

57th Annual Report

NRB • A MOVEMENT • A REVOLUTION



2021-2022

CIN : L29130MH1965PLC013251

Directors : Tashwinder Singh - Chairman
Harshbeena Zaveri - Vice Chairman & Managing Director
Satish 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

Registered Office : Dhannur, 15, Sir P. M. Road, Fort
Mumbai 400 001

Works : 2nd Pokhran Road, Majiwade
Thane 400 610

E-40, M.I.D.C. Industrial Area, Chikalthana
Aurangabad 431 006

C-6, M.I.D.C. Additional Industrial Area
Jalna 431 213

E-72, (1), M.I.D.C., Waluj, Taluka Gangapur,
Aurangabad 431 136

A-5, Uppal Industrial Estate
Hyderabad 500 039

Plot No.33, Sector – 11, Mint Road, Tata Vendor
Park Sidcul, Pantnagar, Rudrapur
Udham Singh Nagar 263 153

Website : www.nrbbearings.com
: 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 400 083
Tel Nos: 022 28207203-05 Fax : 022 28207207

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NOTICE

The Members,

NRB BEARINGS LIMITED

NOTICE is hereby given that the fifty-seventh Annual General Meeting of the Members of NRB Bearings Limited will be held on Thursday, September 15, 2022 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, 2022 and the Audited Consolidated Financial Statements for the financial year ended March 31, 2022, 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, 2022.
3. To appoint a director in place of Mr. Satish Rangani (DIN 00209069) who retires by rotation, and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification or re-enactment thereof for the time being in force (hereinafter referred to as "the Act"), the remuneration of Rs.1,13,000/- (Rupees One Lakh 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, 2023, be and is hereby ratified and confirmed."

By Order of the Board

Place: Mumbai
Date : May 30, 2022

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 Friday, September 9, 2022 to Thursday, September 15, 2022 (both days inclusive).
3. The Members whose names appear in the Register of Members on Thursday, September 8, 2022 shall be entitled to participate in remote e-voting / e-voting at the AGM.
4. The dividend after declaration, will be paid to those Members whose names appear in the Register of Members of the Company on Thursday, September 8, 2022 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 Thursday, September 8, 2022.
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, 2022 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 National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. In the absence of NECS 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, 2014 to the Investor Education and Protection Fund (IEPF). The Company has uploaded such details on the website of the Company at 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 2021-22, 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. 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.
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 57thagm@nrbbearings.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 and at the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively within 48 hours of the same being passed.
14. In view of the Covid-19 pandemic and pursuant to the MCA Circular No.14/ 2020 dated April 8, 2020, MCA Circular No. 17/ 2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 5, 2020, MCA Circular No. 02/2021 dated January 13, 2021, MCA Circular No. 21/2021 dated December 14, 2021 and MCA Circular No. 3/2022 dated May 05, 2022, (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, 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 57thagm@nrbbearings.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 Thursday, September 15, 2022 from 3.30 p.m. onwards. The Members are requested to log on the e-voting website, to access the weblink, in order to join the proceedings of the AGM.**

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

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 & 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 view of the prevailing circumstances due to the COVID-19 pandemic, and also 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 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 and 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.

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

- (i) The voting period begins on Monday, September 12, 2022, at 9:00 a.m. (IST) and ends on Wednesday, September 14, 2022 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 Thursday, September 8, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Electronic Voting Sequence Number (EVSN): 220822013

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

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by listed companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile 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 Members	Login Method
Individual Members holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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..
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 & voting during the meeting

Individual Members (holding securities in demat mode) login through their Depository Participants	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 & voting during the meeting.
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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

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

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

- 1) The Members should log on to the e-voting website www.evotingindia.com.
- 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 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:

	For Physical Members and other than individual Members holding shares in Demat.
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"> 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.
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"> 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.

(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 for the relevant <Company Name> 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) 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 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.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non - Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; 57thagm@nrbbearings.co.in, if they have voted from individual tab & 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 & 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 57thagm@nrbbearings.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 57thagm@nrbbearings.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 Membersthrough the e-voting available during the AGM and if the same Membershave not participated in the meeting through VC/OAVM facility, then the votes cast by such Membersshall be considered invalid as the facility of e-voting during the meeting is available only to the Membersattending 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 & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat Members- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

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

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

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

Item No. 4:

The Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, mandate the audit of the cost accounting records of the Company in respect of its products. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on May 30, 2022, 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, 2023 at a remuneration of Rs. 1,13,000/- (Rupees One Lakh ThirteenThousand only), plus applicable taxes and reimbursement of out of pocket expenses. M/s R. Nanabhoy & Co. have vide their letter dated March 11, 2022 confirmed their eligibility and granted consent to act as the Cost Auditors of the Company for FY 2022-23. Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

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

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

As required by SEBI (Listing Obligation and Disclosure requirements) Regulation 2015 entered into with the Stock Exchanges, the statement below gives the relevant details of the Director being re-appointed under the accompanying notice

Name of Director	Mr. Satish Rangani
DIN	00209069
Date of Birth	November 11, 1948
Nationality	Indian
Date of appointment on Board	October 31, 2012
Brief Resume, Experience and Expertise	Please refer below
Shareholding in the Company as on March 31, 2022	9,000
Qualification	Please refer below
Number of meetings of the Board attended during FY 2021-22	6
List of Directorships held in other Companies in the last three years (excluding foreign, private and section 8 Company)	SNL Bearings Limited NRB Bearings (Thailand) Limited
Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies	SNL Bearings Limited- Stakeholders' Relationship Committee, Member Corporate Social Responsibility Committee, Member
Disclosure of relationships with Directors inter se	None

Brief Resume and Expertise in specific functional areas for Mr. Satish Rangani:

Mr. Satish Rangani (DIN 00209069), is the Executive Director of the Company. Mr. Satish Rangani, is a qualified Company Secretary and a Fellow Member of the Institute of Company Secretaries of India and has completed Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies, after completion of Bachelors of Commerce degree from University of Mumbai. He has been associated with the Company for a period of almost 30 years and has extensive experience and expertise in the areas of finance, strategy, legal and compliance. His expertise also includes execution of projects across a wide range of industries. Mr. Rangani has been associated with the Company since February 22, 1993 and has been a member of the Board since October 31, 2012. Mr. Rangani is also a member of the Corporate Social Responsibility Committee of the Company.

By Order of the Board

Place: Mumbai
Date : May 30, 2022

Shruti Joshi
Company Secretary
Membership No. A19112

BOARD'S REPORT

To
The Members
NRB BEARINGS LIMITED

Your Directors have pleasure in presenting their fifty-seventh Report together with the standalone and consolidated Audited Financial Statements for the year ended March 31, 2022.

1. Financial Results

Particulars	Consolidated		Standalone	
	31.03.2022 Rs. Lakhs	31.03.2021 Rs. Lakhs	31.03.2022 Rs. Lakhs	31.03.2021 Rs. Lakhs
Revenue from operations (Net)	94,421	76,240	91,384	73,589
Profit before tax	10,155	6,643	9,302	5,211
Provision for taxation				
Current tax (net)	2,566	1,122	2,278	889
Deferred tax	28	(49)	10	(51)
Profit after taxation	7,561	5,570	7,014	4,373
Add: Balance brought forward	34,991	29,237	34,836	30,121
Add: Other Comprehensive Income for the year	45	348	39	342
Appropriation:				
Dividend	(485)	-	(485)	-
General Reserve	-	-	-	-
Profit & Loss Account	41,878	34,991	41,404	34,836

2. Dividend

Considering the profits for the year under review your Directors are pleased to recommend a dividend of 100% (one hundred percent) i.e. Rs. 2.00/- (rupees two only) per equity share of face value Rs. 2.00 each aggregating to Rs. 1,938.00 lakhs, which shall be payable to the Members/Beneficial Owners as applicable.

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 www.nrbbearings.com. (Weblink: <http://www.nrbbearings.com/resources/investorrelations/policy/NRB-Dividend-Distribution-Policy.pdf>)

Transfer to Reserves:

During the year under review, an amount of Rs. 750 lakhs was transferred from the Debenture Redemption Reserve to the General Reserve.

3. 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, 2022 to which the financial statements relate and the date of this Report.

The COVID-19 pandemic had an unprecedented impact on the nation, the people, the economy and the business with the ill effects of the pandemic slowly receding and economy showing signs of recovery. Though the second wave of the COVID-19 pandemic during the first quarter of fiscal 2021-22 disrupted the operations of the Company across the manufacturing locations and supply chain during the first quarter of FY 2021-22, the Company is now operating at full capacity levels. The Company continues to implement strict protocols and safety standards including access control, social distancing and use of Personal Protection Equipment (PPE) as well as strict hygiene and sanitization procedures across all operations with adequate training to the work force.

