purchase of Raw Materials/Components
ix) New Indo Trading	-	Service Charges
x) Trilochan Singh Sahney Trust 1	-	Dividend

xi) Ms.Hanwantbir Kaur Sahney	-	Lease Agreement
xii) Ms. Harshbeena Zaveri	-	Remuneration, commission and dividend
Mr. Satish Rangani	-	Remuneration 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. Ravi Teltia	-	Remuneration
Ms. Shruti Joshi	-	Remuneration
xiii) 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:

<b>Sr. No.</b>	<b>Name of the Related Parties</b>	<b>Nature of Contract/ arrangements/ transactions</b>	<b>Salient Terms of Contract/ arrangements/ transactions</b>
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.	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
8.	New Indo Trading	Service Charges	As per terms and conditions of agreement
9.	Ms. Hanwantbir Kaur Sahney	Lease Agreement	As per terms and conditions of agreement
10.	Trilochan Singh Sahney Trust 1	Dividend	As declared by Company
11.	Key Managerial Persons Ms. Harshbeena Zaveri , Vice Chairman & Managing Director, Mr. Satish Rangani, Executive Director Mr. Devesh Singh Sahney, Director Others (Independent Directors) Mr. Ravi Teltia, Chief Financial Officer Ms. Shruti Joshi, Company Secretary	Remuneration, Commission and Sitting Fees  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	815
	- Sale of Property, Plant & Equipment	47
	- Purchase of raw materials	6,408
	- Reimbursement of expenses	31
	- Inter Corporate Deposit repayment received (Including interest received and foreign exchange adjustment)	114
	- Interest income on Inter Corporate Deposit	81
ii) NRB Bearings Europe GmbH	-Sales promotion expenses	376
	-Sales of finished goods	5,241
iii) SNL Bearings Limited	- Sales of finished goods	117
	- Purchase of raw materials	1,584
	- Sales of property, plant and equipment	26
	- Dividend received on equity shares	172
iv) NRB Bearings, USA Inc	- Sales promotion expenses	247
	- Advance received for sales promotion expenses	363
	- Sales of finished goods	1,852
v) First Technologies BV	- Consultancy fees	390
vi) First Engineering Technologies Private Limited	- Purchase of raw materials / components	11
vii) New Indo Trading	- Service charges	5
viii) NRB Holdings Limited	-Inter corporate deposit disbursed	2,305
	- Interest income on inter corporate deposits	48
ix) Trilochan Singh Sahney Trust 1	- Dividend	676
x) Mrs. Hanwantbir Kaur Sahney	- Rental Income	0
xi) Key Managerial Personnels		
Ms. Harshbeena Zaveri	- Remuneration and Commission	515
	- Dividend	222
Mr. Satish Rangani	- Remuneration	137
	- Dividend	0*
Mr. Devesh Singh Sahney	- Sitting Fees	7
	- Dividend	17
Others (Independent Directors)	- Sitting Fees and Commission to Independent Directors	43
Mr. Ravi Teltia	- Remuneration	101
Ms. Shruti Joshi	- Remuneration	80

(\*) Amount less than 1 Lac.

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

- i) May 30, 2022
- ii) August 6, 2022
- iii) November 8, 2022
- iv) February 11, 2023

**(f) Amount paid as advances, if any:**

Nil

 For and on behalf of the Board of Directors  
**NRB Bearings Limited**
**Harshbeena Zaveri**  
 Vice Chairman & Managing Director

**Satish Rangani**  
 Executive Director

Place: Mumbai

Date: September 7, 2023

**ANNEXURE 6**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2023**

[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, 2023 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, 2023 according to the provisions of:

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

As confirmed by the Management, the Company has not raised any fund by way of 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.

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.

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 as on 31st March, 2023. 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: F002727E000425413  
Peer Review Certificate No.1882/2022  
Place: Mumbai  
Date: May 30, 2023

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.

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

Place: Mumbai  
Date: May 30, 2023

**ANNEXURE 7****Form No. MGT-9****EXTRACT OF ANNUAL RETURN as on March 31, 2023****[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@nrbbearings.co.in  
Web address : www.nrbbearings.com  
Telephone No. : 022 22664160  
Fax No. : 022 22660412
- vi) Whether listed Company Yes/ No : Yes  
(The National Stock Exchange of India and BSE Limited)
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Universal Capital Securities Private Limited (100% subsidiary of Link Intime Private Limited)  
Unit: NRB Bearings Limited  
C 101, 247 Park, LBS Road, Vikhroli West, Mumbai 400 083, Maharashtra  
Email id. : info@unisec.in  
Web address : www.unisec.in  
Telephone No. : 022 49186178/79  
Fax No. : 022 49186060

**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:-

<b>Sr. No.</b>	<b>Name and Description of main services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the Company</b>
1.	Needle roller bushes & cages	2913	56
2.	Ball & roller bearings	2913	29
3.	Automobile components	2913	15



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

<b>Sr. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1.	SNL Bearings Limited Dhannur,15 Sir P.M.Road, Fort,Mumbai 400 001	L99999MH1979PLC134191	Subsidiary	73.45	2(87)
2.	NRB Bearings (Thailand) Limited 300/69,MOO1, T:Tasit, A:Pluak Daeng, Province, Rayong, Thailand 21140	Foreign Company	Subsidiary	100	2(87)
3.	NRB Bearings Europe GmbH,Office # 521, Regus Business Center Konigstrasse 10C,Stuttgart Baden Wurttemberg 70173,Germany.	Foreign Company	Subsidiary	100	2(87)
4.	NRB Bearings, USA Inc 480 Troywood Drive, Troy, MI 48083	Foreign Company	Subsidiary	100	2(87)
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(87)

**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	--	2371105	2.45	2371105	--	2371105	2.45	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks/ FI	--	--	--	--	--	--	--	--	--
f) Any other (Trust)	33809300	--	33809300	34.88	33809300	--	33809300	34.88	--
Sub-total (A) (1)	<b>36180405</b>	--	<b>36180405</b>	<b>37.33</b>	<b>36180405</b>	--	<b>36180405</b>	<b>37.33</b>	--
<b>(2) Foreign</b>									
a) NRIs - Individuals	12134439	--	12134439	12.52	12383165	--	12383165	12.78	0.26
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks/ FI	--	--	--	--	--	--	--	--	--
e) Any Other ...	--	--	--	--	--	--	--	--	--
Sub-total (A) (2)	<b>12134439</b>	--	<b>12134439</b>	<b>12.52</b>	<b>12383165</b>	--	<b>12383165</b>	<b>12.78</b>	<b>0.26</b>
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	<b>48314844</b>	--	<b>48314844</b>	<b>49.85</b>	<b>48563570</b>	--	<b>48563570</b>	<b>50.11</b>	<b>0.26</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	11239743	6000	11245743	11.60	11139743	--	11139743	11.49	-0.11
b) Banks/ FI	--	--	--	--	--	--	--	--	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt.	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs / FPIs	21223761	--	21223761	21.90	20633496	--	20633496	21.29	-0.61
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (Specify)	--	--	--	--	--	--	--	--	--
Alternate Investment Fund									
Sub-total (B) (1)	<b>32463504</b>	<b>6000</b>	<b>32469504</b>	<b>33.50</b>	<b>31773299</b>	--	<b>31773299</b>	<b>32.78</b>	<b>-0.72</b>

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>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	574379	4000	578379	0.60	598104	4000	602104	0.62	0.02
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal sharecapital upto Rs. 1 Lac	11536382	293560	11829942	12.21	11698276	278510	11976786	12.36	0.15
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lac	2324744	--	2324744	2.40	2535499	--	2535499	2.62	0.22
c) Any Other									
i) Non Resident Indians (Non Repat)	294502	--	294502	0.30	285736	--	285736	0.29	-0.01
ii) Non Resident Indians (Repat)	340341	--	340341	0.35	353557	--	353557	0.36	0.01
iii) Clearing Members	131090	--	131090	0.14	14352	--	14352	0.01	-0.12
iv) Foreign Nationals	--	--	--	--	1000	--	1000	--	--
v) Trusts	487	--	487	--	287	--	287	--	--
vi) Foreign Portfolio Investment Corporation	--	--	--	--	--	--	--	--	--
vii) Body Corporate : Limited Liability Partnership	50271	--	50271	0.05	69757	--	69757	0.07	0.02
viii) NBFC	--	--	--	--	17000	--	17000	0.02	0.02
ix) HUF	510435	--	510435	0.53	629762	--	629762	0.65	0.12
x) IEPF Authority	78061	--	78061	0.08	90881	--	90881	0.09	0.01
xi) Friends & Associates	--	--	--	--	10	--	10	--	--
xii) Other Directors / Relatives	--	--	--	--	9000	--	9000	0.01	0.01
<b>Sub-total (B) (2)</b>	15840692	297560	16138252	16.65	16303221	282510	16585731	17.11	0.46
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	48304196	303560	48607756	50.15	48076520	282510	48359030	49.89	-0.26
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	96619040	303560	96922600	100.00	96640090	282510	96922600	100.00	--

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	0.42	0.00	411900	0.42	0.00	0.00
2	Bhupinder Singh Sahney	26680	0.03	0.00	26680	0.03	0.00	0.00
3	Devesh Singh Sahney	850089	0.88	0.00	850089	0.88	0.31	0.00
4	Hanwantbir Kaur Sahney	0	0.00	0.00	0	0.00	0.00	0.00
5	Harshbeena Zaveri	11100917	11.45	0.00	11266892	11.62	0.00	0.17
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	1013770	1.05	0.00	1096521	1.13	0.00	0.08
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
	<b>Total</b>	<b>48094867</b>	<b>49.62</b>	<b>0.00</b>	<b>48314844</b>	<b>49.85</b>	<b>0.62</b>	<b>0.23</b>

**(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		
	Date wise Increase/ Decrease	Nil	Nil	26680	0.03
	At the End of the Year			26680	0.03
3.	Devesh Singh Sahney				
	At the beginning of the Year	850089	0.88		
	Date wise Increase/ Decrease	Nil	Nil	850089	0.88
	At the End of the year			850089	0.88

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
4.	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	11100917	11.45		
	10-06-2022 Purchase	9532	0.01	11110449	11.46
	24-03-2023 Purchase	42993	0.04	11153442	11.51
	31-03-2023 Purchase	113450	0.12	11266892	11.62
	At End of the Year			11266892	11.62
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	1013770	1.05		
	16-12-2022 Purchase	5261	0.01	1019031	1.06
	23-12-2022 Purchase	14463	0.01	1033494	1.07
	30-12-2022 Purchase	15280	0.01	1048774	1.08
	17-02-2023 Purchase	6296	0.01	1055070	1.09
	24-02-2023 Purchase	1650	0.00	1056720	1.09
	03-03-2023 Purchase	400	0.00	1057120	1.09
	10-03-2023 Purchase	200	0.00	1057320	1.09
	24-03-2023 Purchase	4700	0.00	1062020	1.09
	31-03-2023 Purchase	34501	0.04	1096521	1.13
	At the End of the Year			1096521	1.13

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
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

**(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	HDFC Small Cap Fund				
	At the beginning of the Year	8963982	9.25		
	Date wise Increase/ Decrease	Nil	Nil	8963982	9.25
	At the End of the Year			8963982	9.25
3	Acacia Partners, LP				
	At the beginning of the Year	2067800	2.13		
	Date wise Increase/ Decrease	Nil	Nil	2067800	2.13
	At the End of the Year			2067800	2.13
4	Acacia Conservation Fund, LP				
	At the beginning of the Year	2067800	2.13		
	Date wise Increase/ Decrease	Nil	Nil	2067800	2.13
	At the End of the Year			2067800	2.13
5	Acacia Institutional Partners, LP				
	At the beginning of the Year	1920100	1.98		
	Date wise Increase/ Decrease	Nil	Nil	1920100	1.98
	At the End of the Year			1920100	1.98
6.	Franklin Build Indian Fun				
	At the beginning of the Year	1200000	1.23		
	04-11-2022 Sale	-14022	-0.01	1185978	1.22
	11-11-2022 Sale	-85978	-0.09	1100000	1.13
	At the End of the Year			1100000	1.13

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
7	SBI Magnum Midcap Fund				
	At the beginning of the Year	1075761	1.11		
	Date wise Increase/ Decrease	Nil	Nil	1075761	1.11
	At the End of the Year			1075761	1.11
8	Acadian Emerging Markets Small Cap Equity Fund LLC				
	At the beginning of the Year	857630	0.88		
	09-12-2022 Sale	-24571	-0.02	833059	0.86
	At the End of the Year			833059	0.86
9	Acacia Banyan Partners				
	At the beginning of the Year	584855	0.60		
	Date wise Increase/ Decrease	Nil	Nil	584855	0.60
	At the End of the Year			584855	0.60
10	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)				
	At the beginning of the Year	295806	0.30		
	08-04-2022 Sale	6840	0.01	302646	0.31
	15-04-2022 Sale	6144	0.01	308790	0.32
	22-04-2022 Sale	9274	0.01	318064	0.33
	29-04-2022 Sale	10017	0.01	328081	0.34
	06-05-2022 Sale	6552	0.01	334633	0.35
	13-05-2022 Sale	22815	0.02	357448	0.37
	20-05-2022 Sale	13718	0.01	371166	0.38
	27-05-2022 Sale	24232	0.03	395398	0.41
	03-06-2022 Sale	1780	0.00	397178	0.41
	30-06-2022 Sale	6445	0.01	403623	0.42
	08-07-2022 Sale	13242	0.01	416865	0.43
	15-07-2022 Sale	8142	0.01	425007	0.44
	26-08-2022 Sale	5499	0.01	430506	0.45
	At the End of the Year			430506	0.45
11	Buma-Universal-Fonds I				
	At the beginning of the Year	316171	0.33		
	08-07-2022 Sale	(27506)	0.02	288665	0.30
	At the End of the Year			541680	0.30

**(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	11100917	11.45		
	10-06-2022 Purchase	9532	0.01	11110449	11.46
	24-03-2023 Purchase	42993	0.04	11153442	11.51
	31-03-2023 Purchase	113450	0.12	11266892	11.62
	At End of the Year			11266892	11.62
2.	Satish Rangani				
	At the beginning of the Year	21033	0.02		
	Date wise Increase/ Decrease	Nil	Nil	21033	0.02
	At the End of the Year			21033	0.02
3.	Devesh Singh Sahney				
	At the beginning of the Year	850089	0.88		
	Date wise Increase/ Decrease	Nil	Nil	850089	0.88
	At the End of the Year			850089	0.88
4.	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
5.	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
6.	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
7.	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
8.	Ravi Teltia				
	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 Indebtedness (Rs.in lacs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	26,704	253	-	26,957
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	71	-	-	71
Total (i+ii+iii)	26,775	253	-	27,028
Change in Indebtedness during the financial year				
i) Addition	56,585	-	-	56,585
ii) Reduction	(53,804)	(107)	-	(53,911)
Net Change	2781	(107)	-	2,674
Indebtedness at the end 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
Total (i+ii+iii)	29,556	146	-	29,702

**VII. Remuneration of Directors and Key Managerial Personnel**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager for 2022-23:**

(In Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ms. Harshbeena Zaveri (Vice Chairman and Managing Director)	Mr. Satish Rangani (Executive Director)	
1.	Gross salary:			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	1,31,67,092	60,00,000	1,91,67,092
	(b) Value of perquisites u/s 17(2)	2,81,53,767	51,30,000	3,32,83,767
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission:			
	- as % of profit	85,86,000	-	85,86,000
	- others, specify (Variable Pay)	-	-	-
5.	Others, please specify Retirals			
	- Retirals	15,80,051	7,20,000	23,00,051
	- Variable pay / Ex-gratia	-	18,00,000	18,00,000
	- Remuneration from NRB Holdings Limited	2,69,21,757	-	2,69,21,757
	<b>Total (A)</b>	<b>7,84,08,667</b>	<b>1,36,50,000</b>	<b>9,20,58,667</b>
	Ceiling as per the Act (Sec197)	Rs. 10,92,61,333/-		

**Notes :**

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. Zaveri received part of remuneration for NHL amounting to Rs. 2,69,21,757/-. 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 during 2022-23:**

(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
1.	Independent Directors Fee for attending board / committee meetings	-	5,10,000	2,60,000	3,00,000	5,30,000
	Commission	-	12,00,000	6,00,000	6,00,000	6,00,000
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	-	<b>17,10,000</b>	<b>8,60,000</b>	<b>9,00,000</b>	<b>11,30,000</b>
2.	Other Non-Executive Directors Fee for attending board / committee meetings	1,20,000				
	Commission	-				
	<b>Total (2)</b>	<b>1,20,000</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>1,20,000</b>	<b>17,10,000</b>	<b>8,60,000</b>	<b>9,00,000</b>	<b>11,30,000</b>
	Overall ceiling as per the Act	Rs. 1,09,26,133 /-				

**C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Directors and/or Manager for 2022-23:**

(In Rs.)

Sr. No.	Particulars of Remuneration	Name of Manager (KMP)		Total Amount
		Mr. Ravi Teltia Chief Financial Officer*	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	29,40,873	25,20,000	54,60,873
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	56,20,357	41,66,447	97,86,804
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961/Variable Pay	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission: - as % of profit - others, specify...	-	-	-
5.	Others, please specify			
	- Retirals	3,52,901	3,02,399	6,55,300
	- Variable pay / Ex-gratia	11,88,230	9,83,247	21,71,477
	<b>Total (A)</b>	<b>1,01,02,361</b>	<b>79,72,093</b>	<b>1,80,74,454</b>

\*Due to resignation tendered by Mr. Ravi Teltia, remuneration has been paid for part of the financial year i.e. upto the date of his separation from the Company (April 1, 2022 to February 18, 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**  
Executive Director

Place: Mumbai

Date: September 7, 2023

## 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 2022-23

Name of Directors	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In Lacs)	Ratio
Ms. Harshbeena Zaveri, Vice Chairman & Managing Director	515	5.50	93.64
Mr. Satish Rangani, Whole Time Director	137	5.50	24.82
Mr. Ravi Teltia (CFO)*	101	5.50	18.36
Ms. Shruti Joshi (CS)	73	5.50	13.27

\* Due to resignation tendered by Mr. Ravi Teltia, remuneration has been paid for part of the financial year i.e. upto the date of his separation from the Company (April 1, 2022 to February 18, 2023).

- b. The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in FY 2022-23:

Name of Executive Directors / KMP	Percentage increase in remuneration in the Financial year.
Ms. Harshbeena Zaveri, Vice Chairperson & Managing Director	(15.85) per cent
Mr. Satish Rangani, Whole Time Director	(3.52) per cent
Mr. Ravi Teltia (CFO)	(1.94) per cent
Ms. Shruti Joshi (CS)	5.80 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 10.68 per cent during financial year 2022-23. (Rs 4,95,131 p.a. to Rs 5,50,000 p.a.).
- d. The Company has 1,332 number of permanent employees on the rolls of company as on March 31, 2023.
- 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.  
Average percentile decrease in the salaries of employees other than Managerial Personnel is 2.65 per cent while decrease in the Managerial Remuneration is 16.84 per cent.
- f. 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

**S. C. Rangani**  
Executive Director

Place: Mumbai  
Date: September 7, 2023

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**
**SECTION A: GENERAL DISCLOSURES**

<b>I.</b>	<b>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@nrbbearings.co.in
7.	Telephone	+91 22 22664570, 22664160, 22664998
8.	Website	www.nrbbearings.com
9.	Financial year for which reporting is being done	2022-23
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 (INR)	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@nrbbearings.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 only to NRB Bearings Limited.

<b>II.</b>	<b>Products/services</b>			
<b>14.</b>	<b>Details of business activities (accounting for 90% of the turnover):</b>			
	<b>S. No.</b>	<b>Description of Main Activity</b>	<b>Description of Business Activity</b>	<b>% of Turnover of the entity</b>
	1	Manufacturing	Automotive Components Bearings	100%
<b>15.</b>	<b>Products/Services sold by the entity (accounting for 90% of the entity's Turnover):</b>			
	<b>S. No.</b>	<b>Product/Service</b>	<b>NIC Code</b>	<b>% of total Turnover contributed</b>
	1	Needle roller bushes & cages	2913	62%
	2	Ball & roller bearings	2913	25%
	3	Automobile components	2913	14%

<b>III.</b>	<b>Operations</b>			
<b>16.</b>	<b>Number of locations where plants and/or operations/offices of the entity are situated:</b>			
	<b>Location</b>	<b>Number of plants</b>	<b>Number of offices</b>	<b>Total</b>
	National	6	7	13
	International	0	0	0

\* The Company also exports its products globally to approx. 45 countries worldwide.

<b>17.</b>	<b>Markets served by the entity:</b>	
<b>a.</b>	<b>Number of locations</b>	
	<b>Locations</b>	<b>Number</b>
	National (No. of States)	Pan India
	International (No. of Countries)	45
<b>b.</b>	<b>What is the contribution of exports as a percentage of the total turnover of the entity?</b>	
	24%	
<b>c.</b>	<b>A brief on type of customers</b>	
	<p>We serve a wide range of customers in the predominantly automotive sectors across India, catering to a diverse clientele that includes Indian Original Equipment Manufacturers (OEMs) and Tier-1 customers accounting for 65 per cent-70 per cent of the demand while the rest is supplied to the Aftermarket (12 per cent-15 per cent) and Exports (20 per cent-25 per cent). Exports is predominantly to OEMs and Tier I customers. Other than the Aftermarket, vehicle manufacturers comprise of the following broad segments:</p> <ul style="list-style-type: none"> <li>• 2/3 wheelers comprising motorcycles, scooters, mopeds, auto rickshaws (passengers and goods) and industrial 4 stroke engines.</li> <li>• Passenger cars from small cars, hatchbacks to luxury models and utility vehicles</li> <li>• Commercial vehicles from LCVs, MCV/HCV to buses</li> <li>• Farm equipment and off highway vehicles including forklifts trucks and construction equipment</li> <li>• Railway locomotives</li> <li>• Defense vehicles including gun carriers and tanks</li> <li>• Aircraft and aerospace applications</li> </ul>	

<b>IV.</b>	<b>Employees</b>					
<b>18.</b>	<b>Details as at the end of Financial Year:</b>					
<b>a.</b>	<b>Employees and workers (including differently abled):</b>					
<b>S. No.</b>	<b>Particulars</b>	<b>Total (A)</b>	<b>Male</b>		<b>Female</b>	
			<b>No. (B)</b>	<b>% (B/A)</b>	<b>No. (C)</b>	<b>% (C/A)</b>
<b>EMPLOYEES</b>						
1.	Permanent (D)	457	425	93.03%	32	6.97%
2.	Other than Permanent (E)	30	27	90%	3	10%
3.	<b>Total employees (D + E)</b>	487	452	92.84%	35	7.16%
<b>WORKERS</b>						
4.	Permanent (F)	872	854	97.94%	18	2.06%
5.	Other than Permanent (G)	2,332	2,132	91.33%	201	8.67%
6.	<b>Total workers (F + G)</b>	3,205	2,986	93.14%	219	6.86%

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

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

<b>19. Participation/Inclusion/Representation of women</b>			
	<b>Total (A)</b>	<b>No. and percentage of Females</b>	
		<b>No. (B)</b>	<b>% (B / A)</b>
Board of Directors	7	2	28.57%
Key Management Personnel	4	2	50%

\*Mr. Pankaj Khemka joined as the Company's CFO as on 7th April 2023.

<b>20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)</b>									
	<b>FY 2022-23 (Turnover rate in current FY)</b>			<b>FY2021-22 (Turnover rate in previous FY)</b>			<b>FY 2020-21 (Turnover rate in the year prior to the previous FY)</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
<b>Permanent Employees</b>	18.82%	34.38%	19.91%	12.59%	24.24%	13.40%	9.46%	15.63%	9.87%
<b>Permanent Workers</b>	4.33%	0%	4.24%	4.81%	0%	4.71%	2.72%	5.56%	2.77%

<b>V. Holding, Subsidiary and Associate Companies (including joint ventures)</b>				
<b>21. (a) Names of holding / subsidiary / associate companies / joint ventures</b>				
<b>Sr. No.</b>	<b>Name of the Holding / subsidiary / associate companies / joint ventures (A)</b>	<b>Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture</b>	<b>% of shares held by listed entity</b>	<b>Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)</b>
1	SNL Bearings Limited	Subsidiary	73.45	No
2	NRB Bearings (Thailand) Limited	Subsidiary	100	No
3	NRB Holdings Limited	Subsidiary	100	No
4	NRB Bearings USA Inc	Fellow Subsidiary	100% holdings by its WOS NRB Holdings Limited	No
5	NRB Bearings GmbH	Fellow Subsidiary	100% holdings by its WOS NRB Holdings Limited	No

<b>VI.</b>	<b>CSR Details</b>	
<b>22.</b>	<b>(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)</b>	Yes
	<b>(ii) Turnover (in Rs.)</b>	10,03,03,00,000
	<b>(iii) Net worth (in Rs.)</b>	6,41,80,00,000

<b>VII.</b>	<b>Transparency and Disclosures Compliances</b>							
<b>23.</b>	<b>Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:</b>							
	<b>Stakeholder group from whom complaint is received</b>	<b>Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)</b>	<b>Current Financial Year (FY 2022-23)</b>			<b>Previous Financial Year (FY 2021-22)</b>		
			<b>Number of complaints filed during the year</b>	<b>Number of complaints pending resolution at close of the year</b>	<b>Remarks</b>	<b>Number of complaints filed during the year</b>	<b>Number of complaints pending resolution at close of the year</b>	<b>Remarks</b>
	<b>Communities</b>	At each location, HR and admin partners are responsible to address the grievances related to communities.	0	0	-	0	0	-
	<b>Investors (other than shareholders)</b>	Investors can register their grievances on investorcare@nrb.co.in	0	0	-	0	0	-
	<b>Shareholders</b>	Shareholders can register their grievances on investorcare@nrb.co.in or info@unisec.in	0	0	-	0	0	-
	<b>Employees and workers</b>	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	-
	<b>Customers</b>	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>	142	0	-	129		-



<b>Value Chain Partners</b>	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	-
<b>Other (please specify)</b>	-	-	-	-	-	-	-

NRB Bearings Limited's stakeholders include our investors, shareholders, customers, employees and workers, value chain partner, government, and the community.

<b>24.</b>	<b>Overview of the entity's material responsible business conduct issues :</b>					
<b>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</b>						
<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>	
1	Business Continuity	Risk	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	<p>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.</p> <p>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.</p> <p>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.</p>	<p>We ensure optimal supply of goods and services, focusing on quality, cost and delivery performance. Multiple product sourcing and localisation options are continuously explored.</p> <p>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</p>	Fluctuations in raw material prices and/or supplier's financial conditions could have an impact on the Company's earnings.
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**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>										
1.	<b>A. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	No	No	No	No	No	No	No	Yes	No
	<b>B. Has the policy been approved by the Board? (Yes/No)</b>	No	No	No	No	No	No	No	Yes	No
	<b>C. Web Link of the Policies, if available</b>	<a href="https://www.nrbbearings.com/investorrelations.htm">https://www.nrbbearings.com/investorrelations.htm</a>								
2.	<b>Whether the entity has translated the policy into procedures. (Yes / No)</b>	No	No	No	No	No	No	No	Yes	No
		Yes, the NRB has various policies aligned with all the principles of BRSR and we expect all our stakeholders to adhere to this policy including our value chain partners. We also have a separate supply chain code of conduct in place for our suppliers available on our website: <a href="https://www.nrbbearings.com/investorrelations.htm">https://www.nrbbearings.com/investorrelations.htm</a>								

4.	<b>Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	NRB Bearings Limited follows all mandatory applicable geographical specific Acts, Regulations & Guidelines while formulating policies & 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								
5.	<b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	No	No	No	No	No	No	No	No	No
6.	<b>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>										
7.	<b>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>									
<p>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.</p>										
<p>Going ahead, we look forward to being the industry leader while supporting ethical business and responsible conduct guided by our inherent principles of sustainability.</p>										
8.	<b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Ms. Harshbeena Zaveri, Vice Chairman & MD								
9.	<b>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.								

<b>10. Details of Review of NGRBCs by the Company:</b>																			
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	Yes- We comply with all applicable laws of the land we operate in.									Quarterly									
<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)	-	-	-	-	-	-	-	-	-
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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
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**

<b>1. Percentage coverage by training and awareness programmes on any of the principles during the financial year</b>			
<b>Segment</b>	<b>Total number of training and awareness programmes held</b>	<b>Topics/principles covered under the training and its impact</b>	<b>%age of persons in respective category covered by the awareness programmes</b>
<b>Board of Directors</b>	1	During the year, the Board of Directors of the Company (including the Committees) has invested more than 10 hours individually on various matters relating to an array of issues viz. 1. Review of business updates, new Business strategies, and company's financial performance. 2. Regulatory Updates, Amendments to SEBI LODR, SEBI Insider Trading Regulations 3. Risk management, succession planning.	100%
<b>Key Management Personnel</b>	2	KMPs were provided training on topics such as POSH and all nine principles of BRSR.	50%
<b>Employees other than BoD and KMPs</b>	7	Principle 2, 6, 9	65%
<b>Workers</b>	10	Principle 2, 6, 9	37%

<b>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):</b>					
<b>Monetary</b>					
	<b>NGBRC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Amount (in INR)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Penalty/Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3.	<b>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</b>	
	<b>Case Details</b>	<b>Name of the regulatory/enforcement agencies/judicial institutions</b>
	NIL	NIL
	NIL	NIL
4.	<b>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.</b>	
<p>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.</p> <p>The policy is available at <a href="https://www.nrbbearings.com/investorrelations.htm">https://www.nrbbearings.com/investorrelations.htm</a></p>		

5.	<b>Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:</b>		
		<b>FY 2023</b>	<b>FY 2022</b>
	Directors	NIL	NIL
	KMPs	NIL	NIL
	Employees	NIL	NIL
	Workers	NIL	NIL

6.	<b>Details of complaints with regard to conflict of interest</b>				
		<b>FY 2023</b>		<b>FY 2022</b>	
		<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
	<b>Number of complaints received in relation to issues of Conflict of Interest of the Directors</b>	NIL	NIL	NIL	NIL
	<b>Number of complaints received in relation to issues of Conflict of Interest of the KMPs</b>	NIL	NIL	NIL	NIL
7.	<b>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.</b>				
Not Applicable since there has been no cases of corruption and conflicts of interest during the FY2022-23.					

### Leadership Indicators

1.	<b>Awareness programmes conducted for value chain partners on any of the Principles during the financial year:</b>		
	<b>Total number of awareness programmes held</b>	<b>Topics / principles covered under the training</b>	<b>%age of value chain partners covered (by value of business done with such partners) under the awareness programmes</b>
	03	Suppliers were provided training on various topics including 4M Change, Driving Safety, Fire Safety Training.	8.48%

2.	<b>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.</b>
	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.	<b>Percentage of R&amp;D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&amp;D and capex investments made by the entity, respectively</b>			
		<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>Details of improvements in environmental and social impacts</b>
	R&D	7.18%	2.59	<ul style="list-style-type: none"> <li>• New coolant used for grinding to reduce coolant consumption from 2% to 1.3%</li> <li>• Solid Grease developed for ball cage application increasing bearing life by 3 times.</li> <li>• Reduced electricity consumption by 8470 Kw/year by replacing electric motor.</li> <li>• Reduced oil (200 lts. /year) consumption by verifying viscosity using viscometer.</li> <li>• Development of ceramic bearing for Electric Vehicle</li> <li>• Developed Reduced friction bearing</li> <li>• Reuse of tools for testing Saving of 5% new tools</li> </ul>
Capex	100%	0.55%	Robotic implementation	
2.	<b>A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)</b>			
	Yes. The Company has procedures and policies in place for sustainable sourcing. NRB's 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.			
	NRB works very 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>B. If yes, what percentage of inputs were sourced sustainably?</b>				
28%				

3.	<p><b>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</b></p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Other waste: Since, our main product category is bearings, this is not applicable.</p>
4.	<p><b>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.</b></p> <p>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.</p> <p>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).</p>

<b>Leadership Indicators</b>						
1.	<p><b>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?</b></p>					
	<b>NIC Code</b>	<b>Name of the product/service</b>	<b>% of total turnover contributed</b>	<b>Boundary for which the life cycle perspective/ assessment was conducted</b>	<b>Whether conducted by independent external agency (Yes/ No)</b>	<b>Results communicated in public domain (Yes/ No) If yes, provide the web-link</b>
	<p>No, we have not conducted Life Cycle Assessment (LCA) in the FY 2022-23. 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.</p>					
2.	<p><b>If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.</b></p>					
	<b>Name of Product/Service</b>	<b>Description of the risk/concern</b>		<b>Action Taken</b>		
	Not Available	Not Available		Not Available		
3.	<p><b>Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).</b></p>					
	<b>Indicate input material</b>	<b>Recycled or re-used input material to total material</b>				
		<b>FY 2023</b>		<b>FY 2022</b>		
	Steel	8.68		6.95		
	Brass	0.26		0.22		



4.	<b>Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:</b>						
		<b>FY 2023</b>			<b>FY 2022</b>		
		<b>Re-used</b>	<b>Recycled</b>	<b>Safely Disposed</b>	<b>Re-used</b>	<b>Recycled</b>	<b>Safely Disposed</b>
	Plastics (including packaging)	NA	NA	NA	NA	NA	NA
	E-waste	NA	NA	NA	NA	NA	NA
	Hazardous waste	NA	NA	NA	NA	NA	NA
	Other waste	NA	NA	NA	NA	NA	
Currently, we do not have a mechanism to reclaim end of life products and packaging and hence this is not applicable. We are in the process of complying with the requirements of the EPR registration.							
5.	<b>Reclaimed products and their packaging materials (as percentage of products sold) for each product category.</b>						
	<b>Indicate product category</b>			Reclaimed products and their packaging materials as % of total products sold in respective category			
	NA			NA			
Currently, we do not have a mechanism to reclaim end of life products and packaging and hence this is not applicable. We are in the process of complying with the requirements of the EPR registration							

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

<b>Essential Indicators</b>												
1.	<b>A. Details of measures for the well-being of employees:</b>											
	<b>Category</b>	<b>% of employees covered by</b>										
		<b>Total (A)</b>	<b>Health insurance</b>		<b>Accident insurance</b>		<b>Maternity benefits</b>		<b>Paternity benefits</b>		<b>Day care facilities</b>	
		<b>Number (B)</b>	<b>% (B/A)</b>	<b>Number (C)</b>	<b>% (C/A)</b>	<b>Number (D)</b>	<b>% (D/A)</b>	<b>Number (E)</b>	<b>% (E/A)</b>	<b>Number (F)</b>	<b>% (F/A)</b>	
	<b>Permanent Employees</b>											
	<b>Male</b>	425	425	100%	425	100%	0	0%	0	0%	305	72%
	<b>Female</b>	32	32	100%	32	100%	32	100%	0	0%	09	28%
	<b>Total</b>	457	457	100%	457	100%	32	7%	0	0%	314	69%
	<b>Other than Permanent Employees</b>											
	<b>Male</b>	27	27	100%	27	100%	0	0%	0	0%	13	48%
	<b>Female</b>	03	03	100%	03	100%	03	100%	0	0%	0	0%
	<b>Total</b>	30	30	100%	30	100%	03	10%	0	0%	13	43%

<b>B. Details of measures for the well-being of workers:</b>											
<b>Category</b>	<b>% Of employees covered by</b>										
	<b>Total (A)</b>	<b>Health insurance</b>		<b>Accident insurance</b>		<b>Maternity benefits</b>		<b>Paternity benefits</b>		<b>Day care facilities</b>	
		<b>Number (B)</b>	<b>% (B/A)</b>	<b>Number (C)</b>	<b>% (C/A)</b>	<b>Number (D)</b>	<b>% (D/A)</b>	<b>Number (E)</b>	<b>% (E/A)</b>	<b>Number (F)</b>	<b>% (F/A)</b>
<b>Permanent Workers</b>											
<b>Male</b>	854	825	96.60%	854	100%	0	0%	0	0%	854	100%
<b>Female</b>	18	17	94.44%	18	100%	18	100%	0	0%	18	100%
<b>Total</b>	872	842	97%	872	100%	18	2%	0	0%	872	100%
<b>Other than Permanent Workers</b>											
<b>Male</b>	2,132	2,132	100%	2,132	100%	0	0%	0	0%	2,084	98%
<b>Female</b>	201	201	100%	201	100%	0	0%	0	0%	198	99%
<b>Total</b>	2,333	2,333	100%	2,333	100%	0	0%	0	0%	2,282	98%

<b>2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.</b>						
<b>Benefits</b>	<b>FY 2022-23</b>			<b>FY 2021-22</b>		
	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>
PF	96%	58%	Yes	99.79%	66.68%	Yes
Gratuity	95%	31%	Yes	99.59%	34.17%	Yes
ESI	3%	33%	Yes	2.68%	35.95%	Yes
Others- please specify	Nil	Nil	Nil	Nil	Nil	Nil

<b>3. Accessibility of workplaces</b>	
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 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.	