The pandemic severely impacted the automobile and the auto component sector. While we are seeing demand revival in the passenger and commercial segments and some demand in the export segment, the demand recovery for two/three wheelers is expected to take some more time.

State of Company's affairs, operations and outlook:

As the economy returned to normalcy after the second wave of the pandemic which affected the first quarter of the year under review, the economy and industry made rapid surges and in line with the economy and industry sentiments, the revenue from operations for your Company increased by approx. 24.2 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. 94,421 lakhs as against Rs.76,240 lakhs for the last fiscal. The Company recorded a net profit of Rs.7,561 lakhs, an increase of 35.7 per cent over Rs. 5,570 lakhs for the last fiscal.

On a standalone basis your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 91,384 lakhs an increase of 24.2 per cent over Rs. 73,589 lakhs of the last fiscal. The Company recorded a net profit of Rs. 7,014 lakhs, with an increase of 60.4 per cent over the net profit of Rs. 4,373 lakhs for the last fiscal.

The outbreak of COVID-19 had a significant impact on the social and economic situation in India, putting its collective resilience to test. The Indian economy, which was recuperating well in early 2021 after the onset of COVID-19, was again impacted by the gruelling second wave of the pandemic. This led to a contraction in India's Gross Value Added (GVA) by 6.2 per cent in 2021-22, with six out of eight key sectors witnessing a decline. A positive business environment, robust industrial output and rapid vaccination coverage have provided a strong momentum for the growth of India's economy, with a GDP growth of 9.2 per cent estimated for the 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.

National Electric Mobility Mission Plan aims at achieving sales of 6-7 million units of hybrid and electric vehicles 2020 onwards. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach US\$ 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.

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 \$300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of \$74 billion. 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

We are gearing up for the 'next normal' as new product lines and industry dynamics get redefined-

- 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.

4. 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 presented by BS VI norms becoming applicable are the other focus areas for the Company.

a. Public Deposits

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

b. Non-convertible debentures

During the year under review, the Company redeemed the listed Non-Convertible Debentures of face value Rs. 30,00,00,000/- (Rupees Thirty Crores only) by exercising the call option on September 9, 2021. The payment of interest on the above Non-Convertible Debentures amounting to Rs. 2,87,21,096/- was also made within time on September 9, 2021.

c. Particulars loans, guarantees or investments

As on March 31, 2022, the outstanding principal amount for the loan given to NRB Bearings (Thailand) Limited, wholly owned subsidiary of the Company was THB 58.35 million and there was no interest outstanding as on March 31, 2022.

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.

5. Directors and Key Managerial Personnel

During the year under review, Mr. Satish Rangani was appointed as a whole-time Director designated as Executive Director of the Company for a period of 2 (two) years with effect from January 24, 2022, vide a special resolution passed by the Members through postal ballot on April 1, 2022 (approved by the Board of Directors at its meeting held on November 12, 2021, upon the recommendation of the Nomination and Remuneration Committee).

At the fifty-sixth Annual General Meeting of the Company, held on September 24, 2021, the Members accorded their approval to the appointment of Mr. Rustom Desai as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from January 23, 2022. The Board upon the recommendation of the Nomination and Remuneration Committee had approved the said appointment at its meeting held on June 2, 2021.

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Mr. Satish Rangani retires by rotation and being eligible offers himself for re-appointment.

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
- 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.

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 17, 2022.

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. 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. In view of the COVID 19 pandemic, Securities Exchange Board of India (SEBI) vide its circular dated April 29, 2021, had provided relaxation by extending the due date of holding board meeting for finalization of financial results pursuant to Regulation 33(3) of the Listing Regulations. Accordingly, the board meeting of the Company was held on June 2, 2021.

6. Subsidiaries

As at March 31, 2022, the Company has four subsidiaries viz. SNL Bearings Limited, NRB Bearings (Thailand) Limited, NRB Holdings Limited and NRB Bearings Europe GmbH. As at March 31, 2022, NRB Bearings, USA Inc. is a wholly owned subsidiary of NRB Holdings Limited and a wholly owned step-down subsidiary of the Company. The consolidated results include the working of the wholly owned step-down subsidiary.

SNL Bearings Limited (SNL), in which your Company holds 73.45 percent equity, has reported profit after tax of Rs. 883.00 lakhs (previous year Rs.619.00 lakhs), higher by 42.56 per cent. Revenue from Operations during the year at Rs.4,351.00 lakhs are higher by approx. 19.30 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 59.40 percent to THB 334.00 million (approx. Rs. 76.00 crores) (previous year THB 210.00 million – approx. Rs. 50.00 crores). The share of manufacturing revenues out of total revenues have increased to THB 300.00 million (approx. Rs. 68.00 crores) (previous year at THB 177.00 million) and trading revenues are at THB 34.00 million (previous year at THB 33.00 million). Consequently, the Company's EBITDA has grown from THB 38.00 million to THB 48.00 million (approx. Rs. 11.00 crores). The Company has recorded an increase in profit of almost 64.05 percent for the year at THB 26.00 million (approx. Rs. 6.00 crores) from THB 16.00 million (approx. Rs. 4.00 crore) 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.

NRB Bearings Europe GmbH, a wholly owned subsidiary was set up to support increasing exports to Europe. The Company provides marketing and customer support services. The income during the year is EURO 626,361 (approx. Rs. 541 lakhs) and the resultant profit after tax is EURO 19,686 (Rs.17 lakhs).

NRB Bearings USA Inc., a wholly owned step-down subsidiary was set up to support increasing exports to North America. The Company provides marketing and customer support services. The income during the year is USD 467,333 (Rs. 348 lakhs) and the resultant profit after tax is USD 16,245 (approx. Rs. 12 lakhs).

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 subsidiary have been given in **Annexure 1** (AOC1) forming part of this statement.

7 Business Risk Management

The Company has in place an enterprise 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.

8. 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.

9. 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.

10. 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.

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

11. 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. Awareness on environment preservation and protection through regular monitoring of environment parameters and employee engagement activities like environment sensitization programs, drawing competition, tree plantation and landscape development are undertaken in association with local government bodies and NGOs. The Company also engages in activities like tree plantation and maintenance of trees. The Company utilizes in house organic waste for vermicomposting.
2. "Safety first and always first" is accorded the highest priority in the Company. The Safety policy inter alia ensures safety of public, employees, plant, equipment and business associates, ensuring compliance with all statutory rules and regulations as an on-going process.

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".

3. To save energy the Company has adopted some projects by implementing energy efficient motors which can consume less energy.
4. To keep track on the health condition of employees the Company conducts health check program every year which gives us preliminary information about the health of all employees. The Company has controlled all hazardous processes which could have impact on the health of employees.
5. Water conservation through re-use of waste water and rain water harvesting at plants—capacity to harvest upto 3.06 crore litres rain water every year to increase ground water levels.
6. The Company has followed complete Covid safety protocol by:
 - Strict compliance to S-M-S Rule, i.e., Social Distancing – Face Mask – Hand Sanitisation
 - Vaccination for all employees
 - Online safety training against COVID-19 given to employees
 - As a part of the Company's Safety Guidelines-NRB 'No-Panic Help Guide', NRB 'Office Resumption Guidelines', and NRB 'Safety Protocol for Back to Work Guidelines' issued to employees
 - Sufficient availability of sanitisers and masks at work place
 - Arranging RAT & RTPCR Tests at work place to ensure continuity of work at plants / Engineering Centre and regular monitoring of SPO2 level and body temperature
7. Strict policy for non-consumption of tobacco and intoxicating materials to protect the mental and physical health of employees. Regular awareness programs like "Vyasana Mukti" and "Yoga Classes" conducted to educate employees to get rid of evils of intoxication and stressful work life and embrace good health and work-life balance.

12. 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 contributed to Goonj, a foundation which works through its interventions in big and small disasters from cloud burst, floods, earthquakes, landslides, tsunami to human-made disasters like fire.

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). For FY 2020-21, 2404 students from 29 schools participated in their i-Ignite program. During the FY 2021-22, they aim to help LCPS engage more children with online learning and survive the future waves of the pandemic under an initiative called E-shaala and they have encompassed all their digital initiatives under this umbrella. 103 schools have already registered for this program. 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 Rotary Club of Bombay which contributes substantially to the community by supporting a number of medical, educational, environmental and vocational activities that impact the lives of the under privileged and disadvantaged people in and around Mumbai.

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. 147.00 lakhs on CSR projects.

13. Corporate Governance

Pursuant to the Listing Regulations, Management Discussion and Analysis, Business Responsibility 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.

14. 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, 2022 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.

15. 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**.

16. Auditors

Statutory Auditors

Appointment of M/s Walker Chandiok & 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.

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 Auditors

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.

17. 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**.

18. 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.

19. 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.

20. 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.

21. 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 Complaints Committees (ICC) to redress complaints. During the year under review no complaint was received.