<b>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.</b>	
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: <a href="https://www.nrbbearings.com/investorrelations.htm">https://www.nrbbearings.com/investorrelations.htm</a>	

<b>5. Return to work and Retention rates of permanent employees and workers that took parental leave.</b>				
<b>Gender</b>	<b>Permanent Employees</b>		<b>Permanent Workers</b>	
	<b>Return to work rate</b>	<b>Retention rate</b>	<b>Return to work rate</b>	<b>Retention rate</b>
<b>Male</b>	NA	NA	NA	NA
<b>Female</b>	NA	NA	NA	NA
<b>Total</b>	NA	NA	NA	NA

(At present, we do not track and monitor the data. We are in the process of developing the mechanism to maintain the required information.)

6.	<b>Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.</b>	
		<b>Yes/ No (If yes, then give details of the mechanism in brief)</b>
	<b>Permanent Workers</b>	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.
	<b>Other than Permanent Workers</b>	
	<b>Permanent Employees</b>	
<b>Other than Permanent Employees</b>		

7.	<b>Membership of employees and workers in Association(s) or Unions recognized by the Listed Entity:</b>						
	Category	FY 2022-23			FY 2021-22		
		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>	457	0	0%	470	0	0%
	<b>Male</b>	425	0	0%	437	0	0%
	<b>Female</b>	32	0	0%	33	0	0%
	<b>Total Permanent Workers</b>	872	846	97.02%	912	889	97.48%
	<b>Male</b>	854	829	97.07%	894	872	97.54%
	<b>Female</b>	18	17	94.44%	18	17	94.44%

8.	Details of training given to employees and workers:										
	Category	FY 2022-23					FY 2021-22				
		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>	452	452	100%	452	100%	437	437	100%	437	100%
	<b>Female</b>	35	35	100%	35	100%	33	33	100%	33	100%
	<b>Total</b>	487	487	100%	487	100%	470	470	100%	470	100%
	<b>Workers</b>										
	<b>Male</b>	2,986	375	12.56%	375	12.56%	2,598	327	12.58%	327	12.58%
	<b>Female</b>	219	34	15.52%	34	15.52%	214	15	7%	15	7%
	<b>Total</b>	3,205	409	12.76%	409	12.76%	2,812	342	12.16%	342	12.16%

\*Permanent employees and permanent workers have been considered.

9.	Details of performance and career development reviews of employees and worker						
	<b>Category</b>	<b>FY 2022-23</b>			<b>FY 2021-22</b>		
		<b>Total (A)</b>	<b>Total (B)</b>	<b>% (B/A)</b>	<b>Total (C)</b>	<b>Total (D)</b>	<b>% (D/C)</b>
	<b>Employees</b>						
	<b>Male</b>	452	425	94.03%	450	437	97.11%
	<b>Female</b>	35	32	91.43%	35	33	94.29%
	<b>Total</b>	487	457	93.84%	485	470	96.91
	<b>Workers</b>						
	<b>Male</b>	2,986	0	0%	2,598	0	0%
	<b>Female</b>	219	0	0%	214	0	0%
	<b>Total</b>	3,205	0	0%	2,812	0	0%
10.	<b>Health and safety management system:</b>						
	<b>a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?</b>						
	<p>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.</p>						
	<b>b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</b>						
	<p>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.</p> <p>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.</p>						
	<b>c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)</b>						
	<p>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.</p> <p>All reported incidents are investigated on a timely basis and appropriate actions are taken accordingly.</p>						
	<b>d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</b>						
	<p>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.</p>						

11.	<b>Details of safety related incidents, in the following format</b>					
	<b>Safety Incident/Number</b>	<b>Category</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>		
	<b>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</b>	<b>Employees</b>	0	0		
		<b>Workers</b>	0	0		
	<b>Total recordable work-related injuries</b>	<b>Employees</b>	0	0		
		<b>Workers</b>	01	01		
	<b>No. of fatalities</b>	<b>Employees</b>	0	0		
		<b>Workers</b>	0	0		
<b>High consequence work-related injury or ill-health (excluding fatalities)</b>	<b>Employees</b>	0	0			
	<b>Workers</b>	0	0			
12.	<b>Describe the measures taken by the entity to ensure a safe and healthy workplace.</b>					
<p>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.</p> <p>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.</p> <p>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.</p> <p>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&amp;S committees, chaired by respective department heads with representations from employees, senior management and cross-functional teams.</p> <p>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</p>						
13.	<b>Number of Complaints on the following made by employees and workers:</b>					
		<b>FY 2022-23</b>			<b>FY 2021-22</b>	
		<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>	<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>
	Working conditions	0	0	-	0	0
	Health and Safety	0	0	-	0	0
14.	<b>Assessments for the year:</b>					
		<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>				
	<b>Health and safety practices</b>	53.85%				
	<b>Working conditions</b>	53.85%				

15.	<b>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 &amp; safety practices and working conditions</b>	Nil
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**Leadership Indicators**

1.	<b>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).</b>
	Yes, we have a robust life insurance coverage for all employees across all geographies under our employee well-being programs.
2.	<b>Provide the measures undertaken by the entities to ensure that statutory dues have been deducted and deposited by the value chain partners</b>
	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.	<b>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:</b>			
	<b>Total no. of affected employees/ workers</b>		<b>No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment</b>	
	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
	<b>Employees</b>	0	0	0
	<b>Workers</b>	0	0	0
4.	<b>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)</b>			
	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.	<b>Details on assessment of value chain partners:</b>			
		<b>% of value chain partners (by value of business done with such partners) that were assessed</b>		
	Health and Safety Practices	28.07%		
	Working Conditions	28.07%		
6.	<b>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.</b>			
	No corrective actions taken or underway since no adverse impact was observed during the suppliers' assessment.			

**Principle 4: Businesses should respect and promote the well-being of all employees, including those in their value chains**

1.	<b>Describe the process for identifying key stakeholder groups of the entity.</b>
	Stakeholders play an integral role in NRB's 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.

	Currently NRB has 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.	<b>List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.</b>				
	<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 releases</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>	<ul style="list-style-type: none"> <li>Continuous (NRB website and social media including LinkedIn, Twitter, Facebook, Instagram, YouTube)</li> </ul>	<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>	<ul style="list-style-type: none"> <li>Monthly: Conference calls</li> <li>Quarterly: Business reviews</li> <li>Annually: Partner events</li> </ul>	<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>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>	<ul style="list-style-type: none"> <li>To identify supplier business challenges and ensure uninterrupted raw material supply</li> </ul>

<b>Government</b>	No	<ul style="list-style-type: none"> <li>Annual reports</li> <li>Communications with regulatory bodies Through various chambers of commerce and industry</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> </ul>	<ul style="list-style-type: none"> <li>Understand areas for sustainable development.</li> <li>Share and contribute to thought leadership and insight into public and business concerns; Work in partnership to develop solutions to global challenges</li> </ul>
<b>Community</b>	No	<ul style="list-style-type: none"> <li>CSR Outreach programmes</li> </ul>	<ul style="list-style-type: none"> <li>Continuous: NRB Website</li> </ul>	<ul style="list-style-type: none"> <li>Engage with community to understand their aspirations and contribute to inclusive growth.</li> </ul>

### Leadership Indicators

1.	<p><b>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.</b></p> <p>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.</p>
2.	<p><b>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</b></p> <p>Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. NRB engages 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.</p>
3.	<p><b>Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.</b></p> <p>Nil</p>

### Principle 5: Businesses should respect and promote human rights

1.	<p>Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:</p>																																									
	<table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="3">FY 2022-23</th> <th colspan="3">FY 2021-22</th> </tr> <tr> <th>Total (A)</th> <th>No. of employees/workers covered (B)</th> <th>% (B/A)</th> <th>Total (C)</th> <th>No. of employees/workers covered (D)</th> <th>% (D/C)</th> </tr> </thead> <tbody> <tr> <td colspan="7" style="text-align: center;"><b>Employees</b></td> </tr> <tr> <td><b>Permanent</b></td> <td>457</td> <td>457</td> <td>100%</td> <td>470</td> <td>470</td> <td>100%</td> </tr> <tr> <td><b>Other than permanent</b></td> <td>30</td> <td>30</td> <td>100%</td> <td>15</td> <td>15</td> <td>100%</td> </tr> <tr> <td><b>Total Employees</b></td> <td>487</td> <td>487</td> <td>100%</td> <td>485</td> <td>485</td> <td>100%</td> </tr> </tbody> </table>	Category	FY 2022-23			FY 2021-22			Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)	<b>Employees</b>							<b>Permanent</b>	457	457	100%	470	470	100%	<b>Other than permanent</b>	30	30	100%	15	15	100%	<b>Total Employees</b>	487	487	100%	485	485	100%
Category	FY 2022-23			FY 2021-22																																						
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)																																				
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<b>Other than permanent</b>	30	30	100%	15	15	100%																																				
<b>Total Employees</b>	487	487	100%	485	485	100%																																				



<b>Workers</b>						
<b>Permanent</b>	872	225	25.80%	912	258	28.33%
<b>Other than permanent</b>	2,333	201	8.62%	1,900	196	10.32%
<b>Total Workers</b>	3,205	426	13.29%	2,812	454	16.16%

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

Category	FY 2022-23					FY 2021-22				
	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>										
<b>Permanent</b>	457	0	0%	457	100%	470	10	2.13%	460	97.87%
Male	425	0	0%	425	100%	437	10	2.29%	427	97.71%
Female	32	0	0%	32	100%	33	0	0%	33	100%
<b>Other than Permanent</b>	30	0	0%	30	100%	15	0	0%	15	100%
Male	27	0	0%	27	100%	13	0	0%	13	100%
Female	03	0	0%	03	100%	2	0	0%	2	100%
<b>Workers</b>										
<b>Permanent</b>	872	1	0.11%	871	99.89%	912	0	0%	912	100%
Male	854	1	0.12%	853	99.88%	894	0	0%	894	100%
Female	18	0	0%	18	100%	18	0	0%	18	100%
<b>Other than Permanent</b>	2,317	1,297	55.59%	1,036	44.41%	1,900	1,166	59.84%	763	40.16%
Male	2,118	1,132	54.60%	968	45.40%	1,704	963	56.51%	741	43.49%
Female	201	165	66.17%	68	33.83%	196	203	88.78%	22	11.22%

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5		2	
Key Management Personnel	1		1	
Employees other than BoD and KMP	452		35	
Workers	2986		219	

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

5.	<p><b>Describe the internal mechanisms in place to redress grievances related to human rights issues</b></p> <p>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.</p> <p>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.</p>
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6.	<p><b>Number of Complaints on the following made by employees and workers.</b></p>					
	<b>FY 2022-2023</b>			<b>FY 2021-2022</b>		
	<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>	<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>
	1	0	The case was resolved.	0	0	-
	0	0	-	0	0	-
	0	0	-	0	0	-
	0	0	-	0	0	-
	0	0	-	0	0	-
	0	0	-	0	0	-
7.	<p><b>Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.</b></p>					
	<p>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 2022-23, we received zero cases of discrimination and one case of sexual harassment. All the cases were resolved.</p>					
8.	<p><b>Do human rights requirements form part of your business agreements and contracts? (Yes/No)</b></p>					
	<p>Yes- NRB's 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.</p>					

9.	<b>Assessments for the year:</b>	
		<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
	<b>Child labour</b>	During the FY2022-23, NRB did not conduct any third-party assessment on the enlisted human rights issues. However, the Company ensures that there are no adverse consequences.
	<b>Forced/involuntary labour</b>	
	<b>Sexual harassment</b>	
	<b>Discrimination at workplace</b>	
	<b>Wages</b>	
<b>Others – please specify</b>		
10.	<b>Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.</b>	
	There was no third-party evaluation conducted during the FY 2022-23.	
<b>Leadership Indicators</b>		
1.	<b>Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.</b>	
	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.	<b>Details of the scope and coverage of any Human rights due- diligence conducted.</b>	
	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.	<b>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?</b>	
	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.	
4.	<b>Details on assessment of value chain partners:</b>	
		<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
	<b>Child labour</b>	4.69%
	<b>Forced/involuntary labour</b>	4.69%
	<b>Sexual harassment</b>	4.69%
	<b>Discrimination at workplace</b>	4.69%
	<b>Wages</b>	26%
<b>Others – please specify</b>	-	
5.	<b>Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.</b>	
	Nil	

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

Essential Indicators			
1.	<b>Details of total energy consumption (in Joules or multiples) and energy integrity in the following format:</b>		
	<b>Parameter</b>	<b>FY 2023 (in GJ)</b>	<b>FY 2022 (in GJ)</b>
	<b>Total electricity consumption (A)</b>	138,241.75	135,061.50
	<b>Total fuel consumption (B)</b>	7,587.19	8,104.23
	<b>Energy consumption through other sources (C)</b>	-	-
	<b>Energy intensity per rupee of turnover</b>	-	-
	<b>(Total energy consumption/ turnover in rupees)</b>	-	-
	<b>Energy intensity (optional) – the relevant metric may be selected by the entity</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.*

2.	<b>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.</b>		
	No. We have not identified any site or facilities as Designated Consumers (DCs) under the Performance, Achieve, and Trade (PAT) scheme of the Government of India.		
3.	<b>Provide details of the following disclosures related to water, in the following format:</b>		
	<b>Parameter</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Water withdrawal by source (in kilolitres)</b>		
	<b>(i) Surface water</b>	27,288.00	34,269.00
	<b>(ii) Groundwater</b>	18,821.00	17,941.20
	<b>(iii) Third party water</b>	53,603.00	48,817.00
	<b>(iv) Seawater / desalinated water</b>	-	-
	<b>(v) Others</b>	-	-
	<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	99,712.00	101,027.20
	<b>Total volume of water consumption (in kilolitres)</b>	59,063.81	52,924.52
	<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.00000589	0.00000595
	<b>Water intensity (optional) – the relevant metric may be selected by the entity</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.- No*

4.	<b>Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.</b>
	Our approach is to maximize recycling and re-use of treated wastewater within the sites, thereby reducing intake of fresh water. Water discharge from the plant is sent to common effluent treatment plant (CETP)/municipal drainage as per the consent to operate conditions issued by the Pollution Control Board. Currently, we do not have any mechanism for Zero Liquid Discharge. However, the company is in the process of implementing a mechanism for Zero Liquid Discharge at the plants to track and monitor water discharge quantity.

5.	<b>Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:</b>			
	<b>Parameter</b>	<b>Please specify unit</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>NOx</b>	MT/yr.	0.60	1.01
	<b>SOx</b>	MT/yr.	2.94	1.31
	<b>Particulate matter (PM)</b>	MT/yr.	4.94	4.41
	<b>Persistent organic pollutants (POP)</b>	MT/yr.	N.A	N.A
	<b>Volatile organic compounds (VOC)</b>	MT/yr.	N.A	N.A
	<b>Hazardous air pollutants (HAP)</b>	MT/yr.	N.A	N.A
	<b>Others – please specify</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.- No*

6.	<b>Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity, in the following format:</b>			
	<b>Parameter</b>	<b>Unit</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,890.57	1,966.93
	<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	31,104.39	30,388.82
	<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	-	0.0000033	0.0000036
	<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) - the relevant metric may be selected by the entity	-	-	-

*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.- No*

7.	<b>Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details.</b>
	The Company replaced 40 CFL lamps (36 watts each) with 2 LED lamps (60 watts each) and 28 CFL lamps maintaining the same Lux level. This led to electricity consumption from 1440 Watt to 1128 Watt. The project resulted in energy saving of 312 watt further reducing the GHG emissions. This project was carried out at Pantnagar plant.

8.	<b>Provide details related to waste management by the entity, in the following format:</b>		
	<b>Parameter</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Total Waste generated (in metric tonnes)</b>		
	Plastic waste (A)	7.45	9.56
	E-waste (B)	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)	1,092.90	965.62
	Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	3,175.11	2,725.48
	<b>Total (A+B + C + D + E + F + G + H)</b>	<b>4,275.74</b>	<b>3,700.66</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	1,801.84	35.07
	(ii) Re-used	12.00	-
	(iii) Other recovery operations	0.45	0.43
	<b>Total</b>	<b>1,814.29</b>	<b>35.50</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	138.45	107.36
	(ii) Landfilling	831.40	788.51
	(iii) Other disposal operations	2,420.08	2,267.12
	<b>Total</b>	<b>3,389.92</b>	<b>3,162.99</b>

At some of the locations, MS drums, oil filters, e-waste and plastic drum waste generated are not tracked on weight basis. However, we are establishing a system to report the quantity in terms of weight.

At present, the quantity is monitored using count of the waste generated which can be referred in the table below-

	<b>Parameter</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Other Hazardous Waste generated (in numbers)</b>		
	MS drums	2,113.00	1,572.00
	Plastic drums	253.00	164.00
	Oil filters	112.00	68.00
	E-waste	370.00	-
	<b>Total</b>	<b>2478</b>	<b>1804</b>

<b>For other hazardous waste generated, total waste recovered through recycling, re-using or other recovery operations (in numbers)</b>		
<b>Category of waste</b>		
(i) Recycled	-	-
(ii) Re-used	754.00	654.00
(iii) Other recovery operations	12.00	8.00
Total	766	662
<b>For other hazardous waste generated, total waste disposed by nature of disposal method (in numbers)</b>		
<b>Category of waste</b>		
(i) Incineration	100.00	60.00
(ii) Landfilling	-	-
(iii) Other disposal operations	1,982.00	1,082.00
Total	2082	1142

*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.- No*

9.	<b>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.</b>		
	We have internal mechanism in place wherein the waste is collected at the source of generation from each department and segregated into different categories- Hazardous waste and Non-hazardous waste. We have designated sites for each type of waste such as used oil, paper, corrugates, plastic, wood waste, etc. The waste is stored at the designated site till disposal. We follow legally prescribed procedures and apply environmentally sound disposal techniques for disposing hazardous waste whereas the non-hazardous waste is sold to authorized recyclers or vendors. The waste management practices are regulated as per the requirement of MPCB/CPCB. The Company follows an environmentally sound disposal techniques while disposing of waste to an authorized recycler/processor.		
10.	<b>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:</b>		
	<b>Sr No</b>	<b>Location of operations/offices</b>	<b>Type of operations</b>
			<b>Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.</b>
		None of our Operations are located near notified ecologically sensitive areas	

11.	<b>Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:</b>					
	<b>Name and brief details of project</b>	<b>EIA Notification No.</b>	<b>Date</b>	<b>Whether conducted by independent external agency (Yes / No)</b>	<b>Results communicated in public domain (Yes / No)</b>	<b>Relevant Web link</b>
	The Environmental Impact Assessment ("EIA") Notification, 2006 and its amendments govern the process of granting 'Environmental Clearance' to new establishment or expansion of the existing projects. Since, there was no new construction of our own office buildings or plants, none of our manufacturing plants were required to obtain environmental clearances in the concluded FY 2022-23.					

12.	<b>Is the entity compliant with the applicable environmental laws/ 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:</b>				
	<b>S. No</b>	<b>Specify the law / regulation / guidelines which was not complied with</b>	<b>Provide details of the non-compliance</b>	<b>Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts</b>	<b>Corrective action taken, if any</b>
	1	Nil			
Yes, the company is compliant with all the environment related applicable legislations.					

<b>Leadership Indicators</b>			
1.	<b>Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:</b>		
	<b>Parameter</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>From renewable sources</b>		
	Total electricity consumption (A)	0	0
	Total fuel consumption (B)	0	0
	Energy consumption through other sources (C)	0	0
	<b>Total energy consumed from renewable sources (A+B+C)</b>	0	0
	<b>From non-renewable sources</b>		
	Total electricity consumption (D)	138,241.75	135,061.40
	<b>Total fuel consumption (E)</b>	7,587.19	8,104.23
	Energy consumption through other sources (F)	0	0
	<b>Total energy consumed from renewable sources (D+E+F)</b>	145,828.95	143,165.64

*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.*

2.	<b>Provide the following details related to water discharged:</b>		
	<b>Parameter</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
	(i) To Surface water	-	-
	- No treatment	-	-
	- With treatment	-	-
	(ii) To Groundwater	-	-
	- No treatment	-	-
	- With treatment	-	-
	(iii) To Seawater	-	-
	- No treatment	-	-
	- With treatment	-	-
	(iv) Sent to third-parties	23,570.95	28,413.48
	- No treatment	-	-
	- With treatment	23,570.95	28,413.48



(v) Others	17,077.24	19,689.20
- No treatment	-	-
- With treatment	17,077.24	19,689.20
<b>Total water discharged (in kilolitres)</b>	40,648.19	48,102.68

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.

3.	<b>Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:</b>	
	(i) Name of the area (ii) Nature of operations (iii) Water withdrawal, consumption and discharge in the following format:	
	<b>Parameter</b>	<b>FY 2023</b>
	<b>FY 2022</b>	
	<b>Water withdrawal by source (in kilolitres)</b>	
	(i) To Surface water	Not Applicable
	(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	
	(ii) Into Groundwater	
	- No treatment	
	- With treatment	
	(iii) Into Seawater	
	- No treatment	
	- With treatment	
	(iv) Sent to third-parties	
	- No treatment	
	- With treatment	
	(v) Others	
	- No treatment	
	- With 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.

4.	<b>Please provide details of total Scope 3 emissions &amp; its intensity, in the following format:</b>			
	<b>Parameter</b>	<b>Unit</b>	<b>FY 2023</b>	<b>FY 2022</b>
	<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> equivalent	As of now, the company have not completed inventorization for Scope 3 GHG emissions. However, the company have started identifying applicable Scope 3 categories.	
	<b>Total Scope 3 emissions per rupee of turnover</b>	-		
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-			

*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.*

5.	<b>With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct &amp; indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.</b>			
	We do not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required.			
6.	<b>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:</b>			
	<b>Sr. No</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
	1	LED lights installation	The company replaced 40 CFL lamps (36 watts each) with 2 LED lamps (60 watts each) and 28 CFL lamps maintaining the same Lux level. This led to electricity consumption from 1440 Watt to 1128 Watt.	The energy savings of 312 watts was achieved.
7.	<b>Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.</b>			
	Yes, the Company has a business continuity plan in place to ensure sustenance of the company. (Details about Business continuity plan). The Company has an established Emergency Preparedness plan with detailed SOP for each plant.			
8.	<b>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.</b>			
	Contribution to GHG emissions due to vehicles and improper waste disposal were the significant adverse impact identified arising from the value chain of the Company. For controlling fuel emissions arising from vehicles, a vehicle checklist is created for all the vehicle reporting at NRB Premises. Vehicle without valid PUC check and other documents are not allowed. The Company is in process for identifying measures for mitigating and adapting waste disposal impacts across value chain.			
9.	<b>Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.</b>			
	17% of the value chain partners were assessed for environmental impacts.			

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

2.	<b>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</b>		
	Name of authority	Brief of the case	Corrective action taken
	The Company did not receive any adverse orders from regulatory authorities.		

Leadership Indicators						
1.	<b>Details of public policy positions advocated by the entity:</b>					
	<b>S. No</b>	<b>Public policy advocated</b>	<b>Method resorted for such advocacy</b>	<b>Whether information available in public domain? (Yes/ No)</b>	<b>Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)</b>	<b>Web Link, if available</b>
	During the current financial year, the Company has not advocated any public policy.					

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

Essential Indicators						
1.	<b>Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.</b>					
	<b>Name and brief details of project</b>	<b>SIA Notification No.</b>	<b>Date of notification</b>	<b>Whether conducted by independent external agency (Yes / No)</b>	<b>Results communicated in public domain (Yes / No)</b>	<b>Relevant Web link</b>
	During the FY 2022-23, we were not required to conduct any Social Impact Assessments (SIA) for any of the projects					

2.	<b>Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&amp;R) is being undertaken by your entity, in the following format:</b>						
	<b>Sr No.</b>	<b>Name of Project for which R&amp;R is ongoing</b>	<b>State</b>	<b>District</b>	<b>No. of Project Affected Families (PAFs)</b>	<b>% of PAFs covered by R&amp;R</b>	<b>Amounts paid to PAFs in the FY (In INR)</b>
	Not Applicable						

3.	<b>Describe the mechanisms to receive and redress grievances of the community.</b>			
	At each location, HR and admin partners are responsible to address the grievances related to communities.			
4.	<b>Percentage of input material (inputs to total inputs by value) sourced from suppliers:</b>			
		<b>FY 2023</b>	<b>FY 2022</b>	
	Directly sourced from MSMEs/ small producers	74%	46%	
	Sourced directly from within the district and neighbouring districts	26%	21%	
<b>Leadership Indicators</b>				
1.	<b>Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):</b>			
	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.	<b>Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:</b>			
	<b>Sr No</b>	<b>State</b>	<b>Aspirational District</b>	<b>Amount Spent (in INR)</b>
	We believe that inclusive business means social and economic development through employment generation and skill development. We are committed to create a positive impact through various initiatives and programmes under our CSR activities and social business projects. We conduct community need assessment through regular stakeholder engagement. Through this, we not only contribute to economic and social development but also work along with underdeveloped communities to improve their lifestyle.			
	We partnered with NGOs on various CSR projects, mainly in Haryana, Mumbai, Hyderabad, Bangalore, and New Delhi. None of the projects have been undertaken in the designated Aspirational District as identified by the government bodies. However, as a continued effort to uplift the lives of the people, we are devising our strategy to reach out and positively impact more lives, vulnerable and indigenous people, in particular.			
3.	<b>(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)</b>			
	<b>(b) From which marginalized/ vulnerable groups do you procure ?</b>			
	<b>(c) What percentage of total procurement (by value) does it constitute ?</b>			
	No, currently, we do not have a Preferential Procurement Policy.			
4.	<b>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:</b>			
	<b>S. No</b>	<b>Intellectual Property based on traditional knowledge</b>	<b>Owned/ Acquired (Yes/No)</b>	<b>Benefit shared (Yes / No)</b>
				<b>Basis of calculating benefit share</b>
	Not Applicable			
5.	<b>Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.</b>			
	<b>Name of the authority</b>		<b>Brief of the Case</b>	<b>Corrective action taken</b>
	Not Applicable			

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

Essential Indicators							
1.	<b>Describe the mechanisms in place to receive and respond to consumer complaints and feedback.</b>						
	<p>The Company has an established mechanism to track and monitor customer complaints related to products. The customers can share their complaints and feedbacks over email which are tracked on a monthly basis as well as on annual basis. Retail customers can also complain using the helpline number available on the website.</p> <p>All the emails are centrally registered and passed to respective plants depending on the product family and move towards closure. NRB discloses number of outstanding customer complaints, resolved complaints and number of complaints which have been investigated.</p>						
2.	<b>Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:</b>						
		<b>As a percentage to total turnover</b>					
	Environmental and social parameters relevant to the product	Not available					
	Safe and responsible usage	Not available					
	Recycling and/or safe disposal	100% Our products carry relevant information on recycling.					
3.	<b>Number of consumer complaints in respect of the following:</b>						
		<b>FY 2023</b>		<b>Remarks</b>	<b>FY 2022</b>		<b>Remarks</b>
		<b>Received during the year</b>	<b>Pending resolution at end of year</b>		<b>Received during the year</b>	<b>Pending resolution at end of year</b>	
	<b>Data Privacy</b>	0	0	-	0	0	-
	<b>Advertising</b>	0	0	-	0	0	-
	<b>Cyber Security</b>	0	0	-	0	0	-
	<b>Delivery of essential services</b>	0	0	-	0	0	-
	<b>Restrictive Trade Practices</b>	0	0	-	0	0	-
	<b>Unfair Trade Practices</b>	0	0	-	0	0	-
	<b>Other</b>	142	0	-	129	0	-
4.	<b>Details of instances of product recalls on account of safety issues:</b>						
		<b>Number</b>		<b>Reasons for recall</b>			
	<b>Voluntary recalls</b>	0		-			
	<b>Forced recalls</b>	0		-			
5.	<b>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.</b>						
	The Company have a policy in place for data privacy and information security. The policy is internally available						

6.	<p><b>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.</b></p> <p>During the current financial year, the Company did not receive any issue related 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.</p>
<b>Leadership Indicators</b>	
1.	<p><b>Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).</b></p> <p>The information of the products and services of the company are available on the Company's website. Product Finder - NRB Bearing (nrbbearings.com)</p>
2.	<p><b>Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</b></p> <p>Safety and responsible usage of the product is most important to the company. The Company is in the process to enhance customer awareness about the safe and responsible usage of products including product catalogues, usage manuals, etc.</p>
3.	<p><b>Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.</b></p> <p>The Company has established a communication mechanism to inform consumers of any risk of disruption/discontinuation of essential services. Contingency plan is in place for each product with the established mode of communication being email and telecom.</p>
4.	<p><b>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)</b></p> <p>The Company displays product-related information as per local laws on the products. The Company externally conducts a customer satisfaction survey every 5 years. The customer satisfaction survey was not conducted during the current financial year.</p>
5.	<p><b>Provide the following information relating to data breaches:</b></p> <p>a. Number of instances of data breaches along-with impact</p> <p>b. Percentage of data breaches involving personally identifiable information of customers</p> <p>There were no records of data breaches in the current financial year.</p>

## CEO/CFO CERTIFICATION

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

- a. We have reviewed the financial statements and the cash flow statement for the year 2022-23 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**

**Pankaj Khemka**  
**Chief Financial Officer**

Place: Mumbai

Date : May 30, 2023

### 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, 2023.

### For NRB Bearings Limited

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

Place: Mumbai

Date : May 30, 2023

## 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 (12 per cent-15 per cent) and Exports (20 per cent-25 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.

In the recent years the world has faced waves of challenges, from the pandemic to the invasion of Ukraine, to the unfolding bank liquidity challenges and the impact of such a lengthy period of uncertainty is being felt around the world. Against this backdrop, world output growth is projected to decelerate from an estimated 3 per cent in 2022 to only 1.9 per cent in 2023, marking one of the lowest growth rates in recent decades. Global growth is forecast to moderately pick up to 2.7 per cent in 2024, if, as expected, some macroeconomic headwinds begin to subside next year. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 per cent in 2022 to 1.3 per cent in 2023. Inflation has remained stubbornly persistent in many countries, directly impacting the lives of the population, and posing a significant challenge to central bankers around the world.

Rapid interest rate hikes, particularly by the Federal Reserve in the United States of America, have had global spillover effects, triggering capital outflows and currency depreciations in developing countries, increasing balance of payment pressures and exacerbating debt sustainability risks. Financing conditions have tightened sharply amid high levels of private and public debt, pushing up debt-servicing costs, constraining fiscal space and increasing sovereign credit risks. Rising interest rates and diminishing purchasing power have weakened consumer confidence and investor sentiment, further clouding near-term growth prospects for the world economy.

*Source: UN Department of Economic and Social Affairs*

Despite the global turmoil, the long-term growth story of the Indian economy remains the only bright spot in the dismal global growth scenario. This has helped attracting foreign investments in the country, with FDI inflow reaching an all-time high in 2021-22 at almost USD 85 billion. India's emergence as the world's fifth-largest economy, overtaking the United Kingdom in 2022 marks the beginning of the "India era" in the global growth story. It is set to surpass Japan and Germany to become the world's third-largest economy by 2029. As per estimates India's GDP growth in FY 2023-24 is expected to be 6.5 per cent. At this growth rate, India will continue to be the fastest-growing economy in the world. There are various reasons for India to surge ahead and lead the world economy – demographics of the population, low cost of labour, access to capital, investment in infrastructure, policy intervention and digital uptick. Finally, one needs to take into account the size of the domestic market in India. Given these, there is no doubt that globally, the bright spot in the dismal backdrop is a resurgent Indian economy.

*Source: Economic Survey 2022-23; Observer Research Foundation*

The automobile industry produced a total of 2,59,31,867 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in 2022-23, as against 2,30,40,066 units in 2021-22. 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. The electric vehicle (EV) market is estimated to reach Rs. 50,000 crore (USD 7.09 billion) in India by 2025.



## Indian Automobile Industry

- 100 per cent FDI allowed under automatic route
- 7.1 per cent Share in India's GDP
- 37 million Employment generated
- 40 per cent Share in global R&D
- 4.7 per cent Share in India's exports

**Vehicle Production (Nos.)**

Category	2021-22	2022-23	Growth %
Passenger Vehicles	36,50,698	45,78,639	25.42
Commercial Vehicles	8,05,527	10,35,626	28.57
Three Wheelers	7,58,669	8,55,696	12.79
Two Wheelers	1,78,21,111	1,94,59,009	9.19
Quadricycle	4,061	2,897	-28.66
Grand Total	2,30,40,066	2,59,31,867	12.55

Source: SIAM, IEBF

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. The Indian auto-components industry has experienced healthy growth over the last few years. From FY 2016-FY 2022, the industry registered a CAGR of 6.35 per cent and was valued at USD 56.50 billion in FY 2022.

Due to the high development prospects in all vehicle industry segments, the auto component sector saw double-digit growth in FY 2023. The industry is expected to stand at USD 200 billion by FY 2026. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment. The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

Significant growth was witnessed across all segments including supply to OEMs, Exports as also the Aftermarket. In this backdrop the component industry sized-up to USD 56.5 billion registering a staggering 23 per cent growth. Auto Component sales to OEMs, in the domestic market grew by 22 per cent and stood at USD 45.8 billion. Enhanced raw material prices, consumption of increased value-added components and shift in market preference towards larger and more-powerful vehicles contributed to the increased turnover of the auto-components sector. Exports of auto components witnessed a robust growth of 43 per cent to USD 19.0 billion in 2021-22 in contrast to USD 13.3 billion in 2020-21.

As per the Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India is expected to reach USD 30 billion by 2026. The auto component industry is projected to record USD 200 billion in revenue by 2026. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the auto component industry grow 20-23 per cent in FY 2023.

**Growth drivers of the Auto comp industry:**

- **Robust Demand**  
 Growing working population and expanding middle class are expected to remain key demand drivers  
 By 2025, 4 million of EVs could be sold each year and 10 million by 2030. The market is expected to reach USD 206 billion by 2030.
- **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
- **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
- **Cost competitive**  
 GST reduction in vehicles will spur demand  
 GST on EVs reduced to 5 per cent from 12 per cent

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 increased by 12.1 per cent to Rs. 1,02,310 lacs from Rs. 91,244 lacs in 2022-23. Domestic sales increased by 19.86 per cent to Rs. 77,910 lacs from Rs. 65,001 lacs while exports have decreased by 7.02 per cent to Rs. 24,400 lacs from Rs. 26,243 lacs in 2022-23.

The table below sets forth the key expense items as a percentage of income for 2022-23 and 2021-22.

(Rs. in Lacs)

	% of Turnover			
	March 31, 2023		March 31, 2022	
		%		%
Revenue from operations (Rs. in lacs)	1,02,310	100	91,244	100
Other income (Rs. in lacs)	2,551	-	1,645	-
<b>Expenditure:</b>				
- Material (Including change in stock)	47,469	46.46	39,006	42.68
- Employee Cost	11,893	11.62	12,181	13.33
- Manufacturing and Other expenses (Net)	27,617	26.99	27,201	29.77
<b>Total Expenditure</b>	<b>86,979</b>	<b>85.02</b>	<b>78,388</b>	<b>85.78</b>
Profit before Depreciation, Interest and Tax	17,882	17.47	14,501	15.87
Depreciation	3,597	3.52	3,262	3.57
Finance costs	1,852	1.81	1,544	1.69
Profit before Exceptional Items and Tax	12,433	12.15	9,695	10.61
Exceptional Item	(1053)	(1.03)	(393)	(0.43)

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

Ratio	FY 22-23	FY 21-22	% change	Explanation for change
Debt Equity Ratio	0.46	0.47	-2%	Decrease in debt
Return on Asset %	7.72%	6.96%	10.92%	Mainly due to increase in PAT (due to reduction in COGS, Operating expense and Tax rate)
Net Profit Margin %	8.39%	7.68%	9%	Mainly due to increase in PAT (due to reduction in COGS, Operating expense and Tax rate)
RONW %	13.37%	12.91%	4%	Mainly due to increase in PAT (due to reduction in COGS, Operating expense and Tax rate)

### 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. EVA is negative in the current year resulting from the decline in operating profits and need for additional borrowings for the business.

(Rs. In Lacs)

	2022-23	2021-22
EBIT	13,810	10,846
Less: Adjusted Tax	2,800	2,288
NOPAT (Net Operating Profit less tax)	11,010	8,558
Equity	64,180	57,713
Debt	29,702	27,028
Total Invested Capital	93,882	84,741
Post Tax Cost of Debt %	3.85	4.67
Cost of Equity %	8.76	9.83
Weighted Average Cost of Capital % (WACC)	7.21	8.18
Weighted Average Cost of Capital (WACC)	6,766	6,933
EVA (NOPAT – WACC)	4,244	1,625

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 0.77.

### 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

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 in FY 2023 and FY 2024 as the impact of COVID-19 wanes.

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 industry will remain vulnerable to global headwinds in 2023, including the energy crisis, slower global demand and continued supply-chain disruptions. The only bright spot will be the EVs market, with sales of fossil-fuel cars and commercial vehicles falling. Digitization, increasing automation, and new business models have revolutionized other industries, and automotive will be no exception. These forces are giving rise to four disruptive technology-driven trends in the automotive sector: diverse mobility, autonomous driving, electrification, and connectivity. EVs and hybrids provide a highlight; the sector is expected to grow by 29 per cent year-on-year in 2023, to reach an estimated 12.1 million units globally. However, the threat of an impending recession and ongoing supply chain issues could cast a shadow over the personal vehicle market.

*Source: Statista; Automotive World*

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. The EV market is expected to grow at CAGR of 49 per cent between 2022-30 and is expected to hit 10 mn annual sales by 2030. The EV industry will create 50 mn direct and indirect jobs by 2030. 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

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 been slow to return to their pre-pandemic 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. It is expected that the implementation of BS-VI standards will lead to a spike in demand for components like catalytic converters, electronic fuel injection systems, oxygen sensors and intelligent battery sensors.

- **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 jobloss 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 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. All of these should enable a more collaborative work culture across plants post Covid-19 restrictions.

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 1341 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**  
Executive Director

Place: Mumbai

Date: May 30, 2023

## CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, 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, Risk Management Committee, Business Strategy Committee and Digitization 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, 2023, the Company's Board consists of 7 (seven) Directors. The Board comprises of 2 (two) Executive Directors 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, except Ms. Harshbeena Zaveri and Mr. Devesh Singh Sahney 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, 2023 are given below:

**Directorship / Committee Membership as on March 31, 2023**

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
				Chairman	Member		
Ms. Harshbeena Zaveri DIN: 00003948	01/10/2020*	Executive Director Promoter	1	0	2	Yes	1,12,66,892 (11.62%)
Mr. Devesh Singh Sahney DIN: 00003956	25/05/2001	Non-Executive Non Independent Director Promoter	1	0	1	Yes	8,50,089 (0.88%)
Mr. Satish Rangani DIN: 00209069	24/01/2022*	Executive 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 Directors are the dates of their appointment for their current terms.

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.
4. None of the Non-executive Directors hold Equity Shares of the Company except Mr. Devesh Singh Sahney who holds 8,50,089 equity shares in the Company as on March 31, 2023.

**Other Directorships held by Directors:**

Sr. No	Name of Directors	Details of other Directorships	Details of Committee Memberships
1	Ms. Harshbeena Zaveri	<ul style="list-style-type: none"> <li>SNL Bearings Limited- Non-Executive Director</li> </ul>	SNL Bearings Limited: <ul style="list-style-type: none"> <li>Audit Committee-Member</li> <li>Stakeholders Relationship Committee- Member</li> <li>Corporate Social Responsibility Committee- Chairperson</li> <li>Nomination and Remuneration Committee- Member</li> </ul>
2	Mr. Satish Rangani	<ul style="list-style-type: none"> <li>SNL Bearings Limited- Non-Executive Director</li> </ul>	SNL Bearings Limited: <ul style="list-style-type: none"> <li>Stakeholder Relationship Committee-Member</li> <li>Corporate Social Responsibility Committee- Member</li> </ul>
3.	Mr. Tashwinder Singh	<ul style="list-style-type: none"> <li>Standard Industries Limited- Non-Executive Director / 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> </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 &amp; Governance Committee- Member</li> <li>Corporate Social Responsibility Committee -Member</li> </ul>
7.	Mr. Devesh Singh Sahney	<ul style="list-style-type: none"> <li>NRB Industrial Bearings Limited Promoter/ Managing Director</li> </ul>	NRB Industrial Bearings Limited: <ul style="list-style-type: none"> <li>Audit 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.nrbbearings.com](http://www.nrbbearings.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 2022-23 the Board of Directors met 6 (six) times i.e., on May 30, 2022, August 6, 2022, August 20, 2022, August 28, 2022, November 8, 2022, and February 11, 2023. 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, and 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:

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

### 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 & 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. 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 5 (five) times during the financial year 2022-23. The maximum gap between two meetings was not more than 120 (one hundred and twenty) days. The Committee met on May 30, 2022, August 6, 2022, November 8, 2022, January 28, 2023 and February 11, 2023. 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 15, 2022.

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	5
2.	Ms. Harshbeena Zaveri	Member	Executive Director (Vice Chairman & Managing Director)	4
3.	Ms. Vishakha R.M.	Member	Independent Director	5

**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, 2023.

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. 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, 2022 and February 11, 2023. 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 2022-23.

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 2022-23.

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

Name of Director/KMP	Sitting fees FY 2022-23	Commission on profits FY 2022-23	Salary and Perquisites FY 2022-23	Total
Ms. Harshbeena Zaveri	-	85,86,000	4,29,00,910	5,14,86,910
Mr. Tashwinder Singh	5,10,000	12,00,000	-	17,10,000
Mr. Devesh Singh Sahney	1,20,000	-	-	1,20,000
Mr. Satish Rangani	-	-	1,36,50,000	1,36,50,000
Mr. Ashank Desai	2,60,000	6,00,000	-	8,60,000
Mr. Rustom Desai	3,00,000	6,00,000	-	9,00,000
Ms. Vishakha R.M.	5,30,000	6,00,000	-	11,30,000
Mr. Ravi Teltia*	-	-	1,01,02,361	1,01,02,361
Ms. Shruti Joshi	-	-	79,72,093	79,72,093

\*Due to resignation tendered by Mr. Ravi Teltia 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 1, 2022 to February 18, 2023).

Note :

1. Ms. Harshbeena Zaveri, Vice Chairman & Managing Director of the Company, was appointed as the Executive Director of NRB Holdings Limited (NRB Holdings), a wholly owned subsidiary of the Company w.e.f. November 1, 2021. During the year under review, Ms. Harshbeena Zaveri, received part of remuneration from NRB Holdings amounting to Rs. 2,69,21,757/-. The remuneration drawn by Ms. Zaveri was divided between the Company and NRB Holdings Limited, based on the parameters fixed by the Board.
2. Commission payable for FY 2022-23 to the Directors was approved at the meeting of the Nomination and Remuneration Committee held on May 30, 2022.
3. 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 2022-23 (payable for FY 2022-23).

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 2022-23 (payable for FY 2022-23).

Commission to Vice Chairman & Managing Director payable for FY 2022-23.

4. Other than as disclosed above, there is no pecuniary relationship or transaction between the Company and the Non- Executive Directors.
5. The notice period for Ms. Harshbeena Zaveri is 6 months and for Mr. Satish Rangani is 3 months and there is no separate provision for payment of severance fees.
6. Currently the Company has not implemented any share-based employees benefit scheme, therefore the executive directors are 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	DSS
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., DSS: Devesh Singh Sahney

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Composition and Attendance

The Stakeholders' Relationship Committee comprises of 3 (three) directors. Mr. Ashank Desai, Independent Director is the Chairman of this Committee. During the year under review the Committee met once on February 11, 2023. 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 Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited) (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, 2023 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	0
3	No. of Investors Complaints resolved and disposed of during the year	0
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, 2023. The number of pending share transfers and pending requests for dematerialization as on March 31, 2023 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, 2023.

**(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. 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.127.00 lacs on various CSR activities and projects for FY 2022-23.

**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, 2023. The requisite quorum was present at the meeting. The table below provides the attendance of the members at the CSR Committee meeting:

Sr. No.	Name	Position	Category	No. of Meetings Attended
1.	Ms. Harshbeena Zaveri	Chairman	Vice Chairman & Managing Director	1
2.	Mr. Satish Rangani	Member	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. 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 2022-23 on August 6, 2022 and January 28, 2023. 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)	1
3.	Mr. Tashwinder Singh	Member	Independent Director	2
4.	Mr. Ravi Teltia*	Member	Chief Financial Officer	1

\*Mr Ravi Teltia ceased to be the member of this Committee with effect from February 18, 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 14, 2023, 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 2022-23. 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. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three financial years. There were no instances of non-compliance of any matter related to the capital market during the last three financial years.

**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 Chandio & 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 1 (one) complaint was received and resolved.

**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**  
Executive Director

Place: Mumbai

Date: May 30, 2023

## MEMBER INFORMATION

### GENERAL BODY MEETING

#### DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS HELD

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
57 <sup>th</sup>	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
56 <sup>th</sup>	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>
55 <sup>th</sup>	2019-20	September 15, 2020 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>• Payment of commission to Non-Executive Directors (including Independent Directors) not exceeding 1 (one) percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.</li> <li>• Appointment of Mr. Satish Rangani (DIN: 00209069), as the Whole-Time Director of the Company for a term of one year with effect from January 24, 2020 and fix his remuneration.</li> <li>• Re-appointment of Ms. Harshbeena Zaveri (DIN 00003948) as Managing Director for a further term of 5 years with effect from October 1, 2020 and approval of her remuneration along with ratification of excess remuneration paid for FY 2019-20.</li> <li>• Payment of annual remuneration to Ms. Harshbeena Zaveri, Vice Chairman &amp; Managing Director of the Company, (DIN 00003948) who is a part of the promoter group, exceeding Rs. 5,00,00,000/- (Rupees Five Crores only) or 2.5% of the net profits of the Company, whichever is higher, for every financial year for a period of 5 (five) consecutive years with effect from October 1, 2020.</li> </ul>

**POSTAL BALLOT**

During the year under review, there was no resolution passed through Postal ballot.

**ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2022-23**

<b>DAY AND DATE</b>	<b>Friday, September 29, 2023</b>
<b>TIME</b>	<b>3:30 p.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 23, 2023 to Friday, September 29, 2023 (both days inclusive)</b>

**Tentative Calendar for Financial Year ending March 31, 2024**

The tentative dates for the Board Meetings for consideration of quarterly financial results are as follows:

<b>Sr. No.</b>	<b>Particulars of Quarter</b>	<b>Tentative dates</b>
1.	First Quarter Results	July/August 2023
2.	Second Quarter & Half Yearly Results	October/November 2023
3.	Third Quarter & Nine-months ended Results	January/February 2024
4.	Fourth Quarter & Annual Results	April/May 2024

**Dividend**

The Board of Directors at their meeting held on May 30, 2023, has recommended a Final Dividend of Re. 1/- per share (Fifty per cent) for FY 2022-23 which shall be payable, subject to approval of Members, to the Members whose names appear on Register of Members of the Company as on Friday, September 22, 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:

<b>Sr. No.</b>	<b>Financial year</b>	<b>Date of Declaration of Dividend</b>	<b>Amount declared per share</b>
1	2015-16 : Interim Dividend, considered as Final Dividend	March 10, 2016	1.40
2	2016-17 : Interim Dividend, considered as Final Dividend	February 13, 2017	1.40
3	2017-18 : Interim Dividend 2017-18 : Final Dividend	March 20, 2018 August 9, 2018	1.40 1.20
4	2018-19 : Final Dividend	August 9, 2019	2.60
5	2019-20-Interim Dividend, considered as Final Dividend	February 11, 2020	0.80
6	2020-21 : Final Dividend	September 24, 2021	0.50
7	2021-22: Final Dividend	September 15, 2022	2.00

**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, 2023 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	2015-16 (Interim Dividend)	March 10, 2016	3,30,814.40	April 16, 2023
2	2016-17 (Interim Dividend)	February 13, 2017	3,56,084.40	March 21, 2024
3	2017-18 (Interim Dividend)	March 20, 2018	3,53,018.40	April 25, 2025
4	2017-18 (Final Dividend)	August 9, 2018	3,97,611.60	September 14, 2025
5	2018-19 (Final Dividend)	August 9, 2019	5,85,522.60	September 14, 2026
6	2019-20 (Interim Dividend)	February 11, 2020	1,86,140.00	March 18, 2027
7	2020-21 (Final Dividend)	September 24, 2021	1,53,33,120.91	October 30, 2028
8	2021-22 (Final Dividend)	September 15, 2022	6,12,46,679.63	October 21, 2029

**Note:** During the year under review, final dividend declared for FY 2014-15 has been transferred to IEPF on September 26, 2022.

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, 2023:**

No. of Equity Shares	2023				2022			
	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	43,950	90.44	40,25,924	4.15	44,187	90.49	41,54,537	4.29
501- 1000	2,556	5.26	21,37,285	2.21	2,678	5.48	22,41,257	2.31
1001-2000	1,028	2.11	15,93,695	1.64	1,008	2.06	15,72,000	1.62
2001- 3000	362	0.75	9,28,737	0.96	307	0.63	7,93,847	0.82
3001- 4000	154	0.32	5,49,672	0.57	137	0.28	4,92,250	0.51
4001- 5000	139	0.29	6,63,526	0.68	120	0.25	5,72,561	0.59
5001- 10000	211	0.43	15,58,092	1.61	184	0.38	13,75,794	1.42
10001 & above	196	0.40	8,54,65,669	88.18	208	0.43	8,57,20,354	88.44
<b>TOTAL</b>	<b>48,596</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>	<b>48,829</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>



**Shareholding Pattern as on March 31, 2023:**

No. of Equity Shares	2023				2022			
	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
Individuals/HUF clearing members	46,738	97.44	1,75,38,296	18.10	47,063	97.69	1,71,67,316	17.72
Corporate Bodies/LLP/NBFC Partnership Firms	214	0.45	6,89,010	0.71	193	0.40	6,28,650	0.65
IEPF Suspense A/c	1	0.00	90,881	0.09	1	0.00	78,061	0.08
Trust	2	0.00	3,38,09,587	34.88	3	0.00	3,38,09,787	34.88
Foreign Collaborator	0.00	0.00	0.00	0.00	0	0.00	0	0.00
NRI/OCBs	951	1.98	1,30,20,527	13.44	862	1.80	1,27,69,282	13.17
FI/FII/Banks/ Foreign national/ Trusts/Foreign Portfolio Investor	57	0.12	2,06,34,556	21.29	55	0.11	2,12,23,761	21.90
Mutual Funds/UTI	3	0.01	1,11,39,743	11.49	4	0.00	1,12,45,743	11.60
Alternate Investment Fund	0.00	0.00	0.00	0.00	0	0.00	0	0.00
<b>TOTAL</b>	<b>47,966</b>	<b>100.00</b>	<b>9,69,22,600</b>	<b>100.00</b>	<b>48,181</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. 99.71 per cent of the equity shares of the Company have been dematerialized (NSDL 92.69 per cent and CDSL 7.02 per cent) as on March 31, 2023.

**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:

- Demat account should be opened with a Depository Participant (DP).
- Members should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited).
- RTA will process the DRF and confirm or reject the request to DP/ depositories.
- 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 Institute 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

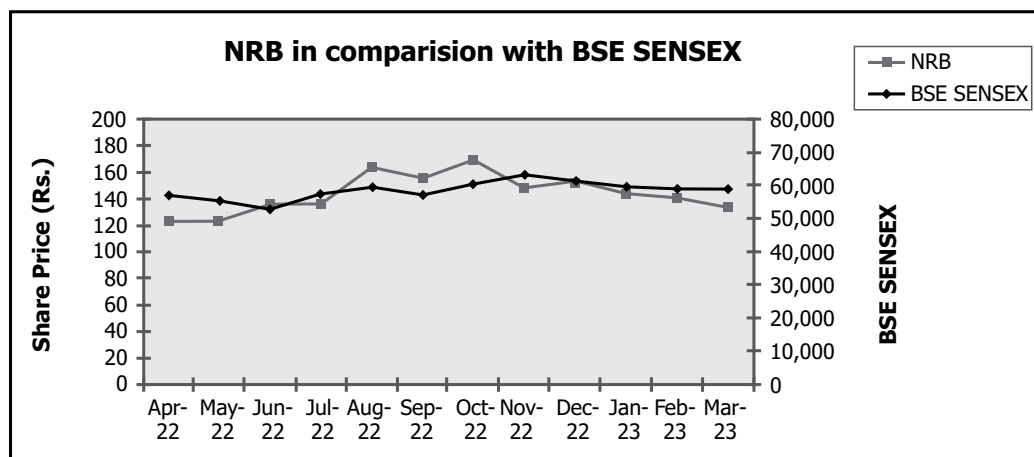
The Company has entered into agreements with NSDL and CDSL during the year 2000-01 and has been allotted ISIN No. INE 349A01013. The shares were split into shares of face value Rs. 2/- each effective April 4, 2007 and the new ISIN No. is INE 349A01021

Listing fees for the year 2022-23 have been paid to the Stock Exchange- BSE Limited and National Stock Exchange of India Limited.

### Share Price Data

2022-23	Bombay Stock Exchange			National Stock Exchange		
Month	High (Rs)	Low(Rs)	Volume	High (Rs)	Low(Rs)	Volume
April 2022	136.30	115.20	5,26,544	136.40	115.25	33,30,624
May 2022	126.60	106.70	2,79,091	126.90	108.00	27,68,779
June 2022	145.75	115.00	4,70,483	145.60	115.05	64,89,373
July 2022	143.90	129.00	3,09,306	143.90	128.85	49,41,192
August 2022	169.80	136.55	7,59,982	169.60	136.10	72,62,313
September 2022	186.00	150.20	8,11,008	186.00	148.00	70,43,067
October 2022	179.90	155.90	2,89,009	180.00	155.85	27,38,897
November 2022	183.00	144.85	6,02,290	183.25	145.00	60,29,896
December 2022	158.50	141.00	3,29,684	158.85	142.00	36,42,670
January 2023	160.00	140.45	2,24,056	160.10	141.05	25,92,924
February 2023	152.40	133.55	1,00,077	149.40	138.85	15,54,952
March 2023	142.45	125.05	2,56,022	142.55	125.00	24,21,774

### 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@nrbbearings.co.in](mailto:investorcare@nrbbearings.co.in) exclusively for investor relations, and the same is prominently displayed on the Company's website [www.nrbbearings.com](http://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, Universal Capital Securities Private Limited, (100% subsidiary of Link Intime India Private Limited) at [info@unisec.in](mailto:info@unisec.in) or to the Company at its dedicated e-mail id i.e. [investorcare@nrbbearings.co.in](mailto:investorcare@nrbbearings.co.in).

**Credit Rating**

As on March 31, 2023, 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>Universal Capital Securities Pvt Ltd (100% subsidiary of Link Intime India Private Limited)</b>	<b>Address of the Company</b>
Ms. Shruti Joshi, Company Secretary Phone: 022-22664160/4998 E-mail: investorcare@nrbbearings.com	C 101, 247 Park, LBS Road, Vikhroli West, Mumbai 400083 Tel Nos: 022 4918 6178-79 Fax : 022 22 4918 6060 Email id : info@unisec.in Website : www.unisec.in	NRB Bearings Limited, Dhannur, 15, Sir P. M. Road, Fort, Mumbai – 400001 Phone: 022-22664160/4998 Fax :022-22660412

**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**

Executive Director

Place: Mumbai

Date: May 30, 2023

**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 Board of Directors  
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, 2023 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 Directors &amp; 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)	Whole-time Director	24/07/2013
3)	Mr. Devesh Singh Sahney (DIN: 00003956)	Non Executive Director	25/05/2001
4)	Mr. Ashank Datta Desai (DIN: 00017767)	Non Executive, Independent Director	30/03/2016
5)	Mr. Rustom Jamshed Desai (DIN: 02448175)	Non Executive, Independent Director	23/01/2017
6)	Mr. Tashwinder Harjap Singh (DIN: 06572282)	Non Executive, Independent Director	23/07/2013
7)	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: F002727E000424918  
Peer Review Certificate No. 1882/2022

Place: Mumbai  
Date : May 30, 2023

UPENDRA C. SHUKLA  
COMPANY SECRETARY  
FCS: 2727/CP No: 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 19 September 2022.
2. We have examined the compliance of conditions of corporate governance by NRB Bearings Limited (the 'Company') for the year ended 31 March 2023, 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 (the '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 (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
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 2023.

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 afore said 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: 23108840BGYAWL3250

**Place:** Mumbai  
**Date :** May 30, 2023

## 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 2023, 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 a summary of the significant accounting policies 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 2023, and its profit (including other comprehensive income (loss)), 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 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 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 14(iii) and Note 27(iii) to the accompanying standalone financial statement which indicates delay in receipt of foreign currency receivable amounting to ₹ 5,020 lakhs and delay in payment of foreign currency payable amounting to ₹ 428 lakhs, as at 31 March 2023, 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 authorities 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.

#### Key Audit Matters

5. 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.

6. 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>Recoverability of investment, trade receivables, loans/ advances given to / recoverable from subsidiary company.</p> <p>Refer Notes 8(iii), 14, 17 and 47 in the standalone financial statements.</p> <p>The Company, as at 31 March 2023, has investments (which is held for sale) in NRB Bearings (Thailand) Limited, ('wholly owned subsidiary') amounting to ₹ 2,413 lakhs, loans outstanding (including interest receivable) amounting to ₹ 1,284 lakhs, trade receivables amounting to ₹ 2,127 lakhs, and has given guarantee amounting to ₹ 2,637 lakhs, which is engaged in business of manufacturing and trading of bearings. Such investment in the aforesaid subsidiary is accounted for at cost in accordance with Ind AS 27, Separate Financial Statements. The Company assesses the recoverable amount of the investment when impairment indicators exist by comparing the fair value (less costs of disposal) and carrying amount of the investment as at the reporting date. Loans / Guarantee given to, advances and trade receivables due from the wholly owned subsidiary is accounted for in accordance with Ind AS 109, Financial Instruments. Refer Note 1.1 for the relevant accounting policy for such balances outstanding as at 31 March 2023.</p> <p>During the year ended 31 March 2023, NRB Bearings (Thailand) Limited has reported a profit of ₹ 983 lakhs (THB 41 million) but as at that date, its accumulated losses aggregating ₹ 902 lakhs (THB 38 million), have significantly eroded its capital.</p> <p>As at 31 March 2023, management has assessed that the recoverable value of its investment in the subsidiary, determined using 'Discounted Cash Flow valuation model is higher than the carrying value of the investment in NRB Bearings (Thailand) Limited. However, there is a risk that the investment in NRB Bearings (Thailand) Limited may be impaired if the projections used in computation of recoverable amount method are not met.</p> <p>The management's assessment of recoverable amount requires estimation and judgement around the key assumptions underpinning management's assessment including, but not limited to, projections of future cash flows, growth rates and future market and economic conditions.</p> <p>Considering the materiality of the amount involved, and significant management judgement required for valuation, the recoverability of aforesaid balances as at 31 March 2023 has been determined to be a key audit matter in the current year audit.</p>	<p>Our audit procedures in relation to assessing the recoverable value of investments included but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's processes and controls for determining the recoverable value of investments;</li> <li>• Assessed the design of and tested the operating effectiveness of the key controls around fair valuation;</li> <li>• Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</li> <li>• Assessed the appropriateness of the valuation methodology used to arrive at the recoverable value of the investments using auditor's valuation specialist;</li> <li>• Evaluated the reasonableness of the assumptions used in cash flow projections such as growth rate, gross margins, discount rates, etc., based on historical results, current developments and future plans estimated by the management using expertise of our valuation specialist on required parameters;</li> <li>• Assessed cash flow forecasts to ensure consistency with current operations of the Company, reconciled the cash flow projections to the business plans approved by the Company's board of directors and reviewed the sensitivity analysis performed by the management on aforesaid key assumptions and performed further independent sensitivity analysis to determine impact of estimation uncertainty on the valuation;</li> <li>• Tested the mathematical accuracy of the cash flow projections and fair valuation computation; and</li> <li>• Evaluated the appropriateness and adequacy of the related disclosures made in the standalone financial statements in accordance with the applicable accounting standards</li> </ul>



**Information other than the Financial Statements and Auditor's Report thereon**

7. 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 Annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information 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, 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**

8. 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 financial position, financial performance including other comprehensive income, changes in equity and 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.
9. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those 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**

11. 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.
12. 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 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;
  - 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 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.
13. 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.
14. 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.
15. 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**

16. 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.
17. 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.
18. 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;
  - 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 2023 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed a modified opinion; and

- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, has disclosed the impact of pending litigations on its financial position as at 31 March 2023 in standalone financial statements;
  - 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 2023;
  - 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 2023;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 56 (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 persons or entities, 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 has represented that, to the best of its knowledge and belief as disclosed in note 56 (iii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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 final dividend paid by the Company during the year ended 31 March 2023 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.  
  
As stated in note 45 (iii) to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 23108840BGYAWK1267

Place: Mumbai  
Date: 30 May 2023

**Annexure A**
**Annexure A referred to in Paragraph 17 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 2023**

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), right to use asset and investment property.
- (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 PPE, right to use assets and investment property under which the assets are physically verified once in every three year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company except for the following properties which were transferred as a result of acquisition and amalgamation of companies as stated in Note 3(ii) to the standalone financial statements, wherein the title deed is in the name of the erstwhile companies.

<b>Description of item of property</b>	<b>Gross carrying value (₹ in lakhs)</b>	<b>Title deeds held in the name of</b>	<b>Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director</b>	<b>Property held since which date</b>	<b>Reason for not being held in the name of the company</b>
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 Honorable High Court. The lease agreement expires on 15 November 2056.

- (d) The Company has not revalued its PPE (including right of use 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 Benami Transactions (Prohibition) Act, 1988 (45 of 1988) 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 in the aggregate for each class of inventory were noticed.

- (b) The Company has a working capital limit in excess of Rs 5 crore sanctioned 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 months, which were not subjected to audit / review.
- (iii) (a) The Company has provided loans to subsidiaries and loans to other parties (employees) during the year as per details given below:

<b>Particulars</b>	<b>Guarantees (₹ in lakhs)</b>	<b>Security (₹ in lakhs )</b>	<b>Loans (₹ in lakhs)</b>	<b>Advance in nature of loans (₹ in lakhs)</b>
Aggregate amount provided/ granted during the year:				
- Subsidiaries	-	-	3,634	-
- Others	-	-	86	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	-	-	3,625	-
- Others	-	-	27	-

- (b) The Company has not provided any guarantees or given any security during the year. In our opinion, and according to the information and explanations given to us, the investments made, and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the 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 loans which had fallen due during the year and such loans were renewed during the year. The details of the same have been given below:

<b>Name of the party</b>	<b>Nature of loan</b>	<b>Total loan amount (₹ in lakhs)</b>	<b>Nature of extension (i.e. renewed/ extended/ fresh loan provided)</b>	<b>Aggregate amount of over dues of existing loans renewed or extended or settled by fresh loans (₹ in lakhs)</b>	<b>Percentage of the aggregate to the total loans granted during the year</b>
NRB Bearings (Thailand) Limited	Inter Corporate Deposit	1,329	Renewed	1,329	100%

- (f) The Company has not granted loans which is 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, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act and any transaction relating to security covered under section 186 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has neither accepted any deposits nor there is any amount which has been considered as deemed deposit 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, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities except for delay in certain amounts of provident funds. Further, the amount of provident fund outstanding 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 49):**

Name of the statute	Nature of 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:

**Statement of disputed dues:**

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
The Income Tax Act, 1962	Income Tax	78	2	AY 2011-12	Commissioner of Income Tax (Appeals)
		280	25	AY 2012-13	
		95	24	AY 2013-14	
		250	35	AY 2014-15	
		272	109	AY 2015-16	
		1,173	196	AY 2016-17	
		224	50	AY 2017-18	
		639	71	AY 2018-19	
		273	135	AY 2019-20	
		389	AY 2011-12	AY 2020-21	
		220	AY 2012-13	AY 2021-22	
		11	AY 2013-14	AY 2022-23	
The Bombay Sales Tax Act, 1959	Value Added Tax	1	-	FY 1996-97	Deputy Commissioner (Appeals)
The Central Sales Tax Act, 1956	Sales Tax	3	-	FY 1996-97	Deputy Commissioner (Appeals)
		5	-	FY 2012-13	Appellate Deputy Commissioner (Appeals)
		8	-	FY 2012-13	Assistant Commissioner (Commercial Tax)
		2	-	FY 2013-14	Assistant Commissioner (Commercial Tax)
		7	-	FY 2013-14	Commercial Tax Officer
		3	-	FY 2014-15	Assistant Commissioner (Commercial Tax)
		14	-	FY 2014-15	Commercial Tax Officer
		44	-	FY 2014-15	Deputy Commissioner (Commercial Tax)
		6	-	FY 2015-16	Deputy Commissioner (Commercial Tax)
		10	1	FY 2015-16	Joint Commissioner Sales (Appeals)
		18	9	FY 2015-16	Joint Commissioner of Sales Tax
		76	-	FY 2015-16	Dy. Excise & Taxation Comm (Sales Tax)
		1	0*	FY 2015-16	Senior Joint Commissioner (Appeals)
		101	-	FY 2016-17	Joint Commissioner (Appeals)

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
The Central Sales Tax Act, 1956	Sales Tax	6	-	FY 2016-17	Commercial Tax Officer
		36	11	FY 2016-17	Deputy Commissioner (Commercial Tax)
		17	1	FY 2016-17	Joint Commissioner (Appeals)
		1	0*	FY 2016-17	Senior Joint Commissioner (Appeals)
		69	-	FY 2016-17	Deputy Excise & Taxation Comm (Sales Tax)
		1	0*	FY 2017-18	Senior Joint Commissioner (Appeals)
		5	-	FY 2017-18	Assistant Commissioner (Commercial Tax)
		7	-	FY 2017-18	Deputy Commissioner (Commercial Tax)
		14	-	FY 2017-18	Deputy Excise & Taxation (Sales Tax)
		73	-	FY 2017-18	Deputy Commissioner State Tax
The Bombay Provincial Municipal Corporation Act, 1949	Local Body Tax	72	17	FY 2013-14	Deputy Commissioner of Local Body Tax (Appeals)
		36	9	FY 2014-15	
		8	3	FY 2015-16	
Goods and Services Tax 2017	GST	73	4	FY 2013-14	Appellate Authority
		6	0*	FY 2014-15	

(\*) ₹ 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 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 representation received from the management of the Company, 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 other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans during the year 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 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 obligation of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised 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, 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) No report under section 143(12) of the Act has been filed 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 (Accounting Standards) Rules, 2021 as prescribed under section 133 of the Act.
- (xiv) (a) According to the information and explanations given to us, the Company is required to have an internal audit system under section 138 of the Act. The Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.
- (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 them and accordingly, 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 loss in the current 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 accompanying 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 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 amount in respect of any ongoing or other than ongoing project as at the expiry 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: 23108840BGYAWK1267

Place: Mumbai  
Date: 30 May 2023

**Annexure B referred to in Paragraph 18 (f) to the Independent Auditor's Report on the Audit of Standalone Financial Statements on the internal financial controls with reference to 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 2023, 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 the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants 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 Responsibility 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 qualified 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.