22. 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 : May 30, 2022

ANNEXURE 1

Form AOC-1

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

Part "A": Subsidiaries

1. Name of the subsidiary	NRB Bearings (Thailand) Limited	NRB Bearings Europe GmbH	SNL Bearings Limited (Rs. in Lakhs)	NRB Holdings Limited
2. The date since the subsidiary was acquired	March 31, 2007	June 27, 2014	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.
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	THB USD = 33.24 THB	EURO EURO = Rs. 84.06	INR	Dollar Dollar = Rs. 75.73
5. Share capital	THB 147 million	EURO 25,000	INR 361	USD 35,00,000
6. Reserves & surplus	THB (78) million	EURO 96,735	INR 4,471	USD (2,71,092)
7. Total assets	THB 358 million	EURO 5,65,981	INR 5,483	USD 34,59,371
8. Total liabilities	THB 290 million	EURO 4,44,246	INR 651	USD 2,30,462
9. Investments	-	-	INR 1,452	USD 20,26,521
10. Turnover	THB 334 million	EURO 6,26,362	INR 4,351	-
11. Profit /(Loss) before taxation	THB 26 million	EURO 29,827	INR 1,176	USD (2,71,092)
12. Provision for taxation	-	EURO 10,141	INR 293	-
13. Profit after /(Loss) after taxation	THB 26 million	EURO 19,686	INR 883	USD (2,71,092)
14. Proposed Dividend	Nil	Nil	Nil	Nil
15. Extent of shareholding (in percentage)	100	100	73.45	100

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year- NRB Bearings, USA Inc.

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	NRB Bearings, USA Inc
Latest audited Balance Sheet Date	March 31, 2022
Date on which the Associate or Joint Venture was associated or acquired	August 26, 2019
Shares of Associate/Joint Ventures held by the company on the year end	
i. No.	20,000
ii. Amount of Investment in Associates/Joint Venture	Rs. 2,00,000
iii. Extend of Holding %	100% holding by its wholly owned subsidiary NRB Holdings Limited
Description of how there is significant influence	100% holding by its wholly owned subsidiary NRB Holdings Limited
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	
i. Considered in Consolidation	USD 16,245
ii. Not Considered in Consolidation	Not Applicable

The following information shall be furnished:-

1. Names of associates or joint ventures 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.

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, 2022

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 utilising 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:-

- On 12 nos. rolling clutch key mechanical presses and 2 nos. hydraulic calibration machines, a system incorporated to switch off the main motor, in case the machine is not in operation for more than five minutes.
- Timer provided to polishing barrel machine motor to stop the motor after cycle completion resulting in saving of 1,200 units per year.
- Installed thyristor module in furnace and PID controllers for precisely controlling the current of heaters which will ensure optimum power consumption and also enhance heaters life resulting in saving of 1,200 units per year.
- For auto turning machine, reduced the cycle time by eliminating delay in cage transportation and simplified the process through PLC programme modification by reducing the power consumption for cage transportation resulting in saving of 1,200 units per year.
- For cooling tower of Press, 5 hp pump replaced with 3 hp Pump resulting in saving of 10,800 units per year.
- In utilities area, 200 cfm compressor replaced with energy efficient compressor with IE3 motors resulting in saving of 15,552 units per year.
- Cooling tower mono-block pump replaced with high efficiency 5 HP submersible pump. Units saved 15,552 per year.
- D.M. Plant 5 HP/3.7 kw mono-block pump replaced with high efficiency 3.0 HP/2.2 kw energy efficient pump (pump running 08 hrs with 100% loading.) resulting in saving of 3,744 units per year.
- On punching press obsolete control system machine, panel replaced with PLC upgraded system, resulting in reduced cycle time from 7.2 sec to 6.8 sec and production increase by 6,000 nos. per month.
- In MIDC water tank conventional water supply pump 3.7 kwh replaced by energy efficient pump 2.2 kwh resulting in saving of 3,000 units per year.
- OD grinding machines connected to new cooling tower resulting in saving of 7,722 units per year.
- Oil consumption in packing of Crank Pins, has been reduced by 70%, by converting dip oiling process to spray oiling with closed loop oil filtration, resulting in reduced oil consumption by 7,500 ltr/month.