**Qualified opinion**

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at 31 March 2023

The Company's internal control system with respect to certain controls over user access and change management in relation to the Company's Information Technology (IT) application were not operating effectively, which could potentially result in unauthorised modifications to the IT application or data.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note issued by the ICAI, and except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and the material weakness does not affect our opinion on the standalone financial statements of the Company.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 23108840BGYAWK1267

Place: Mumbai  
Date: 30 May 2023

**Standalone Balance Sheet as at 31 March 2023**

(₹ in lakhs)

Sr. No	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property, plant and equipment	3	<b>29,410</b>	31,018
	Capital work-in-progress	4	<b>296</b>	236
	Investment property	5	-	-
	Intangible assets	6	<b>377</b>	4
	Intangible assets under development	7	-	386
	Financial assets			
	(i) Investment in subsidiaries	8	<b>2,868</b>	5,281
	(ii) Investments	9	<b>449</b>	395
	(iii) Other financial assets	10	<b>1,076</b>	817
	Income tax assets (net)	11	<b>2,919</b>	2,919
	Other non-current assets	12	<b>700</b>	957
	<b>Total non-current assets</b>		<b>38,095</b>	<b>42,013</b>
<b>2</b>	<b>Current assets</b>			
	Inventories	13	<b>29,108</b>	25,436
	Financial assets			
	(i) Trade receivables	14	<b>25,818</b>	22,096
	(ii) Cash and cash equivalents	15	<b>3,951</b>	5,065
	(iii) Bank balances other than cash and cash equivalents	16	<b>973</b>	374
	(iv) Loans	17	<b>3,652</b>	1,351
	(v) Other financial assets	18	<b>33</b>	187
	Other current assets	19	<b>6,943</b>	4,202
	Assets held-for-sale	20	<b>2,466</b>	53
	<b>Total current assets</b>		<b>72,944</b>	<b>58,764</b>
	<b>Total assets</b>		<b>111,039</b>	<b>100,777</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	Equity share capital	21	<b>1,938</b>	1,938
	Other equity	22	<b>62,242</b>	55,775
	<b>Total equity</b>		<b>64,180</b>	<b>57,713</b>
<b>B</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	Financial liabilities			
	(i) Borrowings	23	<b>6,559</b>	6,045
	(ii) Lease liabilities	51	<b>501</b>	670
	(iii) Other financial liabilities	24	<b>95</b>	109
	Deferred tax liabilities (net)	41.2	<b>1,135</b>	1,507
	Other non-current liabilities	25	<b>12</b>	2
	<b>Total non-current liabilities</b>		<b>8,302</b>	<b>8,333</b>
<b>2</b>	<b>Current liabilities</b>			
	Financial liabilities			
	(i) Borrowings	26	<b>23,143</b>	20,983
	(ii) Lease liabilities	51	<b>169</b>	160
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	27	<b>2,453</b>	2,375
	Total outstanding dues of creditors other than micro enterprises and small enterprises		<b>8,489</b>	7,460
	(iv) Other financial liabilities	28	<b>2,234</b>	1,785
	Other current liabilities	29	<b>1,012</b>	580
	Provisions	30	<b>994</b>	1,243
	Current tax liabilities (net)	31	<b>63</b>	145
	<b>Total current liabilities</b>		<b>38,557</b>	<b>34,731</b>
	<b>Total liabilities</b>		<b>46,859</b>	<b>43,064</b>
	<b>Total equity and liabilities</b>		<b>111,039</b>	<b>100,777</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 Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

**Adi P. Sethna**

Partner

Membership No.: 108840

**Place : Mumbai**
**Date : 30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**

 Chairman  
 DIN : 06572282

**Pankaj Khemka**

Chief Financial Officer

**Place : Mumbai**
**Date : 30 May 2023**
**Harshbeena Zaveri**

 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

 Executive Director  
 DIN : 00209069

**Standalone Statement of Profit and Loss for the year ended 31 March 2023**

(₹ in lakhs, except per share data)

Sr. No	Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
<b>I</b>	Revenue from operations	32	<b>102,310</b>	91,244
<b>II</b>	Other income	33	<b>2,551</b>	1,645
<b>III</b>	<b>Total income</b>		<b>104,861</b>	<b>92,889</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of materials consumed	34	<b>49,570</b>	41,637
	Changes in inventories of finished goods and work-in-progress	35	<b>(2,101)</b>	(2,631)
	Employee benefits expense	36	<b>11,893</b>	12,181
	Finance costs	37	<b>1,852</b>	1,544
	Depreciation and amortisation expenses	38	<b>3,597</b>	3,262
	Other expenses	39	<b>27,617</b>	27,201
	<b>Total expenses</b>		<b>92,428</b>	<b>83,194</b>
<b>V</b>	<b>Profit before exceptional items and tax</b>		<b>12,433</b>	<b>9,695</b>
<b>VI</b>	<b>Exceptional items- loss (net)</b>	40	<b>(1,053)</b>	(393)
<b>VII</b>	<b>Profit before tax</b>		<b>11,380</b>	<b>9,302</b>
<b>VIII</b>	<b>Tax expense / (credit)</b>	41		
	Current tax		<b>3,098</b>	2,278
	Deferred tax		<b>(298)</b>	10
			<b>2,800</b>	<b>2,288</b>
<b>IX</b>	<b>Profit for the year</b>		<b>8,580</b>	<b>7,014</b>
<b>X</b>	<b>Other comprehensive income / (loss)</b>	42		
	(i) Items that will not be reclassified to profit or loss (net of tax)		<b>49</b>	(10)
	(ii) Items that may be reclassified to profit or loss (net of tax)		<b>(224)</b>	240
			<b>(175)</b>	<b>230</b>
<b>XI</b>	<b>Total comprehensive income for the year</b>		<b>8,405</b>	<b>7,244</b>
<b>XII</b>	<b>Earnings per equity share (face value of ₹ 2 each)</b>	58		
	Basic (in ₹)		<b>8.85</b>	<b>7.24</b>
	Diluted (in ₹)		<b>8.85</b>	<b>7.24</b>

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 : 30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**  
 Chairman  
 DIN : 06572282

**Harshbeena Zaveri**  
 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**S. C. Rangani**  
 Executive Director  
 DIN : 00209069

**Pankaj Khemka**  
 Chief Financial Officer

**Shruti Joshi**  
 Company Secretary

**Place : Mumbai**  
**Date : 30 May 2023**

**Standalone Statement of Cash Flow for the year ended 31 March 2023**

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>A</b>	<b>Cash flow from operating activities</b>		
	<b>Profit before tax (after exceptional items)</b>	<b>11,380</b>	<b>9,302</b>
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	<b>3,597</b>	3,262
	Liabilities no longer required written back	<b>(75)</b>	(140)
	Foreign exchange (gain)/loss (unrealised) (net)	<b>(1,494)</b>	527
	Fair valuation (gain)/loss on derivative instrument measured at FVTPL	<b>(180)</b>	27
	Fair valuation gain on financial assets measured at FVTPL	-	(1)
	Finance costs	<b>1,852</b>	1,544
	Interest income	<b>(160)</b>	(103)
	Dividend income	<b>(182)</b>	(128)
	Profit on sale of property, plant and equipments (net)	<b>(96)</b>	(13)
	Rent income	<b>(167)</b>	(137)
	Provision for doubtful advances	<b>28</b>	122
	Provision for doubtful trade receivables and bad debts written off (including exceptional items)	<b>1,122</b>	404
	Gain on sale of investment in subsidiaries	-	(194)
	Provision for gratuity	<b>180</b>	179
	Provision for leave entitlement	<b>153</b>	155
	Provision/(reversal) towards slow moving and non-moving inventories (including exceptional items) (net)	<b>711</b>	(1,825)
	<b>Operating profit before working capital changes</b>	<b>16,669</b>	<b>12,981</b>
	<b>Changes in working capital:</b>		
	Adjustment for (increase) / decrease in assets		
	- Trade receivables	<b>(3,511)</b>	(2,131)
	- Inventories	<b>(4,383)</b>	(5,256)
	- Other non-current financial assets	<b>(243)</b>	3
	- Other current financial assets and loans	<b>87</b>	214
	- Other non-current assets	<b>14</b>	82
	- Other current assets	<b>(2,675)</b>	(1,252)
	Adjustment in increase / (decrease) in liabilities		
	- Other non-current financial liabilities and other non-current liabilities	<b>(4)</b>	(48)
	- Other current financial liabilities	<b>(59)</b>	(57)
	- Trade payables	<b>1,097</b>	(1,234)
	- Provisions	<b>(582)</b>	(125)
	- Other current liabilities	<b>432</b>	(133)
	<b>Cash generated from operations before tax</b>	<b>6,842</b>	<b>3,044</b>
	Direct taxes paid	<b>(3,178)</b>	(2,230)
	<b>Net cash generated from operating activities (A)</b>	<b>3,664</b>	<b>814</b>

**Standalone Cash Flow Statement for the year ended 31 March 2023**

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<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)	<b>(1,926)</b>	(2,433)
	Sale proceeds of property, plant and equipment	<b>134</b>	13
	Deposits with bank	<b>9</b>	(55)
	Investment made in subsidiary company	-	(2,628)
	Proceeds from sale of investment in subsidiary (refer note 8 (ii))	-	229
	Rent received	<b>167</b>	135
	Interest received	<b>160</b>	109
	(Payment) / proceeds of inter-corporate deposits to/from subsidiaries (net)	<b>(2,245)</b>	158
	Dividend received	<b>182</b>	115
	<b>Net cash used in investing activities (B)</b>	<b>(3,519)</b>	<b>(4,357)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from non-current borrowings	<b>514</b>	2,500
	Proceeds from current borrowings (net)	<b>2,160</b>	1,932
	Finance costs paid	<b>(1,778)</b>	(1,614)
	Settlement of interest on lease liabilities	<b>(74)</b>	(67)
	Settlement of principal lease liabilities	<b>(160)</b>	(141)
	Movement in unclaimed dividend bank balance	<b>(609)</b>	(151)
	Dividend paid on equity shares (including unclaimed)	<b>(1,329)</b>	(334)
	<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(1,276)</b>	<b>2,125</b>
	<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(1,131)</b>	<b>(1,418)</b>
	Add: Balance of cash and cash equivalents at the beginning of the year	<b>5,065</b>	6,466
	Add: Effects of exchange rate changes on cash and cash equivalents	<b>17</b>	<b>17</b>
	<b>Closing balance of cash and cash equivalents (refer note 15)</b>	<b>3,951</b>	<b>5,065</b>

**Notes to statement of cash flows:**
**1. Cash and cash equivalents as the end of the year comprise -**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash on hand(*)	<b>0</b>	3
Balances with banks in current accounts		
- Current accounts	<b>2,466</b>	3,722
- EEFC account	<b>1,485</b>	1,340
<b>Total cash and cash equivalents</b>	<b>3,951</b>	<b>5,065</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

2. The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind As - 7) statement of cash flow.

The accompanying notes form an integral part of these standalone financial statements  
 This is the standalone statement of cash flows 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 : 30 May 2023**

**For and on behalf of the Board of Directors**

**Tashwinder Singh**  
 Chairman  
 DIN : 06572282

**Harshbeena Zaveri**  
 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**S. C. Rangani**  
 Executive Director  
 DIN : 00209069

**Pankaj Khemka**  
 Chief Financial Officer

**Shruti Joshi**  
 Company Secretary

**Place : Mumbai**  
**Date : 30 May 2023**



**Standalone Statement of Changes in Equity for the year ended 31 March 2023**
**A. Equity share capital (Refer note 21)**
**(₹ in lakhs)**

Particulars	Number of shares	Amount
<b>Balance as at 1 April 2021</b>	96,922,600	1,938
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2022</b>	96,922,600	1,938
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2023</b>	<b>96,922,600</b>	<b>1,938</b>

**B. Other equity (Refer Note 22)**
**(₹ in lakhs)**

Particulars	Reserves and surplus					Other reserves		Total
	Securities premium	General reserve	Capital Redemption reserve	Debenture Redemption reserve	Retained earnings	Fair Value Gain/ loss on Equity Instruments through OCI	Cash flow hedging reserve	
<b>Balance as at 1 April 2021</b>	<b>848</b>	<b>12,021</b>	<b>11</b>	<b>750</b>	<b>34,836</b>	<b>419</b>	<b>131</b>	<b>49,016</b>
Profit for the year	-	-	-	-	7,014	-	-	<b>7,014</b>
Other comprehensive income (refer note 42)	-	-	-	-	39	(49)	240	<b>230</b>
Transfer from debenture redemption reserve to general reserve	-	750	-	(750)	-	-	-	-
Final dividend on equity shares for FY 2020-21 of ₹ 0.5 per equity share (refer note 45 (iii))	-	-	-	-	(485)	-	-	<b>(485)</b>
<b>Balance as at 31 March 2022</b>	<b>848</b>	<b>12,771</b>	<b>11</b>	<b>-</b>	<b>41,404</b>	<b>370</b>	<b>371</b>	<b>55,775</b>
Profit for the year	-	-	-	-	8,580	-	-	<b>8,580</b>
Other comprehensive income (refer note 42)	-	-	-	-	7	42	(224)	<b>(175)</b>
Final dividend on equity shares for FY 2021-22 of ₹ 2 per equity share (refer note 45 (iii))	-	-	-	-	(1,938)	-	-	<b>(1,938)</b>
<b>Balance as at 31 March 2023</b>	<b>848</b>	<b>12,771</b>	<b>11</b>	<b>-</b>	<b>48,053</b>	<b>412</b>	<b>147</b>	<b>62,242</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 : 30 May 2023**
**For and on behalf of the Board of Directors**
**Tashwinder Singh**

Chairman  
DIN : 06572282

**Pankaj Khemka**

Chief Financial Officer

**Place : Mumbai**
**Date : 30 May 2023**
**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Executive Director  
DIN : 00209069

## **Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

### **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 30 May 2023.

#### **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
- iv) Contingent consideration

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 Significant 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 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

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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.

### 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

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

## **Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

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. Leases**

#### **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 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.

## **Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

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.

### **i. Inventories**

Raw material and components, work in progress and finished goods are stated at "cost or net realisable value whichever is lower". Goods in transit are stated at cost. Cost formulae used is weighted average cost. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

Costs of conversion and other costs are determined on the basis of standard cost method adjusted for variances between standard costs and actual costs, unless such costs are specifically identifiable, in which case they are included in the valuation at actuals.

### **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 or loss), and
- those measured at amortised cost.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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.

### 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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.

### I. 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 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 equipment	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 years



## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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. 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. 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.

### **p. 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.

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## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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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.

### q. 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.

### r. 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.

### s. 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.

### t. 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. The Company's contribution to the statutory provident fund and family pension fund is determined based on a fixed

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

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.

### u. 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.

### v. 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.

### w. 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 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

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**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

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- 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.

**x. 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.

**y. Export Incentives**

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.

**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 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 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:**

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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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.

### 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 2023	% ownership interest held as at 31 March 2022
SNL Bearings Limited	India	73.45%	73.45%
NRB Bearings (Thailand) Limited	Thailand	100%	100%
NRB Holding Limited (w.e.f. 14 October 2021)	UAE	100%	100%
NRB Bearings USA Inc. (step down subsidiary w.e.f. 07 January 2022)	USA	100%	100%
NRB Bearings Europe GmbH (step down subsidiary w.e.f. 02 March 2022)	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.

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

<b>3 Property, plant and equipment</b>										
<b>(₹ in Lakhs)</b>										
<b>Particulars</b>	<b>Free Hold Land</b>	<b>Leasehold Land</b>	<b>Buildings &amp; Flats</b>	<b>Plant &amp; Equipment</b>	<b>Furniture &amp; Fixtures</b>	<b>Office Equipment</b>	<b>Electrical Installation</b>	<b>Leasehold improvement</b>	<b>Vehicles</b>	<b>Total</b>
<b>Gross carrying value</b>										
Balance as at 1 April 2021	60	177	12,149	60,342	735	868	1,370	-	540	76,241
Additions (refer note (iii) below)	-	-	969	1,098	19	33	220	659	13	3,011
Disposals and discards	-	-	(205)	(1,020)	(46)	(197)	(8)	-	(43)	(1,519)
Reclassified as assets held-for-sale (refer note 20)	(5)	-	(129)	-	(66)	-	(83)	-	-	(283)
<b>Balance as at 31 March 2022</b>	<b>55</b>	<b>177</b>	<b>12,784</b>	<b>60,420</b>	<b>642</b>	<b>704</b>	<b>1,499</b>	<b>659</b>	<b>510</b>	<b>77,450</b>
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>
<b>Accumulated depreciation/ amortisation</b>										
Balance as at 1 April 2021	-	33	3,004	38,992	667	754	1,011	-	469	44,930
Charge for the year**	-	2	476	2,490	58	67	63	50	45	3,251
Reversal on disposals and discards	-	-	(205)	(1,020)	(46)	(197)	(8)	-	(43)	(1,519)
Eliminated on reclassification as assets held-for-sales	-	-	(81)	-	(66)	-	(83)	-	-	(230)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>35</b>	<b>3,194</b>	<b>40,462</b>	<b>613</b>	<b>624</b>	<b>983</b>	<b>50</b>	<b>471</b>	<b>46,432</b>
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>
<b>Net carrying value</b>										
<b>Balance as at 31 March 2022</b>	<b>55</b>	<b>142</b>	<b>9,590</b>	<b>19,958</b>	<b>29</b>	<b>80</b>	<b>516</b>	<b>609</b>	<b>39</b>	<b>31,018</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>

\* Buildings includes those constructed on leasehold land.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Notes:

- (i) Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2022: ₹ 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 2022: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2022: ₹ 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 deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee 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- Hy-derabad	55	Sahney Steel 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 (BIFIR) order in the financial year 1992-93.

(iii) The additions for the previous financial year includes adjustments of foreign exchange gain aggregating ₹ 66 lakhs against the carrying value of plant and equipment.

(iv) Refer note 47 (i) for sale of property, plant and equipment to related parties.

(v) For capital commitments, refer note 49.

(vi) Refer note 18 and note 48 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 ₹ 201 lakhs for building and flats on leasehold land (31 March 2022 : ₹ 173 lakhs) and ₹ 1 lakhs for vehicles (31 March 2022 : ₹ 2 lakhs) (refer Note 51).



**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**4 Capital work-in-progress** (₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2021</b>	<b>397</b>
Additions *	96
Capitalised during the year	(257)
<b>Balance as at 31 March 2022</b>	<b>236</b>
Additions *	282
Capitalised during the year	(222)
<b>Balance as at 31 March 2023</b>	<b>296</b>

\* It includes retrofitting machine, control panels and muffle model pending for installation as at 31 March 2023.

**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 2023</b>					
Project in progress	282	-	-	14	<b>296</b>
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2022</b>					
Project in progress	107	102	27	-	<b>236</b>
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2023 and as at 31 March 2022, 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 2021</b>	41
Additions	-
<b>Balance as at 31 March 2022</b>	41
Additions	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 1 April 2021</b>	41
Charge for the year	-
<b>Balance as at 31 March 2022</b>	41
Charge for the year	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
<b>Net carrying value</b>	-
<b>Balance as at 31 March 2022</b>	-
<b>Balance as at 31 March 2023</b>	-

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

^ 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 2023	As at 31 March 2022
<b>Buildings and flats</b>		
Fair value of investment properties	<b>1,623</b>	1,663
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	As at 31 March 2023	As at 31 March 2022
Rental income derived from investment properties (refer note 33)	<b>167</b>	137
Direct operating expenses from property (including repairs and maintenance) that generated rental income	<b>(1)</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 properties before depreciation	<b>166</b>	136
Depreciation	-	-
<b>Income from investment property (net)</b>	<b>166</b>	<b>136</b>

(\*) ₹ 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

- 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.
- 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 2023	As at 31 March 2022
Within one year	<b>133</b>	120
After one year but not more than five years	<b>198</b>	163
More than five years	-	-
<b>Total</b>	<b>331</b>	<b>283</b>

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**6 Intangible assets**

(₹ in lakhs)

Particulars	Amount (^)
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2021</b>	681
Additions	-
Disposals	(293)
<b>Balance as at 31 March 2022</b>	<b>388</b>
Additions	504
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>892</b>
<b>Accumulated amortisation</b>	
Balance as at 1 April 2021	666
Charge for the year	11
Reversal on disposal	(293)
<b>Balance as at 31 March 2022</b>	<b>384</b>
Charge for the year	131
Reversal on disposal	-
<b>Balance as at 31 March 2023</b>	<b>515</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2022</b>	<b>4</b>
<b>Balance as at 31 March 2023</b>	<b>377</b>

^ Intangible assets include only Computer softwares as at respective reporting dates

Note - For capital commitments, refer note 49.

**7 Intangible assets under development**

(₹ in lakhs)

Particulars	Amount (^)
<b>Balance as at 1 April 2021</b>	230
Additions *	166
Written off during the year^	(10)
<b>Balance as at 31 March 2022</b>	<b>386</b>
Additions	-
Capitalized during the year	(386)
<b>Balance as at 31 March 2023</b>	<b>-</b>

\* Including SAP Implementation cost which is capitalised during the current financial year.

^ This pertains to costing and export software development cost. Due to some technical issue, the same has not been completed and hence, cost incurred till date has been charged to standalone statement of profit and loss.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Ageing of Intangible assets under development

(₹ in lakhs)

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	
<b>Balance as at 31 March 2023</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2022</b>					
Project in progress	166	220	-	-	386
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2023 and as at 31 March 2022, 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 2023		As at 31 March 2022	
	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 Bearings (Thailand) Limited (face value THB 10 each) (refer note (iii) below)	-	-	14,666,666	2,413
NRB Holdings Limited (face value USD 1 each) (refer note (i) below)	<b>3,500,000</b>	<b>2,628</b>	3,500,000	2,628
<b>- Investment in Indian subsidiary (quoted) (at cost)</b>				
SNL Bearings Limited (face value ₹ 10 each)	<b>2,652,762</b>	<b>240</b>	2,652,762	240
<b>Total</b>		<b>2,868</b>		<b>5,281</b>

Aggregate carrying value of unquoted investments (gross) 2,628 5,041

Aggregate carrying value of quoted investments (gross) 240 240

Market value of the quoted investments 6,961 7,182

Aggregate amount of impairment in value of investments - -

### Notes:

- 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. Accordingly, in the previous financial year, a wholly owned subsidiary, "NRB Holdings Limited" (NHL), was incorporated in which the Company had subscribed to 35,00,000 equity shares having face value of USD 1 per share, at par, for a total consideration of ₹ 2,628 lakhs.
- The Board of Directors of the 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 became wholly owned step-down subsidiaries of the Company. During the previous year ended 31 March 2022, cumulative gain of ₹ 194 lakhs was realised and recorded under Other income (refer note 33).

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

- (iii) The Committee of Board of Directors of the Company at its meeting held on 28 January 2023 approved the transfer of entire equity stake held by the Company in "NRB Bearings Thailand Limited" (NRBT) to "NRB Holdings Limited" (NHL). Owing to such re-structuring, carrying value of such Investment in the subsidiary, amounting to ₹ 2,413 lakhs as at 31 March 2023 has been classified under "Assets held for sale".

The Company had investments in NRB Bearings (Thailand) Limited (NRBT) amounting to ₹ 2,413 lakhs (31 March 2022: ₹ 2,413 lakhs), has given loan (including interest receivable) amounting to ₹ 1,283 lakhs (31 March 2022: ₹ 1,329 lakhs), has trade receivables amounting to ₹ 2,127 lakhs (31 March 2022: ₹ 1,395 lakhs), has given advances amounting to ₹ 1,469 lakhs (31 March 2022: ₹ 328 lakhs) and has given guarantee amounting to ₹ 2,632 lakhs (31 March 2022: ₹ 2,489 lakhs). NRBT is wholly owned subsidiary of the Company, which is engaged in manufacture and marketing of bearing products in and around Thailand. During the year ended 31 March 2023, NRBT has reported a net profit of ₹ 935 lakhs (THB 41 million) (31 March 2022: ₹ 550 lakhs (THB 26 million)) but as at that date its accumulated losses aggregate to ₹ 855 lakhs (THB 38 million) (31 March 2022: ₹ 1,887 lakhs (THB 78 million)). The management has considered that the losses suffered by NRBT indicate a possible impairment in carrying value of the investment. The management has assessed that the recoverable value of its investment, determined by an external valuer, using 'Discounted Cash Flow' valuation model is higher than the carrying value of the investment in and other recoverable from NRBT. Determination of the recoverable amount required estimation and judgement around the key assumptions underpinning management's assessment including, but not limited to, projections of future cash flows, growth rates and future market and economic conditions.

### 9 Investments

Particulars	As at 31 March 2023		As at 31 March 2022	
	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)	8,541	91	8,541	80
Eicher Motors Limited (face value ₹ 1 each)	6,000	177	6,000	147
Hero Motocorp Limited (face value ₹ 2 each)	6,250	147	6,250	143
<b>(B) Unquoted</b>				
21st Century Battery Limited (face value ₹ 10 each)	10,000	1	10,000	1
Less: Provision for impairment in value		(1)		(1)
		<b>415</b>		<b>370</b>
<b>- Investment in mutual funds measured at fair value through profit and loss</b>				
Unquoted				
Kotak Liquid Fund Direct Plan - Growth	229	10	-	-
Kotak Overnight Fund Direct - Growth	116	1	-	-
DSP Black Rock Equity Fund	50,000	23	50,000	25
		<b>34</b>		<b>25</b>
<b>Total</b>		<b>449</b>		<b>395</b>
Refer Note 43 for information about fair value measurement				
<b>Notes:</b>				
Aggregate carrying value of quoted investments (gross)		415		370
Aggregate market value of quoted investments		415		370
Aggregate carrying value of unquoted investments (gross)		35		26
Aggregate amount of impairment in value of investments		(1)		(1)

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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 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 Other non-current financial assets (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(Unsecured, considered good)</b>		
Security deposits	701	480
Margin money deposits with the maturity of more than 12 months (Refer note (i) below)	375	337
<b>Total</b>	<b>1,076</b>	<b>817</b>

#### Notes -

- (i) Held as lien by bank against bank guarantees amounting to ₹ 371 lakhs (31 March 2022: ₹ 332 lakhs)
- (ii) Refer Note 44 for information about credit risk.

### 11 Income tax assets (net) (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance taxes paid (net of provision for tax ₹ 26,182 lakhs (31 March 2022 - ₹ 26,182 lakhs))	2,919	2,919
<b>Total</b>	<b>2,919</b>	<b>2,919</b>

### 12 Other non-current assets (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	362	606
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	30	43
Balance with statutory authorities	433	433
<b>Total</b>	<b>700</b>	<b>957</b>

### 13 Inventories (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials and components (including goods-in-transit ₹ 694 lakhs (31 March 2022 - ₹ 907 lakhs))	9,682	8,675
Work-in-progress	8,326	6,580
Finished goods (including goods-in-transit ₹ 365 lakhs (31 March 2022 - ₹ 1,769 lakhs)(refer note (i) below)	4,949	4,594
Stores and spares	6,151	5,587
<b>Total</b>	<b>29,108</b>	<b>25,436</b>

#### Notes -

- (i) During the year, finished goods inventories of ₹ 1,049 lakhs (31 March 2022 - ₹ 455 lakhs) is written down to its realisable value of ₹ 821 lakhs (31 March 2022 - ₹ 360 lakhs).
- (ii) The provision towards slow moving and obsolete inventories as at 31 March 2023 is ₹ 1,960 lakhs (31 March 2022 - ₹ 1,382 lakhs)
- (iii) Also, refer note 26, note 40 and note 48 .

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 14 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Receivables from</b>		
- Related parties (Refer note (i) below and note 47(ii))	8,000	1,676
- Others	20,750	22,299
Less: Allowance for expected credit loss - Others	<b>(2,932)</b>	<b>(1,879)</b>
<b>Total</b>	<b>25,818</b>	<b>22,096</b>
Current portion	25,818	22,096
Non current portion	-	-
<b>Break up of security details</b>		
Considered good - secured	92	104
Considered good - unsecured	26,665	22,549
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	1,993	1,322
	<b>28,750</b>	<b>23,975</b>
Loss: Allowance for expected credit loss	<b>(2,932)</b>	<b>(1,879)</b>
<b>Total</b>	<b>25,818</b>	<b>22,096</b>

#### Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2022 - ₹ 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 2023 includes trade receivables amounting to ₹ 5,020 lakhs (31 March 2022: ₹ 3,886 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 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) Refer note 44 for information about credit risk and market risk of trade receivables.
- (vi) Refer note 26 and note 48 for information about assets pledged as security for current borrowings.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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	19,097	4,864	1,989	641	56	110	26,757
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>19,097</b>	<b>4,864</b>	<b>1,989</b>	<b>1,427</b>	<b>307</b>	<b>1,066</b>	<b>28,750</b>
Less : Allowance for expected credit loss							(2,932)
<b>Carrying amount of trade receivables</b>							<b>25,818</b>

### Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2022

(₹ 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	15,932	4,938	1,128	655	-	-	22,653
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	359	554	409	1,322
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>15,932</b>	<b>4,938</b>	<b>1,128</b>	<b>1,014</b>	<b>554</b>	<b>409</b>	<b>23,975</b>
Less : Allowance for expected credit loss							(1,879)
<b>Carrying amount of trade receivables</b>							<b>22,096</b>



## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 15 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks in:		
- Current accounts	2,466	3,722
- Exchange Earners' Foreign Currency account	1,485	1,340
Cash on hand (*)	0	3
<b>Total</b>	<b>3,951</b>	<b>5,065</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 26, note 44 and note 48.

### 16 Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Unpaid dividend bank account (refer note (i) and note (ii) below)	788	179
Margin money deposits (refer note (iii) below)	185	195
<b>Total</b>	<b>973</b>	<b>374</b>

Notes -

(i) This represents earmarked balance in respect of unpaid dividends

(₹ in lakhs)

Financial year	As at 31 March 2023	As at 31 March 2022
2014-15 (refer note (ii) below)	-	3
2015-16	3	3
2016-17	4	4
2017-18	8	8
2018-19	6	6
2019-20	2	2
2020-21	153	153
2021-22	612	-
<b>Total</b>	<b>788</b>	<b>179</b>

(ii) The unclaimed dividend transferred to Investor Educations and Protection Fund during the year is ₹ 3 lakhs (31 March 2022 - ₹ 2 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 75 lakhs (31 March 2022: ₹ 131 lakhs)

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 17 Loans

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unsecured, considered good</b>		
Inter corporate deposits - related party (refer note (i) below, note 47(ii) and note 53)	3,625	1,329
Loans to employees	27	22
<b>Unsecured, considered credit impaired</b>		
Loans to employees	15	15
<b>Total</b>	<b>3,667</b>	<b>1,366</b>
Less: Loss allowance	(15)	(15)
<b>Total</b>	<b>3,652</b>	<b>1,351</b>
<b>Break up of security details</b>		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	3,652	1,351
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
<b>Total</b>	<b>3,667</b>	<b>1,366</b>
Loss allowance	(15)	(15)
<b>Total</b>	<b>3,652</b>	<b>1,351</b>

#### Notes -

(i)

Particulars	Nature	As at 31 March 2023			As at 31 March 2022		
		Rate	Amount	Amount (₹ lakhs)	Rate	Amount	Amount (₹ lakhs)
NRB Bearings (Thailand) Limited	Principal	7.50%	THB 53.35 million	1,284	4.90%	THB 58.35 million	1,329
NRB Holdings Limited, Dubai	Principal	7.50%	USD 2.78 million	2,288	-	-	-
NRB Holdings Limited, Dubai	Interest accrued	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 44 for information about credit risk and market risk for loans.

(iv) Refer note 26 and note 48 for information about assets pledged as security for current borrowings.

(v) Refer note 53 for disclosure under section 186(4) of the Companies Act, 2013.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 18 Other financial assets

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Derivative assets (refer note below)	-	184
Rent receivable	32	-
Others	1	3
<b>Total</b>	<b>33</b>	<b>187</b>

#### Notes

- (i) During the current year, the Company had unwound one of its cross-currency interest rate swap hedge contract and accordingly recorded a gain of ₹ 397 lakhs which is classified under other income.
- (ii) Refer note 26 and note 48 for information about assets pledged as security for current borrowings.

### 19 Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to suppliers -		
- Related parties (refer note (i) and note 47(ii) below)	1,635	336
- Others	1,372	1,234
Less: Loss allowance - Others	(501)	(501)
Export incentive and duty drawback receivable	124	428
Balance with government authorities	4,123	2,373
Prepaid expenses	190	332
<b>Total</b>	<b>6,943</b>	<b>4,202</b>

#### Notes

- (i) includes ₹ 0(\*) lakhs (31 March 2022 - ₹ 5 lakhs) due from a private company in which director of the Company is a director.
- (ii) Refer note 26 and note 48 for information about assets pledged as security for current borrowings.
- (\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### 20 Assets held-for-sale

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Group of property, plant and equipment held for sale (refer note (i) below)</b>		
Freehold land	5	5
Furniture and 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	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>2,466</b>	<b>53</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Notes

- (i) The Board of directors at its meeting held on 22 January 2022 had approved sale/transfer/disposal of land and building of Thane (freehold) and Chikalthana (leasehold), upon closure of these plants. This decision is taken to prepare for a leaner and more cost effective manufacturing structure, consequent upon entry of e-vehicles and a gradual shift to manufacturing e-mobility agnostic products. Accordingly, it has been decided to close or transfer operations at the smaller plants of the Company situated at (1) 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra and (2) E-40, M.I.D.C. Industrial Area, Chikalthana, Aurangabad-431 006, Maharashtra.

#### Land and building at Thane

The management is in the process of getting the sale agreement executed with an identified buyer for land and building along with other immovable property, plant and equipment situated at Thane.

#### Land and building at Chikalthana

The management is in process of finalising the plan for closure of operations/transfer/disposal of Chikalthana plant and till such time, all these assets in use, have continued to be disclosed as part of property, plant and equipment as the closure of operations/transfer/disposal is not expected to be completed within next 12 months.

- (a) Further, the fair value of these assets is higher than its carrying value as on 31 March 2023 and hence, no impairment loss have been recognised.
- (b) Assets held-for-sales for sale are not depreciated or amortised.
- (ii) The Board of Directors of the Company at its meeting held on 28 January, 2023 approved the transfer of entire equity stake held by the Company in "NRB Bearings Thailand Limited" (NRBT) to "NRB Holdings Limited" (NHL). Owing to such re-structuring, carrying value of such Investment in the subsidiary, amounting to ₹ 2,413 lakhs as at 31 March 2023 has been classified under "Assets held for sale". There is no loss on such re-classification and the expected surplus on the transfer will be recognised during the period in which the transfer is effected and control is transferred.

## 21 Equity share capital

(₹ in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
<b>Authorised share capital</b>		
100,000,000 (31 March 2022: 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 2022: 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 31 March 2023		As at 31 March 2022	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	96,922,600	1,938	96,922,600	1,938
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>96,922,600</b>	<b>1,938</b>	<b>96,922,600</b>	<b>1,938</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### (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 Indian Rupee. Further, dividend proposed by the Board of Directors is subject to approval of shareholders in the Annual General Meeting (refer note 45(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.

### (iii) Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
(Late) Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	33,809,300	34.88%	33,809,300	34.88%
Harshbeena Sahney Zaveri	11,266,892	11.62%	11,100,917	11.45%
Nalanda India Equity Fund Limited	9,682,667	9.99%	9,682,667	9.99%
HDFC Small Cap Fund	8,963,982	9.25%	8,963,982	9.25%

### (iv) Details of shareholding of promoter and promoter group of the company:

Name of promoters	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
Devesh Singh Sahney	<b>850,089</b>	<b>0.88%</b>	-	850,089	0.88%	-
Trilochan Singh Sahney (Late)	<b>1,000</b>	<b>0.00%</b>	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	<b>33,809,300</b>	<b>34.88%</b>	-	33,809,300	34.88%	-
Harshbeena S Zaveri	<b>11,266,892</b>	<b>11.62%</b>	<b>1.50%</b>	11,100,917	11.45%	1.77%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	<b>411,900</b>	<b>0.42%</b>	-	411,900	0.42%	-
Bhupinder Singh Sahney	<b>26,680</b>	<b>0.03%</b>	-	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	<b>303,495</b>	<b>0.31%</b>	-	303,495	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>1,096,521</b>	<b>1.13%</b>	<b>8.16%</b>	1,013,770	1.05%	0.10%
Anupa Rajiv Sahney	<b>773,021</b>	<b>0.80%</b>	-	773,021	0.80%	100.00%
<b>Total</b>	<b>48,563,570</b>	<b>50.11%</b>		<b>48,314,844</b>	<b>49.85%</b>	

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

Name of promoters	As at 31 March 2022			As at 31 March 2021		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
Devesh Singh Sahney	850,089	0.88%	-	850,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	33,809,300	34.88%	-	33,809,300	34.88%	-
Harshbeena S Zaveri	11,100,917	11.45%	1.77%	10,907,940	11.25%	5.04%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	411,900	0.42%	-	411,900	0.42%	-
Bhupinder Singh Sahney	26,680	0.03%	-	26,680	0.03%	-
Hanwantbir Kaur Sahney	-	0.00%	-	-	0.00%	-
Jasjiv Singh Devinder Singh Sahney	303,495	0.31%	-	303,495	0.31%	-
Mallika Sahney	4,920	0.01%	-	4,920	0.01%	-
Rajiv Devinder Sahney	-	0.00%	-100.00%	747,021	0.77%	-
Sahir Zaveri	19,752	0.02%	-	19,752	0.02%	-
Aziz Yousuf Zaveri	1,013,770	1.05%	0.10%	1,012,770	1.04%	48.16%
Anupa Rajiv Sahney	773,021	0.80%	100.00%	-	0.00%	-
<b>Total</b>	<b>48,314,844</b>	<b>49.85%</b>		<b>48,094,867</b>	<b>49.61%</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 2023. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2023.

## 22 Other equity

### Summary of other equity balance

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Securities premium	848	848
General reserve	12,771	12,771
Capital redemption reserve	11	11
Retained earnings	48,053	41,404
Fair value gain on equity instruments through other comprehensive income	412	370
Cash flow hedge reserve	147	371
<b>Total</b>	<b>62,242</b>	<b>55,775</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Nature and purpose of reserves

#### (i) Securities premium

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<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)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>12,771</b>	12,021
Add - transfer from debenture redemption reserve	-	750
<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)

	As at 31 March 2023	As at 31 March 2022
<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) Debenture redemption reserve

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>11</b>	750
Less - transfer to general reserve	-	(750)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

The Company had issued non-convertible debentures and accordingly debenture redemption reserve was required to be created in accordance with the Companies (Share capital and debentures) Rules 2014. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019, relaxation has been provided to certain companies from creation of debenture redemption reserve. Thus, basis such amendment, the Company is no longer required to create debenture redemption reserve.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### (v) Retained earnings (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>41,404</b>	34,836
Add - Profit for the year	<b>8,580</b>	7,014
Add - Other comprehensive income for the year (refer note 42)	<b>7</b>	39
Less - Final dividend paid for the financial year ended 31 March 2022 of ₹ 2 per share (31 March 2021 - ₹ 0.5) (refer note 45(iii))	<b>(1,938)</b>	(485)
<b>Balance at the end of the year</b>	<b>48,053</b>	<b>41,404</b>

Retained earnings represents the accumulated profits / losses made by the Company over the years.

### (vi) Fair value gain/(loss) on equity instruments measured through OCI (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>370</b>	419
Add - Change in fair value of FVOCI equity instrument (refer note 42)	<b>42</b>	(49)
<b>Balance at the end of the year</b>	<b>412</b>	<b>370</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)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>371</b>	131
Add - Change in fair value of derivative hedging instrument (refer note 42)	<b>(224)</b>	240
<b>Balance at the end of the year</b>	<b>147</b>	<b>371</b>

It represents the effective portion of the fair value of option contracts designated as cashflow hedge.

## 23 Borrowings (non-current) (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Term loan from banks - secured (Refer note (a) below)	<b>6,486</b>	5,899
Deferred sales tax loan - unsecured (Refer note (b) below)	<b>73</b>	146
<b>Total</b>	<b>6,559</b>	<b>6,045</b>



## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Notes -

(₹ in lakhs)

	Particulars	Security	Terms of repayment of principal	Number of installment outstanding	Rate of interest (per annum)	As at 31 March 2023	As at 31 March 2022
<b>a</b>	<b>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	1	9.25%	833	1,667
	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	9	1 year MCLR+0.50%	2,908	4,066
	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	19	8.6% (1 year MCLR + 0%)	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	42	3 Month T-Bill +2.09%	2,188	2,500
					<b>Total</b>	<b>10,007</b>	<b>8,233</b>
	<b>Comprises of</b>						
	Long term borrowings					<b>6,486</b>	5,899
	Current maturities of long term debt(^)					<b>3,521</b>	2,334
						<b>10,007</b>	<b>8,233</b>
<b>b</b>	<b>Deferred sales tax loan</b>						
	Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	3	-	<b>146</b>	253
					<b>Total</b>	<b>146</b>	<b>253</b>
	<b>Comprises of</b>						
	Long term borrowings					<b>73</b>	146
	Current maturities of long term debt (^)					<b>73</b>	107
						<b>146</b>	<b>253</b>

\* The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 48.

^ Includes interest / instalments payable, recognised as part of carrying value of financial liabilities at amortised cost.

Note - Refer note 46 for cash flow changes in liabilities arising from financial activities.

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**24 Other non-current financial liabilities** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	95	109
<b>Total</b>	<b>95</b>	<b>109</b>

Refer note 44 for information about liquidity risk of other financial liabilities.

**25 Other non-current liabilities** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid rent received	12	2
<b>Total</b>	<b>12</b>	<b>2</b>

**26 Borrowings (current)** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>		
<b>Loans from banks - repayable on demand</b>		
- Packing credit loan	12,014	11,020
- Working Capital demand loan	7,535	7,522
<b>Current maturities of non-current borrowings (refer note 23)</b>		
- Term loan from banks	3,521	2,334
- Deferred sales tax loan	73	107
<b>Total</b>	<b>23,143</b>	<b>20,983</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 2021</b>	<b>22,820</b>	<b>60</b>
Non cash movement - additions to / reassessment of lease liabilities	(87)	911
Cash flows (net) (refer note 46)	4,295	(141)
<b>As at 31 March 2022</b>	<b>27,028</b>	<b>830</b>
Non cash movement - additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 46)	2,674	(160)
<b>As at 31 March 2023</b>	<b>29,702</b>	<b>670</b>

**Notes -**

- (i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 48.
- (ii) Packing credit loan amounting to ₹ 12,014 lakhs (31 March 2022 - ₹ 11,020 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 6.34% (31 March 2022 - 4.42%) and for Working capital demand loan is 7.03% (31 March 2022 - 6.00%).
- (iii) The monthly statement of current assets filed by the Company with banks are in agreement with the books of account.
- (iv) Refer note 44 for liquidity risk and market risk.
- (v) Refer note 45 for capital management.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 27 Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (Refer note (iv) below)	2,453	2,375
Total outstanding dues of creditors other than micro enterprises and small enterprises *	8,489	7,460
<b>Total</b>	<b>10,942</b>	<b>9,835</b>

\* includes dues to related party (refer note 47(ii))

#### Notes -

- (i) Refer note 44 for information about liquidity risk and market risk of trade payables.
- (ii) From total trade payables mentioned above, payables against unbilled dues are ₹ 970 lakhs (31 March 2022 - ₹ 1,342 lakhs).
- (iii) The outstanding balances as at 31 March 2023 includes trade payables amounting to ₹ 428 lakhs (31 March 2022: ₹ 155 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.
- (iv) **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 31 March 2023	As at 31 March 2022
(a) The principal amount remaining unpaid to any supplier at the end of the year	2,111	2,260
(b) Interest due remaining unpaid to any supplier at the end of the year	342	115
(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	9,334	1,414
(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	342	115
(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	227	70

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 vendors under the said Act, as per the intimation received from them on requests made by the Company.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Ageing for trade payables outstanding as at 31 March 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from date of transaction					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	
MSME	2,189	244	13	7	-	<b>2,453</b>
Others	4,472	2,822	197	28	-	<b>7,519</b>
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>6,661</b>	<b>3,066</b>	<b>210</b>	<b>35</b>	-	<b>9,972</b>
Add- Unbilled dues						970
						<b>10,942</b>

### Ageing for trade payables outstanding as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from date of transaction					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	
MSME	958	1,365	49	3	-	<b>2,375</b>
Others	511	5,534	32	41	-	<b>6,118</b>
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
	<b>1,469</b>	<b>6,899</b>	<b>81</b>	<b>44</b>	-	<b>8,493</b>
Add- Unbilled dues						1,342
						<b>9,835</b>

## 28 Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Derivative liability	<b>6</b>	-
Deposits from dealers	<b>200</b>	207
Unclaimed dividends (refer note (ii) below)	<b>788</b>	179
Creditors for capital goods	<b>92</b>	193
Employee related payables	<b>1,148</b>	1,206
<b>Total</b>	<b>2,234</b>	<b>1,785</b>

### Notes:

- (i) Refer note 44 for information about liquidity risk and market risk of other current financial liabilities.
- (ii) Refer note 16 for amounts transferred to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**29 Other current liabilities (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Advance from customers	337	93
Statutory dues	665	407
Prepaid rent	10	8
Other advances	-	72
<b>Total</b>	<b>1,012</b>	<b>580</b>

**30 Provisions (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- Compensated absences (refer note 50(c))	844	1,011
- Gratuity (refer note 50(b)(iv))	150	232
<b>Total</b>	<b>994</b>	<b>1,243</b>

**31 Current tax liabilities (net) (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liabilities (net)	63	145
<b>Total</b>	<b>63</b>	<b>145</b>
<b>Current tax liabilities (net) movement :</b>		
<b>Current tax liabilities (net) at the beginning</b>	<b>145</b>	<b>110</b>
Add : Provision for tax during the year	3,098	2,278
Less : Advance tax and TDS paid during the year	(3,180)	(2,243)
<b>Current tax liabilities (net) at the end</b>	<b>63</b>	<b>145</b>

**32 Revenue from operations (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Sale of products (Also refer note 47(ii))</b>		
Finished goods - Bearings	100,303	88,938
<b>Other operating revenues</b>		
Scrap sales	1,384	1,281
Export incentives	569	928
Other operating income	54	97
<b>Total</b>	<b>102,310</b>	<b>91,244</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Notes

#### (i) Disaggregated revenue

##### - Revenue based on geography (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Within India	77,910	65,001
Outside India	24,400	26,243
<b>Total</b>	<b>102,310</b>	<b>91,244</b>

##### - Revenue based on timing of recognition (₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue recognition at a point in time	102,310	91,244
Revenue recognition over period of time	-	-
<b>Total</b>	<b>102,310</b>	<b>91,244</b>

##### - Reconciliation of revenue from operations with contract price (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	104,338	93,896
Less : Discounts, Incentives and others	(909)	(1,571)
Less : Sales returns	(1,119)	(1,081)
<b>Total</b>	<b>102,310</b>	<b>91,244</b>

#### Notes -

- (a) There is no reconciliation between the contract price and revenue from customers except as disclosed above.
- (b) The above figures have been extracted from MIS generated report, to compute time and material and fix bid revenue.

### 33 Other income (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend income on investment in equity shares of subsidiary company (refer note 47(ii))	173	119
Dividend income on financial assets measured at FVOCI	8	7
Dividend income on financial assets measured at FVTPL	2	2
Interest income on financial assets measured at amortised cost		
- On bank deposits	26	20
- On inter corporate deposits (refer note 47(ii))	133	71
Fair value changes on financial assets measured at FVTPL	-	1
Fair valuation gain on derivative contracts measured at FVPTL	358	-
Profit on sale of property, plant and equipment's	96	13
Rental income	167	137
Gain on foreign currency exchange rate fluctuations (net)	1,444	898

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

Gain on sale of investment in equity shares of subsidiaries (refer note 47(ii))	-	194
Interest on electricity deposits	7	12
Insurance claim received	36	21
Liabilities no longer required written back	75	140
Others	26	10
<b>Total</b>	<b>2,551</b>	<b>1,645</b>

**34 Cost of materials consumed (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening stock	8,675	5,382
Add: Purchases (also refer note 47 (ii))	50,577	44,242
Less: Closing stock (refer note 13)	(9,682)	(8,675)
<b>Total</b>	<b>49,570</b>	<b>40,949</b>
Add: Exceptional items (refer Note 40)	-	688
<b>Total</b>	<b>49,570</b>	<b>41,637</b>

**35 Changes in inventories of finished goods and work-in-progress (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Opening inventories</b>		
Finished goods	4,594	3,137
Work-in-progress	6,580	5,052
	<b>11,174</b>	<b>8,189</b>
<b>Closing inventories (refer note 13)</b>		
Finished goods	(4,949)	(4,594)
Work-in-progress	(8,326)	(6,580)
	<b>(13,275)</b>	<b>(11,174)</b>
<b>Total</b>	<b>(2,101)</b>	<b>(2,985)</b>
Add: Exceptional items (refer Note 40)	-	354
<b>Total</b>	<b>(2,101)</b>	<b>(2,631)</b>

**36 Employee benefits expense (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages *	10,728	11,032
Contribution to provident and other funds (refer note 50(a))*	574	578
Staff welfare expenses	591	571
<b>Total</b>	<b>11,893</b>	<b>12,181</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 832 lakhs (31 March 2022 - ₹ 906 lakhs) (refer note 47(iv)).

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**37 Finance costs**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Interest expense on financial liabilities measured at amortised cost</b>		
- Long term borrowings	635	757
- Short term borrowings	891	620
Interest on lease liabilities (refer note 51(ii))	74	67
Interest payable to MSME vendors	227	70
Other borrowing costs	25	30
<b>Total</b>	<b>1,852</b>	<b>1,544</b>

**38 Depreciation and amortisation expenses**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 3)	3,264	3,076
Depreciation on right to use assets (refer note 51(ii))	202	175
Amortisation on intangible assets (refer note 6)	131	11
<b>Total</b>	<b>3,597</b>	<b>3,262</b>

**39 Other expenses**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	6,655	7,181
Processing charges	1,374	1,731
Power and fuel	3,935	3,335
Repairs and maintenance -		
Buildings	306	245
Plant and equipment's	471	398
Others	198	74
Insurance	285	214
Rent (refer note 51(ii))	182	152
Rates and taxes	328	135
Legal and professional fees	1,145	1,126
Directors' fees and commission (refer note 47(ii))	53	53
Commission on sales	953	729
Travelling and conveyance	498	186
Postage and communication expenses	31	52
Bank charges	92	116
Advertisement and sales promotion expenses (refer note 47(ii))	731	1,016
Forwarding charges	4,049	4,776
Bad debts written off (net of amounts provided ₹ Nil (31 March 2022 ₹ 2,692 lakhs))	69	54
Provision for doubtful debts*	-	350



## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

Information technology expenses	<b>683</b>	467
Provision for doubtful advances	<b>28</b>	122
Contract labour	<b>3,837</b>	3,121
Sanitation and housekeeping expenses	<b>224</b>	231
Export expenses	<b>383</b>	232
Security charges	<b>366</b>	324
Fair value changes on financial assets measured at FVTPL	<b>2</b>	-
Fair valuation loss on derivative contracts measured at FVPTL	<b>-</b>	27
Auditors' remuneration (refer note (i) below)	<b>100</b>	113
Expenditure on corporate social responsibility (refer note 52)	<b>127</b>	147
Miscellaneous expenses	<b>512</b>	494
<b>Total</b>	<b>27,617</b>	<b>27,201</b>

\* Provision for doubtful debts are net of amount classified as exceptional items of ₹ 1,053 lakhs (31 March 2022 - ₹ 1,435) (refer note 40)

### 39.1 Auditors' remuneration (excluding goods and service tax) (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditors - audit and limited review	<b>65</b>	84
Tax audit	<b>4</b>	3
GST audit	<b>8</b>	7
Transfer pricing attestation	<b>10</b>	9
Other matters	<b>8</b>	8
Reimbursement of expenses	<b>5</b>	2
<b>Total</b>	<b>100</b>	<b>113</b>

### 40 Exceptional items - (loss) / gain (net) (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gain on reversal of provision on inventories of :		
- Raw materials (refer note (i) below)	-	688
- Work-in-progress (refer note (i) below)	-	240
- Finished goods (refer note (i) below)	-	114
Provision for doubtful trade receivables (refer note (ii) below)	<b>(1,053)</b>	(1,435)
<b>Total</b>	<b>(1,053)</b>	<b>(393)</b>

#### Notes :-

- (i) During the previous financial year, the Company had reassessed its estimates with respect to inventory provisioning policy based on the actual consumption of raw materials and actual conversion / sale of work-in-progress and finished goods inventories respectively. The excess provision on account of changes in estimates adjusted in the standalone statement of profit and loss is treated as an exceptional gain.
- (ii) During the current and 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 41 Tax expense in standalone statement of profit and loss (including other comprehensive income ('OCI'))

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Current tax expense</b>		
Current tax for the year	3,098	2,278
<b>Total current tax expense</b>	<b>3,098</b>	<b>2,278</b>
<b>Deferred taxes</b>		
Relating to origination and reversal of temporary differences recognised through profit and loss	(298)	10
Relating to origination and reversal of temporary differences recognised through OCI	(74)	115
<b>Total deferred tax expense (net)</b>	<b>(372)</b>	<b>125</b>
<b>Total tax expense</b>	<b>2,726</b>	<b>2,403</b>

### 41.1 Tax reconciliation (for profit and loss including OCI)

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Profit before income tax expense</b>	<b>11,380</b>	9,302
Tax at the rate of 25.17% (31 March 2022 - 25.17%)	2,864	2,341
<b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b>		
Non deductible expenses for tax purpose	89	67
Additional allowances for tax purpose	(148)	-
Others	(79)	(5)
<b>Income tax expense</b>	<b>2,726</b>	<b>2,403</b>

### 41.2 Deferred tax related to the following

(₹ in lakhs)

Deferred tax liabilities (net)	As at 31 March 2021	Recognised through profit and loss and OCI	As at 31 March 2022	Recognised through profit and loss and OCI	As at 31 March 2023
<b>Deferred tax liabilities on account of:</b>					
Difference between book and tax depreciation	(2,365)	37	(2,328)	90	(2,238)
IND AS 116 (Right of use asset)	(46)	(196)	(242)	84	(158)
Financial liabilities measured at amortised cost	(4)	-	(4)	1	(3)
Fair valuation of derivative contracts	(17)	7	(10)	10	(0)
Others	(5)	12	7	21	28
<b>Total deferred tax liabilities</b>	<b>(2,437)</b>	<b>(140)</b>	<b>(2,577)</b>	<b>206</b>	<b>(2,371)</b>

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

<b>Deferred tax assets on account of:</b>					
Provision for gratuity	<b>31</b>	27	<b>58</b>	(20)	<b>38</b>
Amortisation of borrowings	<b>4</b>	-	<b>4</b>	(4)	-
Provident fund contribution	<b>19</b>	-	<b>19</b>	-	<b>19</b>
Provision for doubtful trade receivables	<b>702</b>	(227)	<b>475</b>	263	<b>738</b>
Voluntary retirement compensation	-	13	<b>13</b>	-	<b>13</b>
Provision for compensated absence	<b>245</b>	8	<b>253</b>	(41)	<b>212</b>
Lease liabilities	<b>54</b>	194	<b>248</b>	(80)	<b>168</b>
Fair valuation of derivative contracts	-	-	-	48	<b>48</b>
<b>Total deferred tax assets</b>	<b>1,055</b>	<b>15</b>	<b>1,070</b>	<b>166</b>	<b>1,236</b>
<b>Total deferred tax liabilities (net)</b>	<b>1,382</b>	<b>125</b>	<b>1,507</b>	<b>(372)</b>	<b>1,135</b>

**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.

**42 Other comprehensive income (OCI)**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
<b>- Items that will not be reclassified to profit or loss</b>		
Actuarial gain on remeasurements of the net defined benefit plans	9	73
Fair value changes on equity instruments measured through other comprehensive income	42	(49)
Income tax relating to items that will not be reclassified to profit or loss	(2)	(34)
	<b>49</b>	<b>(10)</b>
<b>- Items that will be reclassified to profit or loss</b>		
Remeasurement (loss) / gain on derivative hedging instruments	(300)	321
Income tax credit / (charge) relating to items that may be reclassified to profit or loss	76	(81)
	<b>(224)</b>	<b>240</b>
<b>Total</b>	<b>(175)</b>	<b>230</b>

**43 Fair value measurements**
**Financial instruments by category -**
**(₹ in lakhs)**

<b>Particulars</b>	<b>31 March 2023</b>			<b>31 March 2022</b>		
	<b>FVOCI</b>	<b>FVTPL</b>	<b>Amor- tised cost</b>	<b>FVOCI</b>	<b>FVTPL</b>	<b>Amor- tised cost</b>
<b>Financial assets - non-current</b>						
Investments (other than subsidiaries)(*)	415	34	-	370	25	-
Other financial assets	-	-	1,076	-	-	817

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

<b>Financial assets - current</b>						
Trade receivables *	-	-	25,818	-	-	22,096
Cash and cash equivalents	-	-	3,951	-	-	5,065
Bank balances other than cash and cash equivalents	-	-	973	-	-	374
Loans	-	-	3,652	-	-	1,351
Other financial assets*	-	-	33	-	184	3
	<b>415</b>	<b>34</b>	<b>35,503</b>	<b>370</b>	<b>209</b>	<b>29,706</b>
<b>Financial liabilities - non-current</b>						
Borrowings	-	-	6,559	-	-	6,045
Lease liabilities	-	-	501	-	-	670
Other financial liabilities	-	-	95	-	-	109
<b>Financial liabilities - current</b>						
Short term borrowings (including current maturities of non-current borrowings)	-	-	23,143	-	-	20,983
Lease liabilities	-	-	169	-	-	160
Trade payables	-	-	10,942	-	-	9,835
Other financial liabilities	-	6	2,228	-	-	1,785
	-	<b>6</b>	<b>43,637</b>	-	-	<b>39,587</b>

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 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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 and mutual fund are based on the quoted market prices. 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.

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

(₹ in lakhs)

Particulars	31 March 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investment in mutual fund measured at FVTPL	34	-	-	25	-	-
Investments in equity instrument measured at FVOCI	415	-	-	370	-	-
Derivative assets	-	-	-	-	184	-
<b>Financial liabilities</b>						
Derivative liabilities	-	6	-	-	-	-

### 44 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.

#### 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).

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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.

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.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from top customer	5%	6%
Revenue from top 5 customers	20%	19%

### 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>	<b>19,097</b>	<b>6,853</b>	<b>807</b>	<b>1,993</b>	<b>28,750</b>
Expected loss rate	1.56%	9.35%	0.00%	100.00%	
Expected credit loss (b)	298	641	-	1,993	<b>2,932</b>
<b>Carrying amount of trade receivables (a-b)</b>	<b>18,799</b>	<b>6,212</b>	<b>807</b>	<b>-</b>	<b>25,818</b>

### Expected credit loss for trade receivables as on 31 March 2022

(₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
<b>Gross trade receivables (a)</b>	<b>15,932</b>	<b>6,066</b>	<b>655</b>	<b>1,322</b>	<b>23,975</b>
Expected loss rate	1.20%	3.45%	23.97%	100.00%	
Expected credit loss (b)	191	209	157	1,322	<b>1,879</b>
<b>Carrying amount of trade receivables (a-b)</b>	<b>15,741</b>	<b>5,857</b>	<b>498</b>	<b>-</b>	<b>22,096</b>

**Note** - Balances under the classification of "More than 1 Year" 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 2023	As at 31 March 2022
Opening provision	<b>1,879</b>	2,786
Add - additional provision made during the year	<b>1,122</b>	1,785
Less - bad debts written off	<b>(69)</b>	(2,692)
<b>Closing provision</b>	<b>2,932</b>	<b>1,879</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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	33
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>3,652</b>	<b>3,951</b>	<b>973</b>	<b>33</b>

### Expected credit loss for other financial assets as on 31 March 2022

(₹ 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	1,351	187	374	187
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>1,351</b>	<b>187</b>	<b>374</b>	<b>187</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 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>
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>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

**As at 31 March 2022**
**(₹ in lakhs)**

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	2,681	3,364	<b>6,045</b>
Short term borrowings (including current maturities of non-current borrowings)	20,983	-	-	<b>20,983</b>
Trade payables	9,835	-	-	<b>9,835</b>
Lease liabilities (current and non-current)	160	169	501	<b>830</b>
Other non-current financial liabilities	-	109	-	<b>109</b>
Other current financial liabilities	1,785	-	-	<b>1,785</b>
<b>Total</b>	<b>32,763</b>	<b>2,959</b>	<b>3,865</b>	<b>39,587</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 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.

#### Impact of hedging activities

(i) Disclosures of effects of hedge accounting in standalone balance sheet -

**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	Apr 2021 - Jul 2025	1:1	87.30	(164)	164



**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**As at 31 March 2022**
**(₹ 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 <i>Derivative instruments</i> (i) Cross currency swaps	EUR 54	144	-	Apr 2021 - Jul 2025	1:1	87.53	357	(357)

**(ii) Disclosure of effects of hedge accounting in standalone statement of profit and loss**
**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) (397)	Revenue Foreign exchange loss / (gain) *

\* During the current year, 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.

**For the year ended 31 March 2022**
**(₹ 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	(357)	-	(57) 21	Revenue Foreign exchange loss / (gain)

**(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 2021</b>	<b>(131)</b>
Add - Changes in fair value of hedging instruments	(357)
Less - Amounts reclassified to standalone statement of profit or loss	36
Less - Deferred tax relating to above (net)	81

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

<b>Balance as at 31 March 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>

The Company's exposure to foreign currency risk at the end of reporting period are as under:

**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	-	-
	<b>299</b>	<b>1,791</b>	<b>-</b>	<b>2</b>	<b>2,012</b>	<b>3</b>	<b>2</b>
<b>Financial assets</b>							
Trade receivables	6,883	10,888	-	-	-	-	-
Inter corporate deposits to related parties (including interest receivable)	2,342	-	1,283	-	-	-	-
Balance with government authorities		1,872	-	-	-	-	-
Bank balance in EEFC account	343	1,142	-	-	-	-	-
	<b>9,568</b>	<b>13,902</b>	<b>1,283</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<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>

**As at 31 March 2022**

(₹ in lakhs)

Particulars	USD	EURO	THB	CHF	JPY	AED	GBP
<b>Financial liabilities</b>							
Trade payables	662	348	-	9	1,534	-	-
Creditors for capital goods	-	-	-	-	108	-	-
Foreign currency forward contracts	(1,380)	(213)	-	-	-	-	-
	<b>(718)</b>	<b>135</b>	<b>-</b>	<b>9</b>	<b>1,642</b>	<b>-</b>	<b>-</b>
<b>Financial assets</b>							
Trade receivables	7,374	10,659	-	-	-	-	-
Inter corporate deposits to related parties (including interest receivable)	-	-	1,329	-	-	-	-
Balance with government authorities	-	1,307	-	-	-	-	-
Bank balance in Earners' Exchange Foreign Currency account	606	735	-	-	-	-	-
Forward contract receivables	-	(1,483)	-	-	-	-	-
	<b>7,980</b>	<b>11,218</b>	<b>1,329</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>8,698</b>	<b>11,083</b>	<b>1,329</b>	<b>(9)</b>	<b>(1,642)</b>	<b>-</b>	<b>-</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 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)

Currencies	31 March 2023		31 March 2022	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
USD	185	(185)	174	(174)
EUR	242	(242)	222	(222)
THB	26	(26)	27	(27)
CHF(*)	(0)	0	(0)	0
JPY	(40)	40	(33)	33
AED(*)	(0)	0	-	-
GBP(*)	(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 2023 and 31 March 2022, the Company's borrowing at variable rate were mainly denominated in INR and USD.

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:

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	9,174	6,566
<b>Total</b>	<b>9,174</b>	<b>6,566</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 2023		31 March 2022	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	9,174	30.89%	6,566	24.29%
Interest rate swaps	-	-	-	-
<b>Net exposure to cashflow interest rate risk</b>	<b>9,174</b>	<b>30.89%</b>	<b>6,566</b>	<b>24.29%</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Sensitivity analysis - variable rate borrowing

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	As at 31 March 2023	As at 31 March 2022
Increase by 50 basis points	(46)	(33)
Decrease by 50 basis points	46	33

### (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	As at 31 March 2023	As at 31 March 2022
Impact on profit after tax for 5% increase in price of underlying shares	22	20
Impact on profit after tax for 5% decrease in price of underlying shares	(22)	(20)

## 45 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 2023	As at 31 March 2022
Gross debt (long term and short term borrowings)	29,702	27,028
Add - lease liabilities (current and non current) (refer note 51(iv))	670	830
Less - cash and cash equivalents	(3,951)	(5,065)
<b>Net debt (A)</b>	<b>26,421</b>	<b>22,793</b>
<b>Equity (B)</b>	<b>64,180</b>	<b>57,713</b>
<b>Gearing ratio (A / B) (%)</b>	<b>41.17%</b>	<b>39.49%</b>

### (iii) Dividends

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Equity shares (face value of ₹ 2 each)</b>		
Final dividend paid for the financial year ended 31 March 2022 of ₹ 2 per share (31 March 2021 - ₹ 0.5)	1,938	485

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above, at year end the directors have recommended the payment of a final dividend of ₹ 1 per equity share (31 March 2022 - ₹ 2 per equity share), The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	<b>969</b>	1938

### 46 Net debt reconciliation

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings (current and non-current)	<b>29,702</b>	27,028
Lease liabilities (current and non current) (refer note 51(iv))	<b>670</b>	830
	<b>30,372</b>	<b>27,858</b>
Less - cash and cash equivalents	<b>(3,951)</b>	(5,065)
<b>Net debt movement</b>	<b>26,421</b>	<b>22,793</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 2021</b>	<b>22,820</b>	<b>60</b>	<b>6,466</b>	<b>16,414</b>
Cash flows (net)	4,432	(141)	(1,418)	5,709
Non cash movement - acquisitions / disposal	-	911	-	911
Finance cost recognised	1,477	67	-	1,544
Finance cost paid	(1,614)	(67)	-	(1,681)
Exchange (loss) / gain (net)	(87)	-	17	(104)
<b>Net debt as at 31 March 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)	3,644
Non cash movement - acquisitions / disposal	-	-	-	-
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>26,420</b>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 47 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 Bearings (Thailand) Limited NRB Holdings Limited
Step-down subsidiaries	NRB Bearings USA Inc. NRB Bearings Europe GmbH
Relatives of KMP	Ms. Hanwantbir Kaur Sahney (Mother of Ms. Harshbeena Zaveri)
Key management personnel (KMP)	Ms. Harshbeena Zaveri, Vice Chairman and Managing Director Mr. Satish Chellaram Rangani, Executive Director Mr. Devesh Singh Sahney, 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) Ms. Shruti Joshi, Company Secretary Mr. Pankaj Khemka, Chief Financial Officer (w.e.f. 07 April 2023)
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

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**(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 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
SNL Bearings Limited	Sale of finished goods	117	210	-	-	-	-
	Sale of property, plant and equipment	26	8	-	-	-	-
	Purchase of raw materials	1,584	1,455	-	-	227	274
	Dividend received on equity shares	173	119	-	-	-	-
NRB Bearings (Thailand) Limited (#)	Sale of finished goods	815	1,337	2,127	1,395	-	-
	Sale of property, plant and equipment	47	5	-	-	-	-
	Purchase of raw materials	6,408	5,441	-	-	-	-
	Purchase of property, plant and equipment	-	140	-	-	-	-
	Advances given for purchase of raw materials	-	-	1,469	328	-	-
	Inter corporate deposits repayment received	114	270	-	-	-	-
	Interest income on inter corporate deposits	79	71	-	-	-	-
	Reimbursement of expenses to the Company	86	25	-	-	-	-
	Inter corporate deposits receivable (including interest)	-	-	1,284	1,329	-	-
NRB Industrial Bearings Limited	Sale of finished goods	-	-	18	18	-	-
NRB Holdings Limited	Investments in equity shares	-	2,628	-	-	-	-
	Inter corporate deposit disbursed	2,305	-	-	-	-	-
	Interest income on inter corporate deposits	54	-	-	-	-	-
	Inter corporate deposits receivable (including interest)	-	-	2,341	-	-	-
	Sale of Investments in equity shares of subsidiaries (@)	-	229	-	-	-	-
NRB Bearings Europe GmbH (@)	Sales promotion expenses	376	535	-	-	54	182
	Sale of finished goods	5,241	249	4,233	249	-	-
	Reimbursement of expenses to the Company	-	2	-	-	-	-

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

Name of Related Party	Nature of Transaction	Transactions during the year		Receivable / Advances as at		Payable as at	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
NRB Bearings USA Inc (@)	Sales promotion expenses	247	349	-	-	-	-
	Advance given for sales promotion expenses	363	-	166	3	-	-
	Sale of finished goods	1,852	10	1,618	10	-	-
First Engineering Technologies Private Limited	Sale of finished goods	-	-	4	4	-	-
	Purchase of raw materials/ components (*)	11	8	0	5	-	-
First Technology BV	Legal and professional fees	311	390	-	-	24	53
New Indo Trading Company	Service charges	5	5	-	-	-	1
(Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name)	Dividend paid	676	169	-	-	-	-
Ms. Hanwantbir Kaur Sahney	Providing accommodation in company owned flats(*)	-	1	-	-	-	0
Ms. Harshbeena Zaveri	Remuneration and commission (refer note (iii))	514	592	-	-	85	70
	Dividend paid	225	55	-	-	-	-
Mr. S. C. Rangani	Remuneration	137	142	-	-	-	-
	Dividend paid (*)	0	0	-	-	-	-
Mr. D. S. Sahney	Sitting fees and commission	7	2	-	-	6	-
	Dividend paid	17	4	-	-	-	-
Mr. Ravi Teltia	Remuneration	101	103	-	-	-	-
Ms. Shruti Joshi	Remuneration	80	69	-	-	-	-
Other KMPs (Directors)	Sitting fees and commission to non-executive directors	46	51	-	-	30	30
Trust	Contribution to gratuity fund trust	232	-	-	-	-	-

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

(#) Also refer note 49 and note 53(a) for guarantee in the form of stand by letter of credit given to bank on behalf of foreign subsidiary company and renewed during the year with same value.

(@) Also refer note 8 (iii).

### Notes -

- (i) Equity infusion by / in Company is not disclosed under receivables / payables since it is not considered as an outstanding balance. (refer note 8 and 21)
- (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) 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. Accordingly, wholly owned subsidiary, "NRB Holdings



## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

Limited”, was incorporated in which the Holding Company had subscribed to 35,00,000 equity shares having face value of USD 1 per share, at par, for a total consideration of ₹ 2,628 lakhs. 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.

- (iv) 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) 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 2023	31 March 2022	31 March 2023	31 March 2022
<b>Loans and advances (including interest receivable) in the nature of loans to subsidiary company</b>				
NRB Bearings (Thailand) Limited (refer note 17 and note 53(b))	1,284	1,329	1,397	1,528
NRB Holdings limited (NHL)	2,341	-	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 49 for guarantee given towards the borrowings availed by the subsidiary company.

### (iv) Key management personnel (KMP) compensation

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Short term employee benefits	809	883
Post-employment benefits	23	23
<b>Total compensation (*)</b>	<b>832</b>	<b>906</b>

(\*) This aforesaid amount does not include benefits determined on actuarial basis as the same is not determinable for individuals.

### (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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 48 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 2023	As at 31 March 2022
Property, plant and equipment	13,451	8,929
Current assets	72,944	58,764

### 49 Contingent liabilities, capital and other commitments

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Claim against the Company not acknowledge as debt</b>		
Income tax	3,904	2,920
Sales tax, value added tax and local body tax	326	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>		
Guarantee in the form of stand by letter of credit given to bank on behalf of a subsidiary company (refer note (v) below)	2,637	2,489
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	341	1,648

#### 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.
- (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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

- (v) The guarantee given towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods.

### 50 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 ₹ 568 lakhs (31 March 2022: ₹ 571 lakhs) is recognised as expense and included in "Note 36 - employee benefits expenses"**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Employer's contribution to provident fund	334	298
(ii) Employer's contribution to family pension fund	184	207
(iii) Employer's contribution to superannuation fund	50	66
<b>Total</b>	<b>568</b>	<b>571</b>

- (b) **Defined benefit plan :**

#### Contribution to gratuity fund (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**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expected return on plan assets	7.39% - 7.50%	6.49% - 6.80%
Discount rate (per annum)	7.39% - 7.50%	6.70% - 7.23%
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.

#### 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.

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

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)**

	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	3,453	3,489
Interest expense	242	233
Current service cost	163	170
Actuarial gains on obligations - due to change in demographic assumptions / due to change in financial assumptions	(149)	(17)
Benefit paid directly by the employer	(355)	(422)
Benefit paid directly by the fund	(21)	-
<b>Present value of obligation at the end of the year</b>	<b>3,333</b>	<b>3,453</b>

**(iii) Changes in the fair value of plan assets (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets at beginning of the year	3,221	3,363
Interest income	225	224
Contributions by the employer	232	-
Benefit Paid from the fund	(355)	(422)
Return on plan assets excluding interest income	(140)	56
<b>Fair value of plan assets at the end of the year</b>	<b>3,183</b>	<b>3,221</b>

**(iv) Assets and liabilities recognised in the standalone balance sheet (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the defined benefit obligation at the end of the year	3,333	3,453
Less: Fair value of plan assets at the end of the year	(3,183)	(3,221)
<b>Net liabilities recognised in the standalone balance sheet (refer note 30)</b>	<b>150</b>	<b>232</b>
<b>Recognised under provisions</b>		
Non current provision	-	-
Current provision	150	232

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**(v) Net interest expense (₹ in Lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses	242	233
Interest income	(225)	(224)
<b>Net interest cost</b>	<b>17</b>	<b>9</b>

**(vi) Expenses recognised in the standalone statement of profit and loss (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	163	170
Net interest expense	17	9
<b>Net gratuity cost recognised</b>	<b>180</b>	<b>179</b>

**(vii) Income recognised in the standalone statement of other comprehensive income (OCI) (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gains) / losses	(149)	(17)
Return on plan assets, excluding amount recognised in net interest expense	140	(56)
<b>Total remeasurement credit for the year recognised in OCI (refer note 42)</b>	<b>(9)</b>	<b>(73)</b>

**(viii) Reconciliation of net assets / (liabilities) recognised (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Net liabilities recognised at the beginning of the year	(232)	(126)
Company contributions	232	-
Benefits paid directly by Company	21	-
Gain recognised in other comprehensive income	9	73
Expenses recognised in standalone statement of profit and loss	(180)	(179)
<b>Net liabilities recognised at the end of the year (refer note 30)</b>	<b>(150)</b>	<b>(232)</b>

**(ix) Major categories of plan assets (as percentage of total plan assets) (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Funds managed by insurer	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**(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:

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

(₹ in lakhs)

Particulars	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Change in discount rate by - / + 1%	197	174	214	189
Change in salary growth rate by - / + 1%	176	196	190	212
Change in attrition rate by - / + 1%	8	7	3	2

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)

Expected cash flow over the next (valued on undiscounted basis) -	As at 31 March 2023	As at 31 March 2022
1 year	649	454
2 to 5 years	1,368	1,620
6 to 10 years	1,292	1,355
More than 10 years	2,477	2,485

### (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 36 - Employee benefits expense, is ₹ 153 lakhs (31 March 2022: ₹ 155 lakhs). Liability towards provision for compensated absences as at 31 March 2023 of ₹ 844 lakhs (31 March 2022 - ₹ 1,011 lakhs).

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Opening provision at the beginning of the year</b>	<b>1,011</b>	<b>981</b>
Add : Provision created during the year	153	155
Less : Amount paid during the year	(320)	(125)
<b>Closing provision at the end of the year</b>	<b>844</b>	<b>1,011</b>

**Note** - The liability of ₹ 844 lakhs (31 March 2022 - ₹ 1,011 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 51 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 ₹ 182 lakhs (31 March 2022 - ₹ 152 lakhs) as rental expenses during the year which pertains to short term leases / low value assets (refer note 39).

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 2021</b>	<b>249</b>	<b>4</b>	<b>253</b>
Additions	955	-	955
Disposals	(205)	-	(205)
<b>Balance as at 31 March 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>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2021</b>	<b>202</b>	<b>1</b>	<b>203</b>
Charge for the year	173	2	175
Disposal / adjustment	(205)	-	(205)
<b>Balance as at 31 March 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>
<b>Net carrying value</b>			
<b>Balance as at 31 March 2022</b>	<b>829</b>	<b>1</b>	<b>830</b>
<b>Balance as at 31 March 2023</b>	<b>628</b>	<b>-</b>	<b>628</b>

#### (ii) Amount recognised in the standalone statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest cost on lease liabilities	<b>74</b>	67
Depreciation on right of use assets	<b>202</b>	175
Rental expense recorded for short-term lease payments and payments for lease of low-value assets not included in the measurement of the lease liabilities (refer note 39)	<b>182</b>	152

**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**Note - Breakdown of rent**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Short-term lease expense	15	11
Low value lease expense	167	141
<b>Total lease expense</b>	<b>182</b>	<b>152</b>

**(iii) Cash outflow from leases**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash payments for the principal of the lease liability within financing activities	160	141
Cash payments for the interest portion of the lease liability within financing activities	74	67
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	182	152

**(iv) Lease liabilities**

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2021</b>	<b>60</b>
Add: Movement during the year	911
Add: Interest cost accrued during the year	67
Less: payment of lease liabilities	(208)
<b>Balance as at 31 March 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>

**Maturity analysis of lease liabilities**

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	501	670
Current	169	160
<b>Total</b>	<b>670</b>	<b>830</b>



**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**
**(v) Maturity analysis of lease liabilities**
**Maturity analysis – contractual discounted cash flows**
**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>

**As at 31 March 2022**
**(₹ 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	158	169	501	-
Vehicles	2	-	-	-
<b>Total</b>	<b>160</b>	<b>169</b>	<b>501</b>	<b>-</b>

**Maturity analysis – contractual undiscounted cash flows**
**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>

**As at 31 March 2022**
**(₹ 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	235	228	558	-
Vehicles	2	-	-	-
<b>Total</b>	<b>237</b>	<b>228</b>	<b>558</b>	<b>-</b>

- (vii) 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.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 52 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 -

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Amount required to be spent by the Company during the year	127	147
(ii) Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	127	147
(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	-	-

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.

### 53 Disclosure of Section 186(4) of the Companies Act, 2013

#### (a) Gaurantee given to other body corporate

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Gaurantee in the form of stand by letter of credit given to bank on behalf of NRB Bearings (Thailand) Limited (subsidiary company)	2,637	2,489
<b>Total</b>	<b>2,637</b>	<b>2,489</b>

#### (b) Inter corporate deposits (unsecured)

##### Movement in inter corporate deposit for the year ended 31 March 2023

(₹ in lakhs)

Name of borrower	Opening balance as at 1 April 2022	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing balance as at 31 March 2023
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>

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### Movement in inter corporate deposit for the year ended 31 March 2022

(₹ in lakhs)

Name of borrower	Opening balance as at 1 April 2021	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing balance as at 31 March 2022
NRB Bearings (Thailand) Limited (subsidiary)	1,528	-	71	(229)	(41)	1,329
	<b>1,528</b>	<b>-</b>	<b>71</b>	<b>(229)</b>	<b>(41)</b>	<b>1,329</b>

#### Notes -

- During the current year, the Company has renewed inter corporate deposits to NRB Bearings (Thailand) Limited (subsidiary) for a period of one year.
- Rate of interest for above inter corporate deposits is 7.5% per annum (31 March 2022 - 4.9% per annum).
- These inter corporate deposits are unsecured and have been given for meeting borrower's business requirements.

### 54 Key financial ratios

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022:

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current ratio (in times)	Current assets	Current liabilities	1.89	1.69	12%
Debt-equity ratio (in times)	Debt	Net worth	0.46	0.47	(2%)
Debt service coverage ratio (in times)	EBITDA	Finance costs + principal repayments of non current borrowings within next one year	3.09	3.54	(13%)
Return on equity ratio (in %)	Profit for the year	Average net worth	14.08%	12.91%	9%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventories	2.22	2.33	(5%)
Trade receivables turnover ratio (in times)	Net credit sales	Average net trade receivables	4.19	4.25	(1%)
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	4.35	4.31	1%
Net capital turnover ratio (in times)	Net sales	Working capital	2.99	3.81	(22%)
Net profit ratio (in %)	Profit for the year	Revenue from operations	8.39%	7.68%	9%
Return on capital employed (in %)	EBIT	Capital Employed	13.93%	12.58%	11%
Return on investment	Profit before tax	Total assets	10.25%	9.23%	11%

#### 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

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

### 55 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 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	640,793	640,973	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	382,049	382,049	Third party vendor

For the year ended 31 March 2022

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
Yash Medical Sciences Private Limited	Payable	-	-	Third party vendor

### 56 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.
- (vi) The Company has sanctioned borrowings / facilities from bank on the basis security of current assets. The monthly 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 2023 and 31 March 2022.

## Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 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 2023.

### 57 Segment reporting

In accordance with Ind AS 108- 'Operating Segment', the Company has opted to present segment information as a part of the consolidated financial statements of the Company and its subsidiaries. Therefore, no separate disclosure on segment information is given in these standalone financial statements.

### 58 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.

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net profit after tax for the year (₹ in lakhs)	8,580	7,014
Profit attributable to equity share holders (₹ in lakhs)	8,580	7,014
Weighted average number of equity shares outstanding during the year (numbers)	96,922,600	96,922,600
Basic (in ₹)	8.85	7.24
Diluted (in ₹)	8.85	7.24
Face value per share (in ₹)	2	2

#### Note -

The Company does not have any outstanding dilutive potential equity shares as at 31 March 2023 and 31 March 2022. Consequently, basic and diluted earnings per share of the Company remain the same.

### 59 Waluj Fire Incident

A fire incident had occurred at the company's plant situated at Waluj, Aurangabad on 08 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. The fire spread to the adjacent stores department damaging the ready components and other production related stores & spares. The damaged caused to any other plant & equipment and other assets is being assessed and the Company is in the process of ascertaining the actual loss caused due to fire. The Company believes that it has adequate insurance coverage for the assets situated at Waluj plant. Owing to this fact, overall production at Waluj is likely to be affected for next few months, till the damaged machines are reinstated to production and replacement for stock affected by fire is arranged. The management is fully engaged in restricting the business losses from such interruption to the lowest possible extent.

However, in line with the provisions of IND AS 10 - 'Events after the reporting period', the recognition of such loss and the compensation from insurance coverage, will be considered during the respective reporting period/s.

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**Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023**

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**60 Authorisation of standalone financial statements**

The standalone financial statements as at and for the year ended 31 March 2023 were approved by the Board of Directors on 30 May 2023.

This is the summary of significant 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 : 30 May 2023****For and on behalf of the Board of Directors****Tashwinder Singh**

Chairman

DIN : 06572282

**Pankaj Khemka**

Chief Financial Officer

**Place : Mumbai****Date : 30 May 2023****Harshbeena Zaveri**

Vice Chairman and

Managing Director

DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Executive Director

DIN : 00209069

## 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 2023, 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 the significant accounting policies and other explanatory information.

#### List of subsidiary companies included in the Report (including step-down subsidiaries\*)

1. SNL Bearings Limited
  2. NRB Bearings (Thailand) Limited
  3. NRB Holdings 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 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 consolidated state of affairs of the Group, as at 31 March 2023, 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 16 of the Other Matter section below, 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 14 (iv) and Note 27 (iii) of the accompanying consolidated financial statements, which indicates delay in receipts of foreign currency receivables amounting to ₹ 5,020 lakhs and delay in payments of foreign currency payables amounting to ₹ 428 lakhs of the Parent Company as at 31 March 2023, beyond the timeline stipulated by the 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 regularizing 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 the delay, are currently unascertainable but not expected to be material and accordingly, the accompanying consolidated financial statement do not include any consequential adjustments that may arise due to such delays / defaults. Our conclusion is not modified in respect of this matter.

### Key Audit Matters

5. 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.
6. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Recoverability of carrying amount of property, plant and equipment of a subsidiary company</b></p> <p>Refer Notes 8(iii), 14, 17 and 47 in the standalone financial statements.</p> <p>Refer Note 2 (v) to the consolidated financial statements. The Group carries property, plant and equipment ('PPE') amounting to</p> <p>□ 3,834 lakhs as at 31 March 2023 in respect of a subsidiary, NRB Bearings (Thailand) Limited, which is engaged in the business of manufacturing and trading of bearings and is identified as a separate Cash Generating Unit ('CGU'). Due to negative net worth in the aforesaid entity, the Group has carried out an assessment of the recoverability of the carrying amount of its PPE by estimating the value-in-use, based on cash flow projections of such CGU to determine the recoverable amount of the CGU.</p> <p>Based on the value-in-use determined with the help of an independent valuation specialist engaged by the Group, there is no impairment in the carrying amount of the aforesaid CGU as at 31 March 2023.</p> <p>However, there is a risk of impairment, in the event the projections and other assumptions, used in computation of the recoverable amount were to differ from actual results in the future.</p> <p>The management's assessment of recoverable amount of aforementioned CGU requires estimation and judgement around the key assumptions underpinning management's assessment including, but not limited to, projections of future cash flows, growth rates and future market and economic conditions. Considering the materiality of the amount involved, and significant management judgement required for determining the recoverable amount, the recoverability of aforesaid balance as at 31 March 2023 has been determined to be a key audit matter in the current year audit</p>	<p>Our audit procedures in relation to assessing the recoverable value of the CGU included but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's processes and controls for determining the CGU and its recoverable value;</li> <li>• Assessed the design of and tested the operating effectiveness of the key controls around identification of impairment indicators and valuation;</li> <li>• Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</li> <li>• Assessed the appropriateness of the valuation methodology used to arrive at the recoverable value of the CGU using auditor's valuation specialists;</li> <li>• Evaluated the reasonableness of the assumptions used in cash flow projections such as growth rate, discount rates, etc. based on historical results, current developments and future plans estimated by the management using expertise of our valuation specialist on required parameters;</li> <li>• Assessed cash flow forecasts to ensure consistency with current operations of the subsidiary company, reconciled the cash flow projections to the business plans approved by the subsidiary company's board of directors and reviewed the sensitivity analysis performed by the management on aforesaid key assumptions and performed further independent sensitivity analysis to determine impact of estimation uncertainty on the valuation;</li> <li>• Tested the mathematical accuracy of the cash flow projections and value-in-use computation; and</li> <li>• Evaluated the appropriateness and adequacy of the related disclosures made in the consolidated financial statements in accordance with the applicable accounting standards.</li> </ul>



**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

7. 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 the 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.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

8. 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, and its associate companies and joint venture companies 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 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 Holding Company, as aforesaid.
9. 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 companies 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 the respective Board of Directors either intend to liquidate the companies included in the Group or to cease operations, or has no realistic alternative but to do so.
10. 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**

11. 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.
12. 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;
  - 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; and
  - 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 information/ 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.
13. 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.
14. 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.
15. 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**

16. We did not audit the annual financial statements / consolidated financial statements of two subsidiaries [NRB Bearings (Thailand) Limited and NRB Holdings Limited, UAE] included in the Report, whose annual financial statements / consolidated financial statements (before eliminating inter-company transactions) reflects total assets of ₹ 23,933 lakhs and net assets ₹ 4,984 lakhs as at 31 March 2023, total revenues of ₹ 15,416 lakhs and net cash inflows amounting to ₹ 1,596 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, all of these subsidiaries are 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 financial statements of these subsidiaries 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 subsidiaries 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**

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements / consolidated financial statements of the subsidiaries, we report that the Holding Company and one of its subsidiary company 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.
18. 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 2023 and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements of the subsidiaries, we report that the Holding Company and one of its subsidiary company 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 the 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 and the reports of the other auditors;
  - 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) The matters described in paragraph 4 of the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Holding Company;
  - f) On the basis of the written representations received from the directors of the Holding Company and Indian subsidiary company and taken on record by the Board of Directors of the Holding Company and Indian subsidiary company, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.
  - 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 company, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed a modified 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 and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries 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. 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 subsidiary company, during the year ended 31 March 2023;
- iii.
  - a. The respective managements of the Holding Company and one of its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively 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 companies 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 companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The respective managements of the Holding Company and one of its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, or its associate companies or its joint venture companies 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 companies 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 and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- vi. The final dividend paid by the Holding Company and one of its subsidiary company during the year ended 31 March 2023 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.

As stated in note 45 (iii) to the accompanying consolidated financial statements, the Board of Directors of the Holding company and one of its subsidiary company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**  
Partner  
Membership No.: 108840  
UDIN: 23108840BGYAWJ6974

Place: Mumbai  
Date: 30 May 2023

**Annexure A referred to in the Independent Auditor’s Report of even date to the members of NRB Bearings Limited on the internal financial controls with reference to the 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 2023**

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 2023, 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 one 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 Companies 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 Institute of Chartered Accountants of India (‘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 qualified audit opinion on the Company’s 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.

**Annexure A (Contd.)****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.

**Qualified Opinion**

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Holding Company's internal financial controls with reference to its standalone financial statements as at 31 March 2023.

The Holding Company's internal control system with respect to certain controls over user access and change management in relation to the Holding Company's Information Technology (IT) application were not operating effectively, which could potentially result in unauthorised modifications to the IT application or data.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Holding Company and one of its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements as at 31 March 2023, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in Guidance Note issued by the ICAI, and except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company's internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2023.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2023, and the material weakness does not affect our opinion on the consolidated financial statements of the Group.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Adi P. Sethna**

Partner

Membership No.: 108840

UDIN: 23108840BGYAWJ6974

Place: Mumbai

Date: 30 May 2023

**Consolidated Balance Sheet as at 31 March 2023**

(₹ in lakhs)

Sr. No	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property, plant and equipment	2	<b>34,685</b>	35,712
	Capital work-in-progress	3	<b>2,833</b>	735
	Investment property	4	-	-
	Goodwill		<b>48</b>	48
	Other intangible assets	5	<b>386</b>	19
	Intangible assets under development	6	-	386
	Financial assets			
	(i) Investments	7	<b>2,094</b>	1,930
	(ii) Loans (*)	8	<b>0</b>	1
	(iii) Other financial assets	9	<b>1,338</b>	921
	Income tax assets (net)	10	<b>2,948</b>	2,964
	Other non-current assets	11	<b>805</b>	1,217
	<b>Total non-current assets</b>		<b>45,137</b>	<b>43,933</b>
<b>2</b>	<b>Current assets</b>			
	Inventories	12	<b>36,902</b>	28,885
	Financial assets			
	(i) Investments	13	<b>1,525</b>	1,452
	(ii) Trade receivables	14	<b>22,255</b>	21,531
	(iii) Cash and cash equivalents	15	<b>6,531</b>	6,167
	(iv) Bank balances other than cash and cash equivalents	16	<b>1,775</b>	601
	(v) Loans	17	<b>34</b>	14
	(vi) Other financial assets	18	<b>33</b>	343
	Other current assets	19	<b>6,796</b>	4,414
	Assets held-for-sale	20	<b>53</b>	53
	<b>Total current assets</b>		<b>75,904</b>	<b>63,460</b>
	<b>Total assets</b>		<b>121,041</b>	<b>107,393</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	Equity share capital	21	<b>1,938</b>	1,938
	Other equity	22	<b>64,838</b>	56,920
	<b>Equity attributable to owners of parent</b>		<b>66,776</b>	<b>58,858</b>
	Non-controlling interest		<b>1,462</b>	1,310
	<b>Total equity</b>		<b>68,238</b>	<b>60,168</b>
<b>B</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	Financial liabilities			
	(i) Borrowings	23	<b>6,562</b>	6,051
	(ii) Lease liabilities	54	<b>508</b>	677
	(ii) Other financial liabilities	24	<b>95</b>	109
	Deferred-tax liabilities (net)	41.2	<b>1,300</b>	1,781
	Other non-current liabilities	25	<b>12</b>	2
	<b>Total non-current liabilities</b>		<b>8,477</b>	<b>8,620</b>
<b>2</b>	<b>Current liabilities</b>			
	Financial liabilities			
	(i) Borrowings	26	<b>25,643</b>	23,358
	(ii) Lease liabilities	54	<b>170</b>	160
	(iii) Trade payables	27		
	Total outstanding dues of micro enterprises and small enterprises		<b>2,490</b>	2,405
	Total outstanding dues of creditors other than micro enterprises and small enterprises		<b>10,398</b>	8,296
	(iv) Other financial liabilities	28	<b>3,448</b>	2,142
	Other current liabilities	29	<b>960</b>	813
	Provisions	30	<b>1,046</b>	1,290
	Current tax liabilities (net)	31	<b>171</b>	141
	<b>Total current liabilities</b>		<b>44,326</b>	<b>38,605</b>
	<b>Total liabilities</b>		<b>52,803</b>	<b>47,225</b>
	<b>Total equity and liabilities</b>		<b>121,041</b>	<b>107,393</b>

(\*) ₹ 0 lakh 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 Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

**Adi P. Sethna**

Partner

Membership No.: 108840

**Place : Mumbai**
**Date : 30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**

 Chairman  
 DIN : 06572282

**Harshbeena Zaveri**

 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**S. C. Rangani**

 Executive Director  
 DIN : 00209069

**Pankaj Khemka**

Chief Financial Officer

**Shruti Joshi**

Company Secretary

**Place : Mumbai**
**Date : 30 May 2023**

**Consolidated Statement of Profit and Loss for the year ended 31 March 2023**

(₹ in lakhs, except per share data)

Sr. No	Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
<b>I</b>	Revenue from operations	32	<b>105,716</b>	94,281
<b>II</b>	Other income	33	<b>2,289</b>	1,416
<b>III</b>	<b>Total income (I + II)</b>		<b>108,005</b>	<b>95,697</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of materials consumed	34	<b>47,272</b>	37,638
	Changes in inventories of finished goods and work-in-progress	35	<b>(6,516)</b>	(3,083)
	Employee benefits expense	36	<b>16,000</b>	15,583
	Finance costs	37	<b>1,964</b>	1,664
	Depreciation and amortisation expenses	38	<b>4,080</b>	3,717
	Other expenses	39	<b>31,390</b>	29,630
	<b>Total expenses (IV)</b>		<b>94,190</b>	<b>85,149</b>
<b>V</b>	<b>Profit before exceptional items and tax (III - IV)</b>		<b>13,815</b>	<b>10,548</b>
<b>VI</b>	<b>Exceptional items - (loss) (net)</b>	40	<b>(1,053)</b>	(393)
<b>VII</b>	<b>Profit before tax (V + VI)</b>		<b>12,762</b>	<b>10,155</b>
<b>VIII</b>	<b>Tax expense / (credit):</b>	41		
	Current tax		<b>3,539</b>	2,566
	Deferred tax		<b>(403)</b>	28
	Tax pertaining to earlier periods		<b>11</b>	-
			<b>3,147</b>	<b>2,594</b>
<b>IX</b>	<b>Profit after tax (VII-VIII)</b>		<b>9,615</b>	<b>7,561</b>
<b>X</b>	<b>Other comprehensive Income/(loss) (OCI)</b>	42		
	(i) Items that will not be reclassified to profit or loss (net of tax)		<b>38</b>	1
	(ii) Items that will be reclassified to profit or loss (net of tax)		<b>417</b>	246
			<b>455</b>	<b>247</b>
<b>XI</b>	<b>Total comprehensive income for the year (IX+X)</b>		<b>10,070</b>	<b>7,808</b>
	<b>Net profit after tax attributable to:</b>			
	-Owners of the parent		<b>9,398</b>	7,327
	-Non controlling interest		<b>217</b>	234
	<b>Other comprehensive income attributable to:</b>			
	-Owners of the parent		<b>458</b>	244
	-Non controlling interest		<b>(3)</b>	3
	<b>Total comprehensive income attributable to:</b>			
	-Owners of the parent		<b>9,856</b>	7,571
	-Non controlling interest		<b>214</b>	237
<b>XII</b>	<b>Earnings per equity share</b>	58		
	Basic & Diluted (in ₹)		<b>9.70</b>	7.56
	Face value per share (in ₹)		<b>9.70</b>	7.56

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 Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

**Adi P. Sethna**

Partner

Membership No.: 108840

**Place : Mumbai**
**Date : 30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**

 Chairman  
 DIN : 06572282

**Harshbeena Zaveri**

 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**S. C. Rangani**

 Executive Director  
 DIN : 00209069

**Pankaj Khemka**

Chief Financial Officer

**Shruti Joshi**

Company Secretary

**Place : Mumbai**
**Date : 30 May 2023**



**Consolidated Statement of Cash Flow for the year ended 31 March 2023**

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>A</b>	<b>Cash flow from operating activities</b>		
	<b>Profit before tax (after exceptional items)</b>	<b>12,762</b>	<b>10,155</b>
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	<b>4,080</b>	3,717
	Liabilities no longer required written back	<b>(75)</b>	(140)
	Foreign exchange (gain) / loss (unrealised) (net)	<b>(1,444)</b>	550
	Fair valuation (gain) / loss on derivative instrument measured at FVTPL	<b>(180)</b>	27
	Fair valuation gain on financial assets measured at FVTPL	<b>(71)</b>	(50)
	Finance costs	<b>1,964</b>	1,664
	Interest income	<b>(168)</b>	(86)
	Dividend income	<b>(10)</b>	(9)
	Profit on sale of property plant and equipment (net)	<b>(60)</b>	(31)
	Rental income	<b>(167)</b>	(137)
	Provision for doubtful advances	<b>28</b>	122
	Provision for doubtful trade receivables and bad debts written off (including exceptional items)	<b>1,122</b>	1,843
	Provision for gratuity	<b>194</b>	178
	Provision for leave entitlement	<b>168</b>	157
	Changes in foreign currency translation reserve	<b>196</b>	6
	Provision / (reversal) towards slow moving and non-moving inventories (including exceptional items) (net)	<b>684</b>	(1,825)
	<b>Operating profit before working capital changes</b>	<b>19,023</b>	<b>16,141</b>
	<b>Changes in working capital:</b>		
	Adjustment for (increase) / decrease in assets		
	- Trade receivables	<b>(513)</b>	(3,062)
	- Inventories	<b>(8,700)</b>	(6,719)
	- Other non-current financial assets	<b>(422)</b>	(59)
	- Other current financial assets and loans	<b>240</b>	(467)
	- Other non-current assets	<b>9</b>	76
	- Other current assets	<b>(2,353)</b>	(1,119)
	Adjustment in increase / (decrease) in liabilities		
	- Other non-current financial liabilities and other non-current liabilities	<b>(4)</b>	(76)
	- Other current financial liabilities	<b>661</b>	125
	- Trade payables	<b>2,311</b>	(490)
	- Provisions	<b>(587)</b>	(196)
	- Other current liabilities	<b>147</b>	1
	<b>Cash generated from operations before tax</b>	<b>9,812</b>	<b>4,155</b>
	Direct taxes paid	<b>(3,735)</b>	(2,551)
	<b>Net cash generated from operating activities (A)</b>	<b>6,077</b>	<b>1,604</b>

**Consolidated Cash Flow Statement for the year ended 31 March 2023**

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangibles (including movement of capital work-in-progress, intangible assets under development, capital advances and capital creditors)	<b>(4,079)</b>	(3,024)
	Sale proceeds of property, plant and equipment	<b>60</b>	70
	Deposit with banks	<b>(564)</b>	(203)
	(Purchase of) / Proceeds from sale of current and non-current investments (net)	<b>(164)</b>	(2,066)
	Rent received	<b>167</b>	135
	Interest received	<b>168</b>	61
	Dividend received	<b>10</b>	8
	<b>Net cash used in investing activities (B)</b>	<b>(4,402)</b>	<b>(5,019)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from non-current borrowings	<b>511</b>	2,500
	Proceeds from current borrowings (net of repayments)	<b>2,285</b>	1,813
	Finance costs paid	<b>(1,889)</b>	(1,418)
	Settlement of lease liabilities (principal)	<b>(159)</b>	(142)
	Settlement of lease liabilities (interest)	<b>(75)</b>	(68)
	Dividend paid on equity shares (including unclaimed)	<b>(1,322)</b>	(329)
	Dividend paid to non controlling interest on equity shares held in a subsidiary	<b>(62)</b>	(43)
	Movement in unclaimed dividend bank balance	<b>(616)</b>	(156)
	<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(1,327)</b>	<b>2,157</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>348</b>	<b>(1,258)</b>
	Add: Balance of cash and cash equivalents at the beginning of the year	<b>6,167</b>	7,379
	Add: Effects of exchange rate changes on cash and cash equivalents	<b>16</b>	<b>46</b>
	<b>Closing balance of cash and cash equivalents</b>	<b>6,531</b>	<b>6,167</b>

**Notes to consolidated statement of cash flows:**

1. Cash and cash equivalents as at the end of the year comprise -

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash on hand	2	4
Balances with banks in current accounts		
- Current accounts	<b>4,985</b>	4,606
- EEFC account	<b>1,485</b>	1,340
Balances with banks in deposits with original maturity of less than 3 months	<b>59</b>	217
<b>Total cash and cash equivalents</b>	<b>6,531</b>	<b>6,167</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 flows 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 : 30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**

 Chairman  
 DIN : 06572282

**Pankaj Khemka**  
 Chief Financial Officer

**Place : Mumbai**  
**Date : 30 May 2023**
**Harshbeena Zaveri**

 Vice Chairman and  
 Managing Director  
 DIN : 00003948

**Shruti Joshi**  
 Company Secretary

**S. C. Rangani**

 Executive Director  
 DIN : 00209069

## Consolidated Statement of Changes in Equity for the year ended 31 March 2023

### A. Equity share capital (Refer note 21)

(₹ in lakhs)

Particulars	Number of shares	Amount
<b>Balance as at 1 April 2021</b>	96,922,600	1,938
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2022</b>	96,922,600	1,938
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2023</b>	<b>96,922,600</b>	<b>1,938</b>

### B. Other equity (Refer Note 22)

(₹ in lakhs)

Particulars	Reserves and surplus						Fair Value gain / (loss) on equity instruments through OCI	Cash flow hedge reserve	Foreign currency translation reserve	Total other equity	Non-controlling interest	Total
	Securities premium	General reserve	Capital reserve	Capital Redemption reserve	Debenture Redemption reserve	Retained earnings						
<b>Balance as at 1 April 2021</b>	<b>848</b>	<b>11,975</b>	<b>15</b>	<b>1,011</b>	<b>750</b>	<b>34,991</b>	<b>420</b>	<b>131</b>	<b>(307)</b>	<b>49,834</b>	<b>1,116</b>	<b>50,950</b>
Profit for the year	-	-	-	-	-	7,327	-	-	-	7,327	234	<b>7,561</b>
Other comprehensive income / (loss) (refer note 42)	-	-	-	-	-	45	(47)	240	6	244	3	<b>247</b>
Final dividend on equity shares for FY 2020-21 of ₹ 0.5 per equity share (refer note 45(iii))	-	-	-	-	-	(485)	-	-	-	(485)	-	<b>(485)</b>
Transfer from debenture redemption reserve to general reserve	-	750	-	-	(750)	-	-	-	-	-	-	-
Dividend paid to non controlling interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	(43)	<b>(43)</b>
<b>Balance as at 31 March 2022</b>	<b>848</b>	<b>12,725</b>	<b>15</b>	<b>1,011</b>	<b>-</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>
Profit for the year	-	-	-	-	-	9,398	-	-	-	9,398	217	<b>9,615</b>
Other comprehensive income / (loss) (refer note 42)	-	-	-	-	-	(1)	42	(224)	641	458	(3)	<b>455</b>
Final dividend on equity shares for FY 2021-22 of ₹ 2 per equity share (refer note 45(iii))	-	-	-	-	-	(1,938)	-	-	-	(1,938)	-	<b>(1,938)</b>
Dividend paid to non controlling interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	(62)	<b>(62)</b>
<b>Balance as at 31 March 2023</b>	<b>848</b>	<b>12,725</b>	<b>15</b>	<b>1,011</b>	<b>-</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>

The accompanying notes form an integral part of these consolidated financial statements

This is the consolidated Statement of Changes in Equity 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 : **30 May 2023**

For and on behalf of the Board of Directors

**Tashwinder Singh**

Chairman  
DIN : 06572282

**Pankaj Khemka**

Chief Financial Officer

Place : **Mumbai**

Date : **30 May 2023**
**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Shruti Joshi**

Company Secretary

**S. C. Rangani**

Executive Director  
DIN : 00209069

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 1 Company Information

NRB Bearings Limited ('the Company' or the 'Parent Company' or the 'Holding Company'), and its subsidiaries (collectively referred to as the 'Group') are mainly engaged in the manufacture and trading of bearing products. 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 consolidated financial statements (hereinafter referred to as the "CFS"/ the "financial statements") for the year ended 31 March 2023 were approved and authorised for issue in accordance with the resolution of the Board of Directors on 30 May 2023.

#### 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
- iv) Contingent consideration

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 its subsidiaries.

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 subsidiaries, 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 standalone 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 2023.

Non-controlling interests in the results 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 47 for the list of subsidiaries considered in the consolidated financial statement.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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.

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 consolidated other comprehensive income (OCI) or consolidated statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

The gain or loss arising on translation of monetary items are recognised in consolidated statement of profit and loss in the period in which they arise except for: exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the consolidated financial statements upto the year ended 31 March 2017 prepared under previous GAAP, which are capitalised 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.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in consolidated OCI and all resulting exchange differences are recognised in consolidated OCI (also refer note 1.1(k)).

### 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.

## **Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

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.

### **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.

### **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.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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 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.

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**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

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**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 are stated at cost where as work in progress and finished goods are stated at "cost or net realisable value whichever is lower". Goods in transit are stated at cost. Cost formula used is weighted average cost. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the group.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

Costs of conversion and other costs are determined on the basis of standard cost method adjusted for variances between standard costs and actual costs, unless such costs are specifically identifiable, in which case they are included in the valuation at actuals.

**j. Investments and financial assets****Classification**

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

- 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.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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.

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 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.

### 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

## **Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

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.

### **l. 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

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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), depreciation and amortisation

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 / factory equipment	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.

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## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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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.

### **o. 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.

### **p. 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.

### **q. 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.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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.

### r. 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.

### s. 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.

### t. 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 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 administered 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.

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## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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### 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.

### u. 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 40) .

### v. 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 58).

### w. 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
  - b) Held primarily for the purpose of trading, or
  - c) Due to be settled within twelve months after the reporting period, or

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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

### x. 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.

### y. 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.

### z. 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

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## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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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 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.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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.

### **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) 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**

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 Group 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 significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

**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>										
Balance as at 1 April 2021	304	193	13,182	67,032	1,141	1,023	1,629	-	552	85,056
Additions (refer note (iii) below)	-	-	981	1,816	24	62	227	659	24	3,793
Foreign currency translation reserve	(6)	-	(22)	(112)	(10)	(3)	(7)	-	-	(160)
Disposals and discards	-	-	(205)	(1,059)	(46)	(214)	(8)	-	(47)	(1,579)
Reclassified as assets held-for-sales (refer note 20)	(5)	-	(129)	-	(66)	-	(83)	-	-	(283)
<b>Balance as at 31 March 2022</b>	<b>293</b>	<b>193</b>	<b>13,807</b>	<b>67,677</b>	<b>1,043</b>	<b>868</b>	<b>1,758</b>	<b>659</b>	<b>529</b>	<b>86,827</b>
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>
<b>Accumulated depreciation/ amortisation</b>										
Balance as at 1 April 2021	-	44	3,473	42,127	1,045	884	1,235	-	479	49,287
Charge for the year*	-	2	511	2,855	71	79	83	50	47	3,698
Foreign currency translation reserve	-	-	(9)	(48)	(10)	(2)	(6)	-	-	(75)
Reversal on disposals and discards	-	-	(205)	(1,045)	(46)	(214)	(8)	-	(47)	(1,565)
Eliminated on reclassified as assets held-for-sales (refer note 20)	-	-	(81)	-	(66)	-	(83)	-	-	(230)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>46</b>	<b>3,689</b>	<b>43,889</b>	<b>994</b>	<b>747</b>	<b>1,221</b>	<b>50</b>	<b>479</b>	<b>51,115</b>
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>
<b>Net carrying value</b>										
<b>Balance as at 31 March 2022</b>	<b>293</b>	<b>147</b>	<b>10,118</b>	<b>23,788</b>	<b>49</b>	<b>121</b>	<b>537</b>	<b>609</b>	<b>50</b>	<b>35,712</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>

## Buildings includes those constructed on leasehold land.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Notes:

- (i) Buildings and flats include cost of shares of ₹ 750 (31 March 2022: ₹ 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 2022: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2022: ₹ 59 lakhs), have been transferred to and vested in the Parent Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Holding Company is in process.
- (iii) The additions of the previous financial year includes adjustment of foreign exchange gain aggregating to ₹ 66 lakhs against the carrying value of plant and equipment.
- (iv) Refer note 50 for information on property, plant and equipment pledged as security by the Group.
- (v) For the purpose of impairment testing, property, plant and equipment ("PPE") of the subsidiary company NRB Bearings (Thailand) Limited is identified as a Cash generating unit (CGU) representing the lowest level within the group at which the PPE is monitored for internal management purposes, and which is not higher than the group operating segment. PPE is tested for impairment at least annually or whenever there is an indication that PPE may be impaired. For PPE 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 both of which are calculated by Group using a discounted cashflow analysis. These calculations use pre-tax cash flow projections over a period of five years, based on financial estimates and growth rate approved by management. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU, if any and then to other assets of the CGU pro rata on the basis of the carrying amount of such assets in CGU. During the current year, the Group has performed impairment testing in respect of its aforesaid Thailand CGU using a discounted cashflow analysis. The Group has concluded that no adjustment shall be required to the carrying value of the PPE in relation to the CGU basis opinion of an expert.
- (vi) The buildings of Subsidiary Company, SNL Bearings Limited 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.
- (vii) For capital commitments, refer note 51.
- \* Charge for the year includes charge created on Right-of-use ('ROU') assets of ₹ 201 lakhs for building on leasehold land (31 March 2022 : ₹ 173 lakhs) and ₹ 1 lakhs for vehicles (31 March 2022: ₹ 3 lakhs) (Also refer note 54(ii)).
- # includes leasehold vehicles (Also refer note 23, note 26 and note 50 for information of vehicles provided as collateral or security for borrowings or finance liabilities availed by the Subsidiary Company).

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 3 Capital work-in-progress (₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2021</b>	<b>817</b>
Additions*	740
Capitalised during the year	(822)
<b>Balance as at 31 March 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>

\* It includes construction of building, roller grading machine, control panels and fludtherm machine pending for installation as at 31 March 2022.

\*\* It includes retrofitting machine, control panels and muffle model pending for installation as at 31 March 2023.

### 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 2023</b>					
Project in progress	2,361	458	-	14	<b>2,833</b>
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2022</b>					
Project in progress	511	197	27	-	<b>735</b>
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by Group management as at 31 March 2023 and as at 31 March 2022, 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 2021</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2022</b>	<b>41</b>
Additions	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 1 April 2021</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2022</b>	<b>41</b>
Charge for the year	-
<b>Balance as at 31 March 2023</b>	<b>41</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2022</b>	<b>-</b>
<b>Balance as at 31 March 2023</b>	<b>-</b>

^ Investment property includes only building and flats which have been fully depreciated on Straight Line Method over the useful life of investment property as at respective reporting dates.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Notes

#### (i) Fair value of Investment Property

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Buildings and flats</b>		
Fair value of investment properties	<b>1,623</b>	1,663
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	As at 31 March 2023	As at 31 March 2022
Rental income derived from investment properties (refer note 33)	<b>167</b>	137
Direct operating expenses from property (including repairs and maintenance) that generated rental income	<b>(1)</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>166</b>	136
Depreciation	-	-
<b>Income from investment property (net)</b>	<b>166</b>	<b>136</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

- 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.
- 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 2023	As at 31 March 2022
Within one year	<b>133</b>	120
After one year but not more than five years	<b>198</b>	163
More than five years	-	-
<b>Total</b>	<b>331</b>	<b>283</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 5 Other intangible assets

(₹ in lakhs)

Particulars	Amount (^)
<b>Gross carrying value</b>	
<b>Balance as at 1 April 2021</b>	<b>790</b>
Additions	-
Foreign currency translation reserve	(1)
Disposals	(324)
<b>Balance as at 31 March 2022</b>	<b>465</b>
Additions	505
Foreign currency translation reserve	-
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>970</b>
<b>Accumulated amortisation</b>	
Balance as at 31 March 2021	752
Amortisation charge for the year	19
Foreign currency translation reserve	(1)
Disposals	(324)
<b>Balance as at 31 March 2022</b>	<b>446</b>
Amortisation charge for the year	138
Foreign currency translation reserve	-
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>584</b>
<b>Net carrying value</b>	
<b>Balance as at 31 March 2022</b>	<b>19</b>
<b>Balance as at 31 March 2023</b>	<b>386</b>

^Other intangible assets includes only computer softwares

Note - For capital commitments, refer note 51.

### 6 Intangible assets under development

(₹ in lakhs)

Particulars	Amount (^)
<b>Balance as at 1 April 2021</b>	<b>230</b>
Additions*	166
Capitalised during the year	-
Written off during the year^	(10)
<b>Balance as at 31 March 2022</b>	<b>386</b>
Additions	-
Capitalised during the year	(386)
Written off during the year	-
<b>Balance as at 31 March 2023</b>	<b>-</b>

\*including SAP Implementation cost which is capitalised during the current financial year.

^This pertains to costing and export software development cost. However, due to some technical issue, the same has not been completed and hence, cost incurred till date has been charged to consolidated statement of profit and loss.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Ageing of Intangible assets under development

(₹ in lakhs)

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	
<b>Balance as at 31 March 2023</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Balance as at 31 March 2022</b>					
Project in progress	166	220	-	-	386
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by Group management as at 31 March 2023 and as at 31 March 2022, 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.

### 7 Investments (Non-current)

Particulars	As at 31 March 2023		As at 31 March 2022	
	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><u>(A) Quoted</u></b>				
IndusInd Bank Limited (face value ₹ 10 each)	<b>8,541</b>	<b>91</b>	8,541	80
Eicher Motors Limited (face value ₹ 1 each)	<b>6,000</b>	<b>177</b>	6,000	147
Hero Motocorp Limited (face value ₹ 2 each)	<b>6,250</b>	<b>147</b>	6,250	143
<b><u>(B) Unquoted</u></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>415</b>		<b>370</b>
<b>- Equity investment measured at fair value through profit and loss</b>				
<b><u>Unquoted</u></b>				
Matternet Inc (face value USD 0.0001 each)	<b>290,567</b>	1,645	290,567	1,535
		<b>2,060</b>		<b>1,905</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	<b>229</b>	10	-	-
Kotak Overnight Fund Direct - Growth	<b>116</b>	1	-	-
DSP Black Rock Equity Fund	<b>50,000</b>	<b>23</b>	50,000	25
<b>Total</b>		<b>2,094</b>		<b>1,930</b>

Refer note 43 for information about fair value measurement

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Notes:

Aggregate carrying value of quoted investments (gross)	415		370
Aggregate market value of quoted investments	415		370
Aggregate carrying value of unquoted investments (gross)	1,680		1,561
Aggregate amount of impairment in value of investments	(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 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.

## 8 Non-current loans

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unsecured, considered good</b>		
Loans and advances to employees (*)	0	1
<b>Total</b>	<b>0</b>	<b>1</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### Break up of security details

Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (*)	0	1
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
<b>Total</b>	<b>0</b>	<b>1</b>
Loss allowance	-	-
<b>Total loans</b>	<b>0</b>	<b>1</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### Notes -

- Refer note 43 for information about fair value measurement and note 44 for information about credit risk.
- 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 2023	As at 31 March 2022
<b>(Unsecured, considered good)</b>		
Security deposits	736	534
Margin money deposits with the maturity of more than 12 months from reporting date (refer note (i) below)	602	387
<b>Total</b>	<b>1,338</b>	<b>921</b>

### Notes -

- Held as lien by bank against bank guarantees amounting to ₹ 416 lakhs (31 March 2022: ₹ 377 lakhs).
- Refer note 44 for information about credit risk.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 10 Income tax assets (net) (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance taxes paid (net of provision for tax ₹ 26,536 lakhs (31 March 2022: ₹ 27,615 lakhs))	2,948	2,964
<b>Total</b>	<b>2,948</b>	<b>2,964</b>

#### Non current income tax assets movement :

<b>Non current income tax assets (net) at the beginning of the year</b>	<b>2,964</b>	<b>2,937</b>
Less: Tax pertaining to earlier years	(29)	-
Less: Income tax refund (net)	(11)	-
Add: Transferred from current income tax liabilities	24	27
<b>Non current income tax assets (net) at the end of the year</b>	<b>2,948</b>	<b>2,964</b>

### 11 Other non-current assets (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	452	855
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	38	47
Balance with government authorities	440	440
<b>Total</b>	<b>805</b>	<b>1,217</b>

### 12 Inventories (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials, packing material and components (including goods-in-transit ₹ 858 lakhs (31 March 2022 ₹ 995 lakhs))	11,333	10,060
Work-in-progress	8,814	7,039
Finished goods (including goods-in-transit ₹ 442 lakhs (31 March 2022 ₹ 1,819 lakhs))	10,583	5,842
Stores and spares (includes goods-in-transit ₹ 21 lakhs (31 March 2022 ₹ Nil))	6,172	5,944
<b>Total</b>	<b>36,902</b>	<b>28,885</b>

#### Notes -

- (i) During the year, finished goods inventories of ₹ 1,049 lakhs (31 March 2022 - ₹ 455 lakhs) are written down to its net realisable value of ₹ 821 lakhs (31 March 2022 - ₹ 360 lakhs).
- (ii) Total provision for inventories towards slow moving and obsolete inventory as at 31 March 2023 is ₹ 2,057 lakhs (31 March 2022 - ₹ 1,506 lakhs).
- (iii) Also refer note 26, note 40 and note 50.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 13 Investments (Current)

Particulars	As at 31 March 2023		As at 31 March 2022	
	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	9,137,069	1,197	9,137,069	1,134
HDFC nifty 100 fund	1,000,000	100	1,000,000	102
DSP ultra short term fund	6,389	200	6,389	189
ASBL short term fund	65,553	28	65,553	27
<b>Total</b>		<b>1,525</b>		<b>1,452</b>

#### Notes:

Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,525	1,452
Aggregate amount of impairment in value of investments	-	-

Note - Refer note 44 (c) for information regarding market risk.

### 14 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
	<b>Receivable from:</b>	
- Related parties (refer note (ii) below and note 49)	22	22
- Others	25,171	23,395
Less: Allowance for expected credit loss - others	(2,938)	(1,886)
<b>Total</b>	<b>22,255</b>	<b>21,531</b>
Current portion	22,255	21,531
Non current portion	-	-
<b>Break up of security details</b>		
Trade receivables considered good - secured	92	104
Trade receivables considered good - unsecured	23,106	21,978
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,995	1,335
	<b>25,193</b>	<b>23,417</b>
Less: Allowance for expected credit loss - others	(2,938)	(1,886)
<b>Total</b>	<b>22,255</b>	<b>21,531</b>

#### Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2022 - ₹ 4 lakhs) from a private company where director of the Parent Company is also a director.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

- (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 44 for information about credit risk and market risk of trade receivables.
- (iv) The outstanding balances as at 31 March 2023 includes trade receivables amounting to ₹ 5,020 lakhs (31 March 2022: ₹ 3,886 lakhs) from customers of Parent Company 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, the Parent Company's 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 i.e. in between 30 to 180 days.
- (vi) Unbilled trade receivables amount as at 31 March 2023 is ₹ Nil (31 March 2022: ₹ Nil).
- (vii) Refer note 26 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 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	1,395	-	-	18	23,198
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>1,395</b>	<b>787</b>	<b>251</b>	<b>975</b>	<b>25,193</b>
Less: Allowance for expected credit loss							(2,938)
<b>Carrying amount of trade receivables</b>							<b>22,255</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

Ageing for trade receivables (gross of allowance for expected credit loss) outstanding from the due date of payment as at 31 March 2022

(₹ 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	15,662	4,852	846	490	-	232	22,082
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	371	554	410	1,335
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>15,662</b>	<b>4,852</b>	<b>846</b>	<b>861</b>	<b>554</b>	<b>642</b>	<b>23,417</b>
Less: Allowance for expected credit loss							(1,886)
<b>Carrying amount of trade receivables</b>							<b>21,531</b>

### 15 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks in:		
- Current accounts	4,985	4,606
- Exchange Earners' Foreign Currency account	1,485	1,340
- Deposit accounts with the original maturity of less than three months	59	217
Cash on hand	2	4
<b>Total</b>	<b>6,531</b>	<b>6,167</b>

Notes -

(i) There are no repatriation restrictions with regards to bank balances stated above.

(ii) Also, refer note 26, note 44 and note 50.

### 16 Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Unpaid dividend bank account (refer note (i) below)	818	202
Margin money deposits (refer note (iii) below)	957	399
<b>Total</b>	<b>1,775</b>	<b>601</b>

Notes -

(i) This represents earmarked balance in respect of unpaid dividends

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

(₹ in lakhs)

Financial year	As at	As at
	31 March 2023	31 March 2022
2014-15 (refer note (ii) below)	-	3
2015-16	5	5
2016-17	7	7
2017-18	13	13
2018-19	11	11
2019-20	5	5
2020-21	158	158
2021-22	619	-
<b>Total</b>	<b>818</b>	<b>202</b>

(ii) The unclaimed dividend transferred to Investor Education and Protection Fund during the year is ₹ 3 lakhs (31 March 2022- ₹ 2 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 75 lakhs (31 March 2022: ₹ 131 lakhs).

### 17 Loans (Current)

(₹ in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
<b>Unsecured, considered good</b>		
Loans to employees	34	14
<b>Unsecured, credit impaired</b>		
Loans to employees	15	15
	<b>49</b>	<b>29</b>
Less: Loss allowance	(15)	(15)
<b>Total</b>	<b>34</b>	<b>14</b>

#### Break up of security details

Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (refer note (i) below)	34	14
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
<b>Total</b>	<b>49</b>	<b>29</b>
Loss allowance	(15)	(15)
<b>Total</b>	<b>34</b>	<b>14</b>

#### Notes -

- (i) No loans or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.
- (ii) Refer note 44 for information about credit risk and market risk for loans.
- (iii) Refer note 26 and note 50 for information about assets pledged as security for current borrowings.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 18 Other current financial assets

(₹ in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Rent receivable	32	8
Derivative assets (refer note below)	-	184
Others (refer note 49(ii)(v))	1	151
<b>Total</b>	<b>33</b>	<b>343</b>

#### Notes

- (i) During the current year, the Parent Company had unwound one of its cross-currency interest rate swap hedge contract and accordingly recorded a gain of Rs. 397 lakhs which is classified under other income.
- (ii) Refer note 26 and note 50 for information about assets pledged as security for current borrowings.
- (iii) Refer note 44 (c) for information regarding market risk.

### 19 Other current assets

(₹ in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Advances to suppliers:		
- Related parties (refer note (i) below and note 49(ii))*	0	5
- Others	1,852	1,420
- Employees	1	-
Less: Loss allowance - others	(501)	(501)
Other advances	118	72
Less: Loss allowance	(29)	(29)
Export incentive and duty drawback receivable	124	428
Balance with government authorities	4,912	2,525
Prepaid expenses	319	475
Gratuity planned assets (net) (refer note 52(b)(1)(iv))	-	19
<b>Total</b>	<b>6,796</b>	<b>4,414</b>

#### Notes

- (i) includes ₹ 0 (\*) lakhs (31 March 2022 - ₹ 5 lakhs) due from a private company where director of the Parent Company is also a director.
- (ii) Refer note 26 and note 50 for information about assets pledged as security for current borrowings.
- (\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 20 Assets held-for-sale

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Group of property, plant and equipment held for sale (refer note (i) below)</b>		
Freehold land	5	5
Buildings and flats (gross carrying value - ₹ 129 lakhs, accumulated depreciation - ₹ 81 lakhs)	48	48
Furniture 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>53</b>	<b>53</b>

#### Notes

- (i) The Board of directors of the Parent Company at its meeting held on 22 January 2022 had approved sale/transfer/disposal of land and building of Thane (freehold) and Chikalthana (leasehold), upon closure of these plants. This decision is taken to prepare for a leaner and more cost effective manufacturing structure, consequent upon entry of e-vehicles and a gradual shift to manufacturing e-mobility agnostic products. Accordingly, it has been decided to close or transfer operations at the smaller plants of the Group situated at (1) 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra and (2) E-40, M.I.D.C. Industrial Area, Chikalthana, Aurangabad-431 006, Maharashtra.

#### Land and building at Thane

The management of the Parent Company is in the process of getting the sale agreement executed with an identified buyer for land and building along with other immovable property, plant and equipment situated at Thane.

#### Land and building at Chikalthana

The management of the Parent Company is in process of finalising the plan for closure of operations/transfer/disposal of Chikalthana plant and till such time, all these assets in use, have continued to be disclosed as part of property, plant and equipment as the closure of operations/transfer/disposal is not expected to be completed within next 12 months.

- (a) Further, the fair value of these assets is higher than its carrying value as on 31 March 2023 and hence, no impairment loss have been recognised.
- (b) Assets held-for-sales for sale are not depreciated or amortised.
- (ii) Further, the fair value of these assets is higher than its carrying value as on 31 March 2023 and hence, no impairment loss have been recognised.
- (iii) Assets held for sale are not depreciated or amortised.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 21 Equity share capital (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Authorised share capital</b>		
100,000,000 (31 March 2022 : 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 2022 : 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 31 March 2023		As at 31 March 2022	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	96,922,600	1,938	96,922,600	1,938
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>96,922,600</b>	<b>1,938</b>	<b>96,922,600</b>	<b>1,938</b>

#### (ii) Terms and rights attached to equity shares

- The Parent Company declares and pays 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 the Annual General Meeting [refer note 45 (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 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.
- 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 2023		As at 31 March 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
(Late) Trilochan Singh Sahney Trust 1 (held by a trustee in his individual name)	33,809,300	34.88%	33,809,300	34.88%
Harshbeena Sahney Zaveri	11,266,892	11.62%	11,100,917	11.45%
Nalanda India Equity Fund Limited	9,682,667	9.99%	9,682,667	9.99%
HDFC Small Cap Fund	8,963,982	9.25%	8,963,982	9.25%



**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(iv) Details of shareholding of promoter and promoter group of the company:**

Name of promoters	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
Devesh Singh Sahney	850,089	0.88%	-	850,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	33,809,300	34.88%	-	33,809,300	34.88%	-
Harshbeena S Zaveri	11,266,892	11.62%	1.50%	11,100,917	11.45%	1.77%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	411,900	0.42%	-	411,900	0.42%	-
Bhupinder Singh Sahney	26,680	0.03%	-	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	303,495	0.31%	-	303,495	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	1,096,521	1.13%	8.16%	1,013,770	1.05%	0.10%
Anupa Rajiv Sahney	773,021	0.80%	-	773,021	0.80%	100%
<b>Total</b>	<b>48,563,570</b>	<b>50.11%</b>		<b>48,314,844</b>	<b>49.85%</b>	

Name of promoters	As at 31 March 2022			As at 31 March 2021		
	Number of shares held	% of Holding	% Change during the Year	Number of shares held	% of Holding	% Change during the Year
Devesh Singh Sahney	850,089	0.88%	-	850,089	0.88%	-
Trilochan Singh Sahney (Late)	1,000	0.00%	-	1,000	0.00%	-
Trilochan Singh Sahney Trust 1	33,809,300	34.88%	-	33,809,300	34.88%	-
Harshbeena S Zaveri	11,100,917	11.45%	1.77%	10,907,940	11.25%	5.04%
<b>Name of promoter group</b>						
Aarti Devesh Sahney	411,900	0.42%	-	411,900	0.42%	-
Bhupinder Singh Sahney	26,680	0.03%	-	26,680	0.03%	-
Jasjiv Singh Devinder Singh Sahney	303,495	0.31%	-	303,495	0.31%	-
Mallika Sahney	4,920	0.01%	-	4,920	0.01%	-
Rajiv Devinder Sahney	-	0.00%	-100.00%	747,021	0.77%	-
Sahir Zaveri	19,752	0.02%	-	19,752	0.02%	-
Aziz Yousuf Zaveri	1,013,770	1.05%	0.10%	1,012,770	1.04%	48.16%
Anupa Rajiv Sahney	773,021	0.80%	100.00%	-	0.00%	-
<b>Total</b>	<b>48,314,844</b>	<b>49.85%</b>		<b>48,094,867</b>	<b>49.61%</b>	

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

Note - As per records of the Parent 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 Parent Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2023. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2023.

## 22 Other equity

### Summary of other equity balance

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Securities premium	848	848
General reserve	12,725	12,725
Capital reserve	15	15
Capital redemption reserve	1,011	1,011
Debenture redemption reserve	-	-
Retained earnings	49,337	41,878
Fair value gain on equity instruments through other comprehensive income	415	373
Foreign currency translation reserve	340	(301)
Cash flow hedge reserve	147	371
<b>Total</b>	<b>64,839</b>	<b>56,920</b>

### Nature and purpose of reserves

#### (i) Securities premium

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>848</b>	<b>848</b>
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)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	<b>12,725</b>	<b>11,975</b>
Transferred from debenture redemption reserve	-	750
<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.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (iii) Capital reserve (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	15	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)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	1,011	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) Debenture redemption reserve (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	-	750
Add: Transfer to general reserve		(750)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

The Parent Company had issued non-convertible debentures and accordingly debenture redemption reserve was required to be created in accordance with the Companies (Share Capital and Debentures) Rules, 2014. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019, relaxation has been provided to certain companies from creation of debenture redemption reserve. Thus, basis such amendment, the Parent Company is no longer required to create debenture redemption reserve.

### (vi) Retained earnings (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	41,878	34,991
Add: Profit for the year	9,398	7,327
Less: Other comprehensive income for the year (refer note 42)	(1)	45
Less: Dividend paid @ ₹ 2 per equity share (31 March 2022 - ₹ 0.50 per equity share) (refer note 45(iii))	(1,938)	(485)
<b>Balance at the end of the year</b>	<b>49,337</b>	<b>41,878</b>

Retained earnings represents the accumulated profits / losses made by the Group over the years.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (vii) Fair value gain / (loss) on equity instruments through OCI (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	373	420
Change in fair value of equity instrument (refer note 42)	42	(47)
<b>Balance at the end of the year</b>	<b>415</b>	<b>373</b>

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.

### (viii) Other comprehensive income (items which will be reclassified to profit and loss):

#### Foreign currency translation reserve (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	(301)	(307)
Add: Addition during the year (refer note 42)	641	6
<b>Balance at the end of the year</b>	<b>340</b>	<b>(301)</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.

#### (ix) Cash flow hedge reserve (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	371	131
Add: Change in fair value of derivative hedging instrument (refer note 42)	(224)	240
<b>Balance at the end of the year</b>	<b>147</b>	<b>371</b>

It represents the effective portion of the fair value of option contracts designated as cash flow hedge.

#### (x) Non controlling interest (NCI) (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
<b>Balance at the beginning of the year</b>	1,310	1,116
Profit for the year	217	234
Other comprehensive income / (loss) (refer note 42)	(3)	3
Final dividend on equity shares for the year ended 31 March 2022 of ₹ 6.5 per equity share (31 March 2021 : ₹ 4.5 per share)	(62)	(43)
<b>Balance at the end of the year</b>	<b>1,462</b>	<b>1,310</b>

It represents the non controlling interest in the Indian subsidiary of the Group.

## 23 Borrowings (non-current) (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Term Loan from banks - secured (refer note (a) below)	6,489	5,905
Deferred sales tax loan - unsecured (refer note (b) below)	73	146
<b>Total</b>	<b>6,562</b>	<b>6,051</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Notes -

(₹ in lakhs)

	Particulars	Security	Terms of repayment of principal	Number of installment outstanding	Rate of interest (per annum)	As at 31 March 2023	As at 31 March 2022	
<b>a</b>	<b>Term loan from banks (*)</b>							
	Term loan	Secured by exclusive charge by way of mortgage of a residential property of the Group situated in Mumbai.	Annual installments starting from 8 April 2021 to be completed in 8 April 2023	1	9.25%	833	1,667	
	Term loan	Secured by first exclusive charge by way of a hypothecation over property plant and equipment of the Group purchased towards capex out of the said term loan proceeds.	Quarterly installments starting from 1 October 2020 to be completed on 1 July 2025	9	1 year MCLR+0.50%	2,908	4,066	
	Vehicle loan	Secured by first exclusive charge by way of hypothecation over vehicle of the Group purchased during the year.	Monthly installments starting from 31 December 2021 to be completed on 31 December 2024	21	7.73%	6	9	
	Term loan	Hypothecation on Property, Plant and Equipment of the Group purchased towards capex term loan.	Quarterly installments starting from 31 March 2023 to be completed on 31 December 2027	19	8.6% (1 year MCLR + 0%)	4,078	-	
	Working capital term loan	Secured by way of mortgage of a residential property of the Group situated in Mumbai.	Monthly installments starting from 1 October 2022 to be completed on 1 September 2026	42	3 Month T-Bill +2.09%	2,188	2,500	
		<b>Comprises of</b>				<b>Total</b>	<b>10,013</b>	<b>8,242</b>
	Long term borrowings					<b>6,489</b>	5,905	
	Current maturities of long term debt(^)					<b>3,524</b>	2,337	
						<b>10,013</b>	<b>8,242</b>	
<b>b</b>	<b>Deferred sales tax loan</b>							
	Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	3	-	<b>146</b>	253	
						<b>Total</b>	<b>146</b>	<b>253</b>
	<b>Comprises of</b>							
	Long term borrowings					<b>73</b>	146	
Current maturities of long term debt(^)						<b>73</b>	107	
						<b>146</b>	<b>253</b>	

\*The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in note 50.

^ Includes interest / installments payable, recognised as part of carrying value of financial liabilities at amortised cost.

Note - Refer note 26 for cash flow changes in liabilities arising from financial activities.

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**24 Other non-current financial liabilities** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	95	109
<b>Total</b>	<b>95</b>	<b>109</b>

Refer note 44 for information about liquidity risk of other financial liabilities.

**25 Other non-current liabilities** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid rent	12	2
<b>Total</b>	<b>12</b>	<b>2</b>

**26 Borrowings (current)** (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>		
<b>Loans from banks - repayable on demand</b>		
- Packing credit loan (refer note (ii) below)	<b>12,014</b>	11,020
- Working Capital demand loan	<b>7,535</b>	7,519
- Cash credit - repayable on demand (refer note (iii) below)	<b>2,497</b>	2,375
<b>Current maturities of non-current borrowings (refer note 23)</b>		
- Term loans from banks	<b>3,524</b>	2,337
- Deferred sales tax loan	<b>73</b>	107
<b>Total</b>	<b>25,643</b>	<b>23,358</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 2021</b>	<b>25,257</b>	<b>68</b>
Non cash movement: additions to / reassessment of lease liabilities	-	911
Cash flows (net) (refer note 45)	4,152	(142)
<b>As at 31 March 2022</b>	<b>29,409</b>	<b>837</b>
Non cash movement: additions to / reassessment of lease liabilities	-	-
Cash flows (net) (refer note 45)	2,796	(159)
<b>As at 31 March 2023</b>	<b>32,205</b>	<b>678</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 and Working Capital demand loan aggregate amounting to ₹ 19,549 lakhs (31 March 2022 - ₹ 18,539 lakhs) which is secured by first pari passu hypothecation charge on all the existing and future current assets of the Parent Company. The weighted average interest rate on packing credit loan is 6.34% (31 March 2022 - 4.42%) and for Working Capital demand loan is 7.03% (31 March 2022 - 6.00%).

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

- (iii) Cash credit loan - repayable on demand amounting to ₹ 2,497 lakhs (31 March 2022 - ₹ 2,375 lakhs) which is secured by Standby Letter of Credit issued by Parent Company through Citi bank N.A., India.
- (iv) The statement of current assets filed by the Group with banks are in agreement with the books of account.
- (v) Refer note 44 for liquidity risk and market risk.
- (vi) Refer note 45 for capital management.

### 27 Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer note (iv) below)	2,490	2,405
Total outstanding dues of creditors other than micro enterprises and small enterprises*	10,398	8,296
<b>Total</b>	<b>12,888</b>	<b>10,701</b>

\*includes dues to related party (refer note 49(ii))

#### Notes -

- (i) Refer note 44 for information about liquidity risk and market risk of trade payables.
- (ii) From total trade payables mentioned above, payables against unbilled dues are ₹ 1,134 lakhs (31 March 2022 - ₹ 1,430 lakhs).
- (iii) The outstanding balances as at 31 March 2023 includes trade payables amounting to ₹ 428 lakhs (31 March 2022: ₹ 155 lakhs), from vendors of Parent Company 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 the 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.

#### (iv) Dues to micro enterprise and small enterprise (MSME)

The Group has certain dues to suppliers registered 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 31 March 2023	As at 31 March 2022
(a) The principal amount remaining unpaid to any supplier at the end of the year	2,148	2,290
(b) Interest due remaining unpaid to any supplier at the end of the year	342	115
(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	9,334	1,414
(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	342	115

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

(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	227	70
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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.

### Ageing for trade payables outstanding from the date of transaction as at 31 March 2023 (₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	2,219	251	13	7	-	2,490
Others	5,663	3,278	295	28	-	9,264
Disputed dues (MSMEs)	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-
	<b>7,882</b>	<b>3,529</b>	<b>308</b>	<b>35</b>	<b>-</b>	<b>11,754</b>
Add - Unbilled dues						<b>1,134</b>
						<b>12,888</b>

### Ageing for trade payables outstanding from the date of transaction as at 31 March 2022 (₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	958	1,395	49	3	-	2,405
Others	1,555	5,238	32	41	-	6,866
Disputed dues (MSMEs)	-	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-	-
	<b>2,513</b>	<b>6,633</b>	<b>81</b>	<b>44</b>	<b>-</b>	<b>9,271</b>
Add - Unbilled dues						1,430
						<b>10,701</b>

## 28 Other current financial liabilities (₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Derivative liability	6	-
Deposits from dealers	200	207
Unpaid dividends (unclaimed) (Refer footnote i and ii)	818	202
Creditors for capital goods	92	193
Employee related liability	1,243	1,389
Other payables (refer note 49(ii)(v))	1,089	151
<b>Total</b>	<b>3,448</b>	<b>2,142</b>

### Notes:

- (i) Refer note 44 for information about liquidity risk and market 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 significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**29 Other current liabilities (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	783	497
Prepaid rent	10	8
Contract liabilities (unearned revenue)	-	4
Revenue received in advance	1	93
Advance from customers	166	211
<b>Total</b>	<b>960</b>	<b>813</b>

**Changes in contract liabilities are as follows:**

<b>Balance at the beginning of the year</b>	4	-
Revenue recognised that was included in the contract liability balance at the beginning of the year	4	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	-	4
<b>Balance at the end of the year</b>	<b>-</b>	<b>4</b>

**30 Provisions (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Provision for employee benefits</b>		
- Compensated absences (refer note 52(c))	895	1,058
- Gratuity (refer note 52(b)(1)(iv))	151	232
<b>Total</b>	<b>1,046</b>	<b>1,290</b>

**Provision for compensated absences :**

<b>Opening provision for compensated absences at the beginning of the year</b>	<b>1,058</b>	<b>1,026</b>
Created during the year (refer note 52(c))	168	166
Paid during the year	(331)	(134)
<b>Closing provision for compensated absences at the end of the year</b>	<b>895</b>	<b>1,058</b>

**31 Current tax liabilities (net) (₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liabilities	171	141
<b>Total</b>	<b>171</b>	<b>141</b>
<b>Current tax liabilities (net) movement :</b>		
<b>Current tax liabilities (net) at the beginning of the year</b>	<b>141</b>	<b>100</b>
Add: Provision for the year	3,539	2,566
Less: Advance tax and TDS paid	(3,533)	(2,552)
Add : Transferred to non current income tax assets	24	27
<b>Current tax liabilities (net) at the end of the year</b>	<b>171</b>	<b>141</b>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**32 Revenue from operations**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Sale of products (also refer note 49(ii))</b>		
Finished goods - Bearings	<b>103,434</b>	91,863
<b>Other operating revenues</b>		
Sale of machines	<b>89</b>	-
Scrap sales	<b>1,571</b>	1,392
Export incentives	<b>569</b>	929
Other operating income	<b>53</b>	97
<b>Total</b>	<b>105,716</b>	<b>94,281</b>

**Notes**
**(i) Disaggregated revenue**
**Revenue based on geography**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Within India	<b>80,902</b>	67,431
Outside India	<b>24,814</b>	26,850
<b>Total</b>	<b>105,716</b>	<b>94,281</b>

**Revenue based on timing of recognition**

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue recognition at a point in time	<b>105,716</b>	94,281
Revenue recognition over a period of time	-	-
<b>Total</b>	<b>105,716</b>	<b>94,281</b>

**Reconciliation of revenue from operations with contract price**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract price	<b>107,819</b>	96,983
Less : Discounts, incentives and others	<b>(914)</b>	(1,576)
Less : Sales returns	<b>(1,189)</b>	(1,126)
<b>Total</b>	<b>105,716</b>	<b>94,281</b>

**Notes -**

- There is no reconciliation between the contract price and revenue from customers except as disclosed above.
- The above figures have been extracted from MIS generated report, to compute time, material and fix bid revenue.
- Refer note 44 (a) for information regarding revenue from top customer and top 5 customers of the Group.

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**33 Other income**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend income on financial assets measured at FVOCI	8	7
Dividend income on financial assets measured at FVTPL	2	2
Interest income on financial assets measured at amortised cost	65	54
Fair value changes on financial assets measured at FVTPL	73	50
Profit on sale of property, plant and equipment's	60	31
Rental income	167	137
Net gain on foreign currency transactions and translation	1,394	875
Fair valuation gain on derivative instrument measured at FVTPL	358	-
Interest on electricity deposit	7	12
Insurance claim received	36	21
Liabilities no longer required written back	75	140
Others	44	87
<b>Total</b>	<b>2,289</b>	<b>1,416</b>

**34 Cost of materials consumed**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening stock	10,060	5,821
Add: Purchases (also refer note 49 (ii))	48,545	41,188
Less: Closing stock (refer note 12)	(11,333)	(10,060)
<b>Total</b>	<b>47,272</b>	<b>36,950</b>
Add: Exceptional items (refer note 40)	-	688
<b>Total</b>	<b>47,272</b>	<b>37,638</b>

**35 Changes in inventories of finished goods and work-in-progress**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Opening inventories</b>		
Work-in-progress	7,039	5,451
Finished goods	5,842	3,993
	<b>12,881</b>	<b>9,444</b>
<b>Closing inventories (refer note 12)</b>		
Work-in-progress	8,814	7,039
Finished goods	10,583	5,842
	<b>19,397</b>	<b>12,881</b>
<b>Total</b>	<b>(6,516)</b>	<b>(3,437)</b>
Add: Exceptional items (refer Note 40)	-	354
<b>Total</b>	<b>(6,516)</b>	<b>(3,083)</b>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**36 Employee benefits expense** (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages *	14,543	13,680
Contribution to provident and other funds (refer note 52(a))*	643	708
Staff welfare expenses	814	1,195
<b>Total</b>	<b>16,000</b>	<b>15,583</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 1,626 lakhs (31 March 2022 - ₹ 1,405 lakhs) (refer note 49(ii)).

**37 Finance costs** (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost		
- Long term borrowings	666	757
- Short term borrowings	972	739
Interest on lease liabilities (refer note 54 (ii))	75	68
Interest on payables to MSME vendors	227	70
Other borrowing costs	24	30
<b>Total</b>	<b>1,964</b>	<b>1,664</b>

**38 Depreciation and amortisation expenses** (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 2)	3,740	3,522
Depreciation on right to use assets (refer note 2 and note 54(ii))	202	176
Amortisation on intangible assets (refer note 5)	138	19
<b>Total</b>	<b>4,080</b>	<b>3,717</b>

**39 Other expenses** (₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	7,872	8,069
Processing charges	1,516	1,867
Power and fuel	4,619	3,860
Repairs and maintenance -		
Buildings	307	256
Plant and equipments	798	708
Others	232	152
Insurance	316	234
Rent (refer note 54(ii))	383	265
Rates and taxes	335	141
Legal and professional fees	1,842	1,611

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Directors' fees and commission (refer note 49 (ii))	82	81
Commission on sales	1,082	797
Travelling and conveyance	676	312
Postage and communication expenses	38	59
Bank charges	148	162
Advertisement and sales promotion expenses	142	156
Forwarding charges	4,082	5,160
Bad debts written off (net of amounts provided ₹ Nil (31 March 2022 ₹ 2,715 lakhs))	69	56
Provision for doubtful debts*	-	373
Information technology expenses	693	481
Provision for doubtful advances	28	122
Fair value changes on financial assets measured at FVTPL	2	-
Fair valuation loss on derivative contracts measured at FVPTL	-	27
Expenditure on corporate social responsibility	143	162
Contract labour	3,838	3,121
Sanitation and housekeeping expenses	255	281
Export expenses	633	232
Security charges	418	371
Miscellaneous expenses	841	514
<b>Total</b>	<b>31,390</b>	<b>29,630</b>

\* Provision for doubtful debts are net of amount classified as exceptional items of ₹ 1,053 lakhs (31 March 2022 - ₹ 1,435) (refer note 40)

### 40 Exceptional items - (loss) / gain (net)

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gain on reversal of provision of (due to change in management estimates)		
- Raw Materials (refer note (i) below and note 34)	-	688
- Work-in-progress (refer note (i) and note 35)	-	240
- Finished Goods (refer note (i) and note 35)	-	114
Provision for doubtful debts (refer note (ii) below and note 39)	(1,053)	(1,435)
<b>Total</b>	<b>(1,053)</b>	<b>(393)</b>

#### Notes :-

- (i) During the previous financial year, the Parent Company had reassessed its estimates with respect to inventory provisioning policy based on the actual consumption of raw materials and actual conversion / sale of work-in-progress and finished goods inventories respectively. The excess provision on account of changes in estimates adjusted in the consolidated statement of profit and loss is treated as an exceptional gain.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

- (ii) During the current and previous financial year, the Parent 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 Parent Company. Considering the nature and significance of amount, such charge is considered as an exceptional loss.

### 41 Tax expense / (credit) in consolidated statement of profit and loss (including other comprehensive income (OCI))

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Current tax</b>		
Current tax for the year	3,539	2,566
Tax pertaining to earlier year	11	-
<b>Total current tax</b>	<b>3,550</b>	<b>2,566</b>
<b>Deferred taxes</b>		
Relating to origination and reversal of temporary differences recognised through profit and loss	(403)	28
Relating to origination and reversal of temporary differences recognised through OCI	(78)	121
<b>Total deferred tax expenses (net)</b>	<b>(481)</b>	<b>149</b>
<b>Total</b>	<b>3,069</b>	<b>2,715</b>

### (i) Tax reconciliation for profit and loss including OCI

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Profit before income tax expense</b>	<b>12,762</b>	10,155
Enacted income tax rate in India 25.17% (31 March 2022 - 25.17%)	3,212	2,556
<b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b>		
Non deductible expenses for tax purpose	89	67
Additional allowances for tax purpose	(148)	-
Tax adjustment in respect of earlier years	11	-
Tax on income at different rates as per perspective jurisdiction	175	13
Others	(270)	79
<b>Income tax expense</b>	<b>3,069</b>	<b>2,715</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(ii) Deferred tax related to the following:**
**(₹ in lakhs)**

<b>Deferred tax liabilities (net)</b>	<b>As at 31 March 2021</b>	<b>Recognised through profit and loss and OCI</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>Deferred tax liabilities on account of:</b>					
Difference between book and tax depreciation	<b>(2,516)</b>	32	<b>(2,484)</b>	100	<b>(2,384)</b>
IND AS 116 (Right of Use Asset)	<b>(48)</b>	(196)	<b>(244)</b>	86	<b>(158)</b>
Outside basis tax	<b>(182)</b>	-	<b>(182)</b>	182	-
Financial liabilities measured at amortised cost	<b>(4)</b>	-	<b>(4)</b>	1	<b>(3)</b>
Fair valuation of derivative contracts	<b>(17)</b>	7	<b>(10)</b>	10	-
Unrealised capital gain on mutual funds	-	(13)	<b>(13)</b>	(27)	<b>(40)</b>
Others	<b>(14)</b>	11	<b>(3)</b>	3	-
<b>Total deferred tax liabilities</b>	<b>(2,781)</b>	<b>(159)</b>	<b>(2,940)</b>	<b>355</b>	<b>(2,585)</b>
<b>Deferred tax assets on account of:</b>					
Provision for gratuity	<b>39</b>	27	<b>66</b>	(28)	<b>38</b>
Provident fund contribution	<b>24</b>	(1)	<b>23</b>	-	<b>23</b>
Provision for doubtful trade receivables	<b>707</b>	(229)	<b>478</b>	262	<b>740</b>
Voluntary retirement compensation	-	13	<b>13</b>	-	<b>13</b>
Provision for compensated absence	<b>257</b>	7	<b>264</b>	(39)	<b>225</b>
Lease liabilities	<b>56</b>	193	<b>249</b>	(78)	<b>171</b>
Amortisation of borrowings	<b>4</b>	-	<b>4</b>	(4)	-
Unrealised profits on intercompany transactions	<b>62</b>	-	<b>62</b>	(62)	-
Fair valuation of derivative contracts / others	-	-	-	75	<b>75</b>
<b>Total deferred tax assets</b>	<b>1,149</b>	<b>10</b>	<b>1,159</b>	<b>126</b>	<b>1,285</b>
<b>Total deferred tax liabilities (net)</b>	<b>1,632</b>	<b>149</b>	<b>1,781</b>	<b>(481)</b>	<b>1,300</b>

**42 Other comprehensive income (OCI)**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
<b>- Items that will not be reclassified to profit or loss</b>		
Actuarial gain on remeasurements of the net defined benefit plans	(6)	88
Fair value changes on equity instruments measured through other comprehensive income	42	(47)
Income tax relating to items that will not be reclassified to profit or loss	2	(40)
	<b>38</b>	<b>1</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

<b>- Items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of foreign operations	641	6
Remeasurement of (loss) / gain on derivative hedging instruments	(300)	321
Income tax relating to items that may be reclassified to profit or loss	76	(81)
	<b>417</b>	<b>246</b>
<b>Total</b>	<b>455</b>	<b>247</b>

### 43 Fair value measurements

#### Financial instruments by category -

(₹ in lakhs)

Particulars	31 March 2023			31 March 2022		
	FVOCI	FVTPL	Amor-tised cost	FVOCI	FVTPL	Amor-tised cost
<b><u>Financial assets - non-current</u></b>						
Investments (*)	415	1,680	-	370	1,560	-
Loans (**)	-	-	0	-	-	1
Other financial assets	-	-	1,338	-	-	921
<b><u>Financial assets - current</u></b>						
Investments	-	1,525	-	-	1,452	-
Trade receivables (*)	-	-	22,255	-	-	21,531
Cash and cash equivalents	-	-	6,531	-	-	6,167
Bank balances other than cash and cash equivalents	-	-	1,775	-	-	601
Loans (*)	-	-	34	-	-	14
Other financial assets	-	-	33	-	184	159
	<b>415</b>	<b>3,205</b>	<b>31,966</b>	<b>370</b>	<b>3,196</b>	<b>29,394</b>
<b><u>Financial liabilities - non-current</u></b>						
Borrowings	-	-	6,562	-	-	6,051
Lease liabilities	-	-	508	-	-	677
Other financial liabilities	-	-	95	-	-	109
<b><u>Financial liabilities - current</u></b>						
Borrowings (including current maturities of non-current borrowings)	-	-	25,643	-	-	23,358
Lease liabilities	-	-	170	-	-	160
Trade payables	-	-	12,888	-	-	10,701
Other financial liabilities	-	6	3,442	-	-	2,142
	-	<b>6</b>	<b>49,308</b>	-	-	<b>43,198</b>

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 allowance

(\*\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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 investment in equity instrument and mutual fund are based on the quoted market prices. Fair values of security deposits, loans are based on discounted cash flows using a discount rate determined considering 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 significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

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

(₹ in lakhs)

Particulars	31 March 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investment in mutual fund measured at FVTPL	1,525	-	-	1,452	-	-
Investments in equity instrument measured at FVTPL	-	1,680	-	-	1,560	-
Investments in equity instrument measured at FVOCI	415	-	-	370	-	-
Derivative assets	-	-	-	-	184	-
<b>Financial liabilities</b>						
Derivative liabilities	-	6	-	-	-	-

#### 44 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 2023

(₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
<b>Gross trade receivables (a)</b>	<b>15,505</b>	<b>7,675</b>	<b>18</b>	<b>1,995</b>	<b>25,193</b>
Expected loss rate	1.92%	8.40%	-	100.00%	
Expected credit loss (b)	298	645	-	1,995	<b>2,938</b>
<b>Carrying amount of trade receivables (a-b)</b>	<b>15,207</b>	<b>7,030</b>	<b>18</b>	<b>-</b>	<b>22,255</b>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**Expected credit loss for trade receivables as on 31 March 2022**

(₹ in lakhs)

Particulars	Not due	Less than 1 year	More than 1 year	Credit Impaired	Total
<b>Gross trade receivables (a)</b>	<b>15,662</b>	<b>5,698</b>	<b>722</b>	<b>1,335</b>	<b>23,417</b>
Expected loss rate	1.14%	3.77%	21.75%	100.00%	
Expected credit loss (b)	179	215	157	1,335	1,886
<b>Carrying amount of trade receivables (a-b)</b>	<b>15,483</b>	<b>5,483</b>	<b>565</b>	<b>-</b>	<b>21,531</b>

**Note** - Balances under the category "More than 1 year" includes receivables from related party which are not provided for expected credit loss.

**Movement in provision of doubtful debts**

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening provision	<b>1,886</b>	2,803
Add - additional provision made during the year (net)	<b>1,121</b>	1,798
Less - bad debts written off	<b>(69)</b>	(2,715)
<b>Closing provision</b>	<b>2,938</b>	<b>1,886</b>

The following table gives details in respect of revenues generated from top customer and top 5 customers :

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from top customer	<b>5%</b>	5%
Revenue from top 5 customers	<b>17%</b>	18%

**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	34	6,531	1,775	33
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>34</b>	<b>6,531</b>	<b>1,775</b>	<b>33</b>

**Expected credit loss for other financial assets as on 31 March 2022**

(₹ 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	14	6,167	601	343
Expected credit loss	-	-	-	-
<b>Carrying amount net of expected credit loss</b>	<b>14</b>	<b>6,167</b>	<b>601</b>	<b>343</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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 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	<b>6,562</b>
Short term borrowings (including current maturities of non-current borrowings)	25,643	-	-	<b>25,643</b>
Trade payables	12,891	-	-	<b>12,891</b>
Lease liabilities (current and non-current)*	170	208	300	<b>678</b>
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>

As at 31 March 2022

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>Non-derivative</b>				
Non-current borrowings	-	2,684	3,367	<b>6,051</b>
Short term borrowings (including current maturities of non-current borrowings)	23,358	-	-	<b>23,358</b>
Trade payables	10,701	-	-	<b>10,701</b>
Lease liabilities (current and non-current)*	160	169	508	<b>837</b>
Other non-current financial liabilities	-	109	-	<b>109</b>
Other current financial liabilities	2,213	-	-	<b>2,213</b>
<b>Total</b>	<b>36,432</b>	<b>2,962</b>	<b>3,875</b>	<b>43,269</b>

\* For undiscounted lease liabilities, refer note 54 (v)

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (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, AED, GBP, 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 in consolidated balance sheet -

#### 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	Apr 2021 - Jul 2025	1:1	87.30	(164)	164

#### As at 31 March 2022

(₹ 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 54	144	-	Apr 2021 - Jul 2025	1:1	87.53	357	(357)

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(ii) Disclosure of effects of hedge accounting on consolidated statement of profit and loss**
**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) (397)	Revenue Other income*

\* During the current year, the Parent Company had unwound one of its cross currency interest rate swap hedge contract and accordingly recorded a gain of ₹ 397 lakhs (net of losses ₹ 39 lakhs on other derivative contracts) which is classified under other income.

**For the year ended 31 March 2022**
**(₹ 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	(357)	-	(57) 21	Revenue Foreign exchange loss / (gain)

**(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 2021</b>	<b>(131)</b>
Add - Changes in fair value of hedging instruments	(357)
Less - Amounts reclassified to consolidated statement profit or loss	36
Less - Deferred tax relating to above (net)	81
<b>Balance as at 31 March 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>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

The Group's exposure to foreign currency risk at the end of reporting period are as under:

**As at 31 March 2023**

(₹ in lakhs)

Particulars	GBP	AED	USD	EURO	CHF	JPY
<b>Financial liabilities</b>						
Trade payables	2	3	297	1,872	2	1,947
Creditors for capital goods	-	-	2	-	-	65
	<b>2</b>	<b>3</b>	<b>299</b>	<b>1,872</b>	<b>2</b>	<b>2,012</b>
<b>Financial assets</b>						
Trade receivables	-	-	6,931	10,889	-	-
Balance with government authorities	-	-	-	1,872	-	-
Bank balance in Exchange Earner's Foreign Currency	-	-	343	1,142	-	-
	-	-	<b>7,274</b>	<b>13,903</b>	-	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	<b>(2)</b>	<b>(3)</b>	<b>6,975</b>	<b>12,031</b>	<b>(2)</b>	<b>(2,012)</b>

**As at 31 March 2022**

(₹ in lakhs)

Particulars	GBP	AED	USD	EURO	CHF	JPY
<b>Financial liabilities</b>						
Trade payables	-	-	664	232	9	1,534
Capital creditors	-	-	-	-	-	108
Forward contract payable	-	-	(1,380)	(213)	-	-
	-	-	<b>(716)</b>	<b>19</b>	<b>9</b>	<b>1,642</b>
<b>Financial assets</b>						
Trade receivables	-	-	5,974	10,410	-	-
Balance with government authorities	-	-	-	1,307	-	-
Bank balance in EEFC account	-	-	606	735	-	-
Forward contract receivable	-	-	-	(1,483)	-	-
	-	-	<b>6,580</b>	<b>10,969</b>	-	-
<b>Net exposure to foreign currency assets / (liabilities)</b>	-	-	<b>7,296</b>	<b>10,950</b>	<b>(9)</b>	<b>(1,642)</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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)

Currencies	31 March 2023		31 March 2022	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
USD	139	(139)	146	(146)
EUR	241	(241)	219	(219)
AED (*)	(0)	0	-	-
GBP (*)	(0)	0	-	-
CHF (*)	(0)	0	(0)	0
JPY	(40)	40	(33)	33

(\*) ₹ 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 2023 and 31 March 2022, 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.

The Group's borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	9,174	6,566
<b>Total</b>	<b>9,174</b>	<b>6,566</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 2023		31 March 2022	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	9,174	28.48%	6,566	22.33%
Interest rate swaps	-	-	-	-
<b>Net exposure to cashflow interest rate risk</b>	<b>9,174</b>	<b>28.48%</b>	<b>6,566</b>	<b>22.33%</b>



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### Sensitivity analysis - variable rate borrowing

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	As at 31 March 2023	As at 31 March 2022
Increase by 50 basis points	(46)	(33)
Decrease by 50 basis points	46	33

### (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	As at 31 March 2023	As at 31 March 2022
Impact on profit before tax for 5% increase in price of underlying shares	181	169
Impact on profit before tax for 5% decrease in price of underlying shares	(181)	(169)

## 45 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.

### (ii) The capital composition is as follows:

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt (long term and short term borrowings)	32,205	29,409
Less: cash and cash equivalents	(6,531)	(6,167)
Add - lease liabilities (current and non current) (refer note 54(iv))	678	837
<b>Net debt (A)</b>	<b>26,352</b>	<b>24,079</b>
<b>Equity (B)</b>	<b>68,238</b>	<b>60,168</b>
<b>Gearing ratio (A / B) (%)</b>	<b>38.62%</b>	<b>40.02%</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (iii) Dividends

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Equity Shares (face value of Rs. 2 each)</b>		
Final dividend paid for the financial year ended 31 March 2022 of ₹ 2 per share (31 March 2021 - ₹ 0.5)	<b>1,938</b>	485
<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 recommended the payment of a final dividend of ₹ 1 per equity share (31 March 2022 - ₹ 2 per equity share), The proposed dividend is subject to the approval of shareholders at the ensuing annual general meeting.	969	1,938

### 46 Net debt reconciliation

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings (current and non-current)	<b>32,205</b>	29,409
Lease liabilities (current and non current) (refer note 54(iv))	<b>678</b>	837
	<b>32,882</b>	<b>30,246</b>
Less - cash and cash equivalents	<b>6,531</b>	6,167
<b>Net debt movement</b>	<b>26,352</b>	<b>24,079</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 2021</b>	<b>25,257</b>	<b>68</b>	<b>7,379</b>	<b>17,946</b>
Cash flows (net)	4,313	(142)	(1,258)	5,429
Non cash movement - acquisitions / disposal	-	911	-	911
Finance cost paid	(1,418)	(68)	-	(1,486)
Finance cost incurred	1,596	68	-	1,664
Exchange (loss) / gain (net)	(339)	-	46	(385)
<b>Net debt as on 31 March 2022</b>	<b>29,409</b>	<b>837</b>	<b>6,167</b>	<b>24,079</b>
Cash flows	2,796	(159)	348	2,289
Finance cost paid	(1,889)	(75)	-	(1,964)
Finance cost recognised	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>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 47 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 2023	Proportion of ownership interest 31 March 2022
1	SNL Bearings Limited (subsidiary)	India	Manufacture and marketing of bearing products	<b>73.45%</b>	73.45%
2	NRB Bearings (Thailand) Limited (subsidiary) (**)	Thailand	Manufacture and marketing of bearing products	<b>100%</b>	100%
3	NRB Bearings Holdings Limited (*) (subsidiary)	UAE	Marketing of bearing products and customer support services	<b>100%</b>	100%
4	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	<b>100%</b>	100%
5	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	<b>100%</b>	100%

(\*) 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.

(\*\*) The Board of Directors of the Parent Company at its meeting held on 28 January 2023 had approved the transfer of entire equity stake held directly by the Parent Company in NRB Bearings (Thailand) Limited to NRB Holdings Limited, which is expected to take place in the subsequent reporting period. However, this would have no impact on the consolidated financial position of the Group.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 48 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:

(₹ in lakhs)

Summarised balance sheet	As at 31 March 2023	As at 31 March 2022
Current assets	4,359	3,841
Current liabilities	(655)	(489)
<b>Net current assets</b>	<b>3,704</b>	<b>3,352</b>
Non - Current assets	1,875	1,644
Non - Current liabilities	(175)	(164)
<b>Net non-current assets</b>	<b>1,700</b>	<b>1,480</b>
<b>Net total assets</b>	<b>5,404</b>	<b>4,832</b>
<b>Accumulated NCI</b>	<b>1,462</b>	<b>1,310</b>

(₹ in lakhs)

Summarised statement of profit and loss	As at 31 March 2023	As at 31 March 2022
Revenue	4,787	4,351
Profit for the year	818	883
Other comprehensive income	(11)	11
<b>Total comprehensive income</b>	<b>807</b>	<b>894</b>
Profit allocated to NCI	217	234
Other comprehensive income allocated to NCI	(3)	3

(₹ in lakhs)

Summarised cash flows	As at 31 March 2023	As at 31 March 2022
Net cash generated from operating activities	848	591
Net cash used in investing activities	(775)	(927)
Net cash used in financing activities	(239)	(156)
<b>Net (decrease) in cash and cash equivalents</b>	<b>(166)</b>	<b>(492)</b>

### 49 Related Party Disclosure:

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

- (i) **Names of related parties and description of relationship with the Parent Company and its subsidiary companies (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)**

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**

Key Management Personnel	<p><b><u>KMPs - Parent Company:-</u></b></p> <p>Ms. Harshbeena Zaveri, Vice Chairman and Managing Director  Mr. Satish Chellaram Rangani, Executive Director  Mr. Devesh Singh Sahney, 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)  Ms. Shruti Joshi (Company Secretary)  Mr. Pankaj Khemka (Chief Financial Officer) (w.e.f. 07 April 2023)</p> <p><b><u>KMPs - Subsidiary Companies (other than those covered above):-</u></b></p> <p>Mr. Kaiyomarz Minoo Marfatia, Director  Mr. Vivek Sahai (upto 03 November 2022), Director  Mr. Claude D'Gama Rose, Director  Mr. Krishnakant Prasad Sinha, Chief Executive Officer  Ms. Reshmi Ramesh Panicker (with effect from 09 February 2023), Director  Mr. Kamlesh Sondigala (upto 10 November 2021), Company Secretary  Mr. Harshal Patil (with effect from 01 February 2022), Company Secretary  Mr. Sahir Zaveri (also a relative of another KMP)  Mr. Ram Narayan Sahu, Chief Financial Officer  Mr. Arvinder Singh Kohli, Director  Mr. Bernard Francois Jean Chaffiote, Director  Mr. Kishore Ochani, Director</p>
Relatives of KMP	Ms. Hanwantbir Kaur Sahney (Mother of Ms. Harshbeena Zaveri)
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 Parent Company and in which KMP has significant influence	(Late) Trilochan Singh Sahney Trust 1
Company over which KMP or relative of KMP are able to exercise significant influence	NRB Industrial Bearings Limited First Engineering Technologies Pvt Ltd Future Mobility Labs Limited (with effect from 04 February 2022) First Technology BV

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(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 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
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*	-	-	0	5	-	-
	Purchase of raw materials	11	8	-	-	-	-
First Technology BV	Legal and professional fees	311	390	-	-	24	53
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	676	169	-	-	-	-
Ms. Hanwantbir Kaur Sahney	Providing accommodation in Company owned flats(*)	-	1	-	-	0	0
Ms. Harshbeena Zaveri	Sale of investments (refer note (v) below)	-	121	-	121	-	-
	Remuneration and commission (refer note (iii) below)	814	698	-	-	85	70
	Dividend paid	227	57	-	-	-	-
	Sitting fee	4	9	-	-	2	2
Mr. Satish Chellaram Rangani	Remuneration	137	142	-	-	-	-
	Dividend paid	0	0	-	-	-	-
	Commission, sitting fees	3	3	-	-	2	2
Mr. Devesh Singh Sahney	Commission, sitting fees	7	2	-	-	6	-
	Dividend paid	17	4	-	-	-	-
Mr. Kishore Ochani	Remuneration	401	305	-	-	9	-
Mr. Arvinder Singh Kohli	Remuneration	30	29	-	-	-	-
	Dividend paid	0	0	-	-	-	-
	Commission, sitting fees	3	3	-	-	1	2
Other KMPs	Sitting fees and commission to non-executive directors	64	63	-	-	35	35
	Remuneration	244	230	-	-	6	4
Mr. Sahir Zaveri	Sale of investments (refer note (v) below)	-	30	-	30	-	-
Future Mobility Labs Limited (FMLL)	Subscription of share capital (refer note (v) below)	-	151	-	-	-	151
Trusts	Contribution to SNL Employee and Officer's provident fund trust	11	30	-	-	11	11
	Contribution to NRB Bearings - Staff and Officer's gratuity fund trust	232	-	-	-	-	-

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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) The Board of Directors of the Parent 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. Accordingly, during the earlier year, a WOS, "NRB Holdings Limited", is incorporated in which the Parent Company has subscribed to 3,500,000 equity shares having face value of USD 1 per share, at par, for a total consideration of ₹ 2,628 lakhs. Further, as decided by the Board of Directors of the Company, this WOS will be overseen by the Managing Director of the Parent Company and accordingly, w.e.f 1 November 2021, Managing Director has continued to receive 50% (approx.) of the remuneration from above referred wholly owned subsidiary, which is within the overall remuneration approved by the shareholders of the Parent Company.
- (iv) 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.
- (v) Based on the decision taken by the Board of Directors, during the quarter ended 31 March 2022, NRB Holdings Limited (NHL) had executed an agreement with the Directors of NHL, to sell 100% of its 200,000 equity shares of USD 1 each in Future Mobility Labs Limited (FMLL), at cost. FMLL was incorporated on 30 November 2021 as a wholly owned subsidiary of NHL. From the date of acquisition upto the date of sale, FMLL which had been recently incorporated, had not entered into any transactions. As at 31 March 2022, the amount receivable from the KMPs and the amounts payable by NRB Holdings Limited to FMLL was collected / discharged, respectively, during the month of May 2022.

### (iii) Key management personnel (KMP) compensation

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Short term employee benefits	1,603	1,382
Post-employment benefits	23	23
<b>Total compensation (*)</b>	<b>1,626</b>	<b>1,405</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.

## 50 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 2023	As at 31 March 2022
Property, plant and equipment	13,458	8,938
Current assets	72,944	58,764

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 51 Contingent liabilities, capital and other commitments

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Claim against the Group not acknowledge as debt</b>		
Income tax	<b>3,937</b>	2,953
Sales tax, value added tax and local body tax	<b>341</b>	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 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 Group is contingently liable</b>		
Guarantee in the form of stand by letter of credit given to bank by Parent Company on behalf of a subsidiary company (refer note (v) below)	<b>2,637</b>	2,489
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>341</b>	1,648

#### 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 ₹ 163 lakhs and ₹ 65 lakhs respectively as at 31 March 2021 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 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.



## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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.

## 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 ₹ 614 (31 March 2022 ₹ 630) lakhs is recognised as expense and included in "Note No. 36 - Employee Benefits Expenses"**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Employer's contribution to provident fund	359	338
(ii) Employer's contribution to family pension fund	205	226
(iii) Employer's contribution to superannuation fund	50	66
<b>Total</b>	<b>614</b>	<b>630</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

### (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:-

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (i) Actuarial assumptions

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expected return on plan assets	7.39% - 7.50%	6.49% - 6.80%
Discount rate (per annum)	7.39% - 7.50%	6.70% - 7.23%
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 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	3,713	3,755
Interest cost	260	250
Current service cost	178	183
Actuarial (gains) on obligations - due to change in demographic assumptions / due to change in financial assumptions	(136)	(32)
Benefits paid	(407)	(443)
<b>Present value of obligation at the end of the year</b>	<b>3,608</b>	<b>3,713</b>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(iii) Changes in the fair value of plan assets of group**
**(₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of plan assets at beginning of the year	3,500	3,643
Interest income	244	242
Contributions by the employer	241	2
Benefits paid from the fund	(386)	(443)
Return on plan assets, excluding interest income	(142)	56
<b>Fair value of plan assets at the end of the year</b>	<b>3,457</b>	<b>3,500</b>

**(iv) Assets and liabilities recognised in the consolidated balance sheet**
**(₹ in lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the defined benefit obligation at the end of the year	3,608	3,713
Less: Fair value of plan assets at the end of the year	(3,457)	(3,500)
<b>Net liability recognised in the consolidated balance sheet (refer note 19 and note 30)</b>	<b>151</b>	<b>213</b>
<b>Recognised under provisions / (assets)</b>		
Current assets - Gratuity planned assets	-	(19)
Current provisions	151	232

**(v) Expenses recognised in the consolidated statement of profit and loss**
**(₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	178	183
Net interest (income)/ expense	16	8
<b>Net gratuity cost recognised in the current year (refer note 36)</b>	<b>194</b>	<b>191</b>

**(vi) Expenses recognised in the consolidated statement of other comprehensive income (OCI)**
**(₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gains) / losses	(136)	(32)
Return (differential) on plan assets, excluding interest income	142	(56)
<b>Net (income)/expense for the year recognised in OCI (refer note 42)</b>	<b>6</b>	<b>(88)</b>

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (vii) Reconciliation of net assets / (liabilities) recognised

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Net assets / (liabilities) recognised at the beginning of the period	(213)	(112)
Contributions	241	2
Benefits paid by the company	21	-
Gain / (loss) recognised in OCI	(6)	88
Expenses recognised in the consolidated statement of profit and loss	(194)	(191)
<b>Net assets / (liabilities) recognised at the end of the year</b>	<b>(151)</b>	<b>(213)</b>

### (viii) Categories of assets

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
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 2023	As at 31 March 2022
Change in discount rate by +1%	436	437
Change in discount rate by -1%	(482)	(483)
Change in salary growth rate by + 1%	766	481
Change in salary growth rate by - 1%	(699)	(438)
Change in attrition rate by + 1%	531	259
Change in attrition rate by - 1%	(537)	(263)

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.

### (x) Maturity profile of defined benefit obligation:

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Weighted average duration (based on discounted cash flows)	<b>4 years</b>	4 years

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### 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 2023	As at 31 March 2022
1 year	693	499
2 to 5 years	1,580	1,816
6 to 10 years	1,353	1,425
More than 10 years	2,577	2,541

### (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 2023	Year ended 31 March 2022
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Discount rate (per annum)	7.41%	6.44%
Interest rate guarantee (per annum)	8.15%	8.10%
Average Historic Yield on the Investment (per annum)	8.40%	8.60%
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 2023	Year ended 31 March 2022
Funds managed by trust	100%	100%

#### (iii) Assets and liabilities relating to defined benefit provident fund

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Present value of the defined benefit obligation at the end of the year	208	216
Less: Fair value of plan assets at the end of the year	(208)	(217)
<b>Net (assets) / liabilities recognised by the Trust (*)</b>	-	(1)

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

**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) (₹ in lakhs)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Government of India securities	7%	7%
State Government securities	26%	26%
High quality corporate bonds	12%	12%
Equity shares of listed companies	11%	10%
Special deposit Scheme	36%	34%
Funds managed by Insurer	1%	3%
Bank balance and others	7%	8%
<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.

**(₹ in lakhs)**

Particulars	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Change in discount rate by - / + 1%	209	208	216	216
Change in interest rate guarantee by - / + 1%	206	215	213	213

**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 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 2023	31 March 2022
Weighted average duration (based on discounted cash flows)	4 years	4 years

**Expected contribution during the next annual reporting period (₹ in lakhs)**

Particulars	31 March 2023	31 March 2022
The Group's best estimate of contribution during the next year	16	-

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023****(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 36 - Employee benefits expense, is ₹ 168 lakhs ( 31 March 2022: ₹ 166 lakhs) liabilities towards provision for compensated absences amounted to ₹ 895 lakhs as at 31 March 2023 (31 March 2022 ₹ 1,058 lakhs)

Note - The liabilities of ₹ 895 lakhs (31 March 2022 - ₹ 1,058 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.

**53 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)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
1) Segment revenue		
- Within India	<b>80,902</b>	67,431
- Outside India	<b>24,814</b>	26,850
2) Carrying amount of segment non current assets		
- Within India	<b>37,143</b>	37,907
- Outside India	<b>7,994</b>	6,026

Note:

None of the customer contribute more than 10% of the Group's revenue.

**54 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 ₹ 383 lakhs (31 March 2022 - ₹ 265 lakhs) as rental expenses during the year which pertains to short term leases / low value assets (refer note 39).

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 -

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

### (i) Right-of-use assets (ROU)

(Included in property, plant and equipment)

(₹ in lakhs)

Particulars	Leasehold land	Land and buildings	Vehicles	Total
<b>Gross carrying value</b>				
<b>As at 1 April 2021</b>	<b>5</b>	<b>249</b>	<b>8</b>	<b>262</b>
Additions	-	955	-	955
Disposals	-	(205)	(3)	(208)
<b>Balance at 31 March 2022</b>	<b>5</b>	<b>999</b>	<b>5</b>	<b>1,009</b>
Additions	-	-	-	-
Disposals	-	(22)	(5)	(27)
<b>Balance at 31 March 2023</b>	<b>5</b>	<b>977</b>	<b>-</b>	<b>982</b>
<b>Accumulated depreciation and impairment</b>				
As at 1 April 2021 (*)	0	202	3	205
Charge for the year (*)	0	173	3	176
Disposal/adjustment	-	(205)	(3)	(208)
<b>Balance at 31 March 2022 (*)</b>	<b>0</b>	<b>170</b>	<b>3</b>	<b>173</b>
Charge for the year (*)	-	201	1	202
Disposal/adjustment	-	(22)	(4)	(26)
<b>Balance at 31 March 2023 (*)</b>	<b>0</b>	<b>349</b>	<b>-</b>	<b>349</b>
<b>Net carrying value</b>				
<b>Balance as at 31 March 2022</b>	<b>5</b>	<b>829</b>	<b>2</b>	<b>836</b>
<b>Balance as at 31 March 2023</b>	<b>5</b>	<b>628</b>	<b>-</b>	<b>633</b>

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

### (ii) Amount recognised in consolidated profit and loss for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest cost on lease liabilities	<b>75</b>	68
Depreciation on right of use assets	<b>202</b>	176
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 39)	<b>383</b>	265

#### Note - Breakdown of rent

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Short-term lease expense	<b>216</b>	124
Low value lease expense	<b>167</b>	141
<b>Total lease expense</b>	<b>383</b>	<b>265</b>



**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**(iii) Cash outflow from leases**

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash payments for the principal portion of the lease liability within financing activities	159	142
Cash payments for the interest portion of the lease liability within financing activities	75	68
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	383	265

**(iv) Lease liabilities**

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2021</b>	68
Add: Movement during the year	911
Add; Interest cost accrues during the year	68
Less; Payment of lease liabilities	(210)
<b>Balance as at 31 March 2022</b>	<b>837</b>
Add: Movement during the year	-
Add; Interest cost accrues during the year	75
Less: Payment of lease liabilities	(234)
<b>Balance as at 31 March 2023</b>	<b>678</b>

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	508	677
Current	170	160
<b>Total</b>	<b>678</b>	<b>837</b>

**(v) Maturity analysis of discounted and undiscounted lease liabilities**
**Maturity analysis – contractual discounted cash flows**
**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>

**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023**
**As at 31 March 2022**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
<b>Lease liabilities</b>				
Land and buildings	158	169	502	6
Vehicles	2	-	-	-
<b>Total</b>	<b>160</b>	<b>169</b>	<b>502</b>	<b>6</b>

**Maturity analysis of undiscounted lease liabilities**
**As at 31 March 2023**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
<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>

**As at 31 March 2022**
**(₹ in lakhs)**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
<b>Lease liabilities</b>				
Land and buildings	236	229	560	40
Vehicles	2	-	-	-
<b>Total</b>	<b>238</b>	<b>229</b>	<b>560</b>	<b>40</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 significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

55 For Disclosures mandated by Schedule III to Companies Act 2013, by way of additional information, refer below:

(₹ in lakhs)

2022-2023								
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 47)	2,178	3.19%	(446)	(4.64%)	-	0.00%	(446)	(4.43%)
<b>Foreign Step Down Subsidiary Companies (refer note 47)</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>

(₹ in lakhs)

2021-2022								
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	57,713	95.92%	7,014	92.76%	230	93.12%	7,244	92.78%

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

2021-2022								
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>Indian Subsidiary Company</b>								
SNL Bearings Limited	3,549	5.90%	649	8.58%	8	3.24%	657	8.41%
<b>Foreign Subsidiary Companies</b>								
NRB Bearings (Thailand) Limited	1,454	2.42%	550	7.28%	-	0.00%	550	7.05%
NRB Holdings Limited (refer note 47)	2,431	4.04%	(202)	(2.67%)	-	0.00%	(202)	(2.58%)
<b>Foreign Step Down Subsidiary Companies (refer note 47)</b>								
NRB Bearings Europe GmbH	104	0.17%	17	0.22%	-	0.00%	17	0.22%
NRB Bearings USA Inc.	62	0.10%	12	0.16%	-	0.00%	12	0.15%
Minority interest in subsidiary	1,310	2.18%	234	3.10%	3	1.21%	237	3.04%
	<b>66,623</b>		<b>8,274</b>		<b>241</b>		<b>8,515</b>	
Add: Foreign currency translation reserve	-	0.00%	-	0.00%	6	2.43%	6	0.08%
Less: Elimination	(6,455)	(10.73%)	(713)	(9.43%)	-	0.00%	(713)	(9.13%)
	<b>60,167</b>	<b>100.00%</b>	<b>7,561</b>	<b>100.00%</b>	<b>247</b>	<b>100.00%</b>	<b>7,808</b>	<b>100.00%</b>

### 56 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 2023

(₹ 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

(\*) ₹ 0 lakh represents amount lower than ₹ 1 lakh

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

For the year ended 31 March 2022

(₹ 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
Yash Medical Sciences Private Limited	Payable	-	-	Third party vendor

### 57 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 2023 and 31 March 2022.
- (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.
- (x) The Group has not received any fund from any person or entity, including foreign entity ("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.

### 58 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.

## Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net profit after tax for the year attributable to owners of the parent (₹ in lakhs)	<b>9,398</b>	7,327
Weighted average number of equity shares outstanding during the year	<b>96,922,600</b>	96,922,600
Basic and diluted earnings per share (₹)	<b>9.70</b>	7.56
Face value per share (₹)	<b>2.00</b>	2.00

**Note:**

The Group does not have any outstanding dilutive potential equity shares as at 31 March 2023 and 31 March 2022. Consequently, basic and diluted earnings per share of the Company remain the same.

### 59 Waluj Fire Incident

A fire incident had occurred at the Parent Company's plant situated at Waluj, Aurangabad on 08 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. The fire spread to the adjacent stores department damaging the ready components and other production related stores and spares. The damaged caused to any other plant and equipment and other assets is being assessed and the Parent company is in the process of ascertaining the actual loss caused due to fire. The Parent Company believes that it has adequate insurance coverage for the assets situated at Waluj plant. Owing to this fact, overall production at Waluj is likely to be affected for next few months, till the damaged machines are reinstated to production and replacement for stock affected by fire is arranged. The management of the Parent Company is fully engaged in restructuring the business losses from such interruption to the lowest possible extent.

However, in line with the provisions of IND AS 10 - 'Events after the reporting period', the recognition of such loss and the compensation from insurance coverage, will be considered during the respective reporting period/s.

### 60 Authorisation of consolidated financial statements

The consolidated financial statements as at and for the year ended 31 March 2023 were approved by the Board of Directors of the Parent Company on 30 May 2023.

This is the summary of significant 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 : 30 May 2023**

**For and on behalf of the Board of Directors**

**Tashwinder Singh**

Chairman  
DIN : 06572282

**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**S. C. Rangani**

Executive Director  
DIN : 00209069

**Pankaj Khemka**

Chief Financial Officer

**Shruti Joshi**

Company Secretary

**Place : Mumbai**

**Date : 30 May 2023**









## FINANCIAL HIGHLIGHTS

Rs. in lakhs

Year Ended	31.03.19	31.03.20	31.03.21	31.03.22	31.03.23
<b>Sales (Net)</b>					
Domestic	72,701	58,473	53,646	63,483	76,532
Exports	19,889	15,757	18,410	25,455	23,771
<b>Sales Total</b>	92,590	74,230	72,056	88,938	100,303
Operating Profit	16,523	7,258	8,730	13,006	15,331
Profit Before Tax	14,268	4,163	5,211	9,302	11,380
Tax (Net)	4,391	1,218	838	2,288	2,800
Profit After Tax	9,877	2,945	4,373	7,014	8,580
Total Comprehensive Income	9,741	2,466	5,057	7,244	8,405
Retained Earnings	8,366	-1,462	5,057	6,568	6,649
Dividend	1,163	3,295	-	485	1,938
Tax on dividend	212	633	-	-	-
Earnings per share (FV Rs.2)	10.19	3.04	4.51	7.24	8.85
Dividend %	130	40	-	25	100
Shareholders' Funds	47,400	45,897	50,954	57,713	64,180
Funds Employed	73,276	79,046	73,774	84,741	91,944
Fixed Assets (Gross)	68,849	74,664	76,922	77,450	79,244
Fixed Assets (Net)	28,506	32,099	31,326	31,018	29,410
Fixed Asset Turnover (times)	3	2	2	3	3
Net Current Assets	14,122	14,110	21,619	24,033	34,387
Working Capital Turnover (times)	7	5	3	4	3
Shareholder Nos	25,264	23,343	45,403	48,181	47,966
Employee Nos	1,557	1,467	1,436	1,359	1,332

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



**THANE**



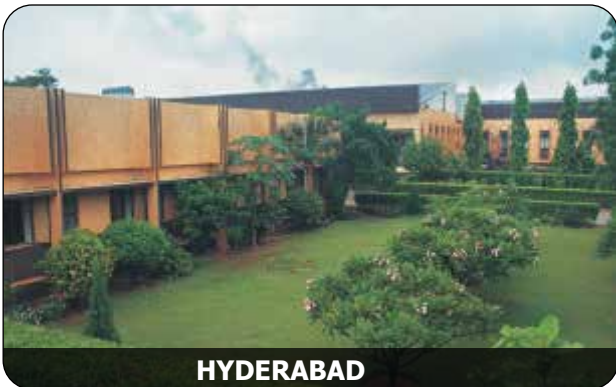
**WALUJ**



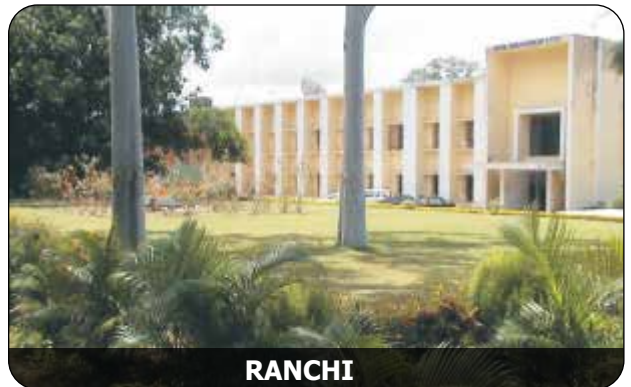
**JALNA**



**AURANGABAD**



**HYDERABAD**



**RANCHI**



**THAILAND**



**PANTNAGAR**