- Recycling of steel by processing the bottom slug of components, and converting to new bearing components resulting in a saving of Rs. 16,800/- per year.
- Installation of SCR based controller for heating. Due to this energy consumption during soaking period reduced from 50 A to 20 A and 1,14,113 units saved per year.
- Installed new 40 HP energy efficient IE-3 motor on bull block reducing consumption from 34 Amps to 30.5 Amps and Units saving of 35,225 units per year.
- At hammering barrels old 60 Hp motor replaced by new energy efficient IE-3, 50 Hp motor, current consumption dropped from 39.4 Amps to 36.3 Amps, resulting in saving of 19,155 units per year.
- Installed the VFD for the soft start, which helped to save the energy consumption, contactor based star delta starter logic were used on barrel resulting in saving of 18,537 units per year.
- Auto sensor lights introduced to reduce electrical consumption and resulting in saving of 12,144 units per year.
- Testing Oil is reused after filtration thereby reducing disposal quantity and consumption and resulting in reduction of oil consumption by 160 ltrs. per year.

(i) The capital investment on energy conservation equipment- Nil.

B. Technology Absorption

(i) The efforts made towards technology absorption:

During the year under review, your Company focused on friction reduction, NVH reduction, products for electric vehicles (EV) with insulation protection through core competency development based on employee strengths, engineering and manufacturing infrastructure.

Your 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.

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% in big end bearings.
- 2) Low friction alternative seals for rotor bearings wherein sealing friction reduces with reduction in RPM.
- 3) Hybrid bearing with ceramic balls for EV applications requiring electric discharge insulation, lower inertia, lower friction, high temp capability.
- 4) Introduction of needle bush for FCEV supercharger battery management system with low friction PTFE Coating on seal.
- 5) Development of bearings with contamination resistance and insensitivity.
- 6) TIG welding is introduced in bearing cages and machine installed.
- 7) Unit hardening technique introduced for heat treatment to harness complete formability of soft materials.
- 8) Cost reduction through development of gel solutions testing capability.
- 9) The Company's Engineering Centre (EC) has developed and used advanced CAE techniques for minimizing the NVH from bearing. With a huge success, EC has emerged as a strong institution with customers for system level NVH and friction reduction.
- 10) The Company developed software which accounts for product parameter variations and their effect on product performance. This approach has been successful in identifying the most important parameters for quality control in product manufacturing.

11) 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.

(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: NA

b) The year of import : NA

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

(iv) The expenditure incurred on Research and Development- During the year an amount of Rs. 1,948 lakhs has been incurred on revenue and capital account for R & D expenses.

C. Foreign exchange earnings and outgo

Foreign exchange earnings	Rs. 25,455 lakhs
Foreign exchange outgo	Rs. 3,303 lakhs

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, 2022

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 (eg. receiving bribes)
- Health and safety risks, including risks to the public as well as other employees (eg. faulty electrical equipment)
- Any sort of financial malpractice
- Abuse of power (eg. 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 : May 30, 2022

ANNEXURE 4

Annual Report on Corporate Social Responsibility Activities

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

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.

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

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Harshbeena Zaveri	Chairman, (Executive Director/ 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

4. Details 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. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Not Applicable

6. Average Net Profit of the Company as per Section 135(5) : Rs. 7,341 Lakhs

7. (a) Two percent of average Net Profit of the Company as per Section 135(5): Rs. 146.82 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Not Applicable

(c) Amount required to be set off for the financial year, if any : Not Applicable

(d) Total CSR obligation for the financial year (7a+7b- 7c) : Rs. 146.82 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

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

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (Rs. In Lakhs)	Amount spent in the current financial year (Rs. In Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. In Lakhs)	Mode of implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(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 lakhs)	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	45.00	Yes	Ashoka University	
2	Promotion of education	Yes	Yes	Maharashtra	Mumbai	19.00	Yes	IIT Bombay	
3	Promoting education & vocational training projects	Yes	Yes	Maharashtra, Telangana, Karnataka	Mumbai, Hyderabad, Bangalore	10.00	No	321 Education Foundation	CSR00000739
4	Promoting education & employment, enhancing vocational skills	Yes	Yes	Maharashtra	Mumbai	15.00	No	ASSEMA Charitable Trust	CSR00004000
5	Vocational development projects	Yes	Yes	Maharashtra	Mumbai	10.00	No	The Apprenticeship Project	CSR00001497

6	Promotion of social business projects	Yes	Yes	Maharashtra	Mumbai	25.00	No	Hiralal Parikh Parivar Chari-table Trust	CSR00000249
7	Promotion of social business projects	Yes	Yes	Maharashtra	Mumbai	10.00	No	GOONJ	CSR00000291
8	Healthcare projects	Yes	Yes	Maharashtra	Mumbai	3.00	No	Rotary Club of India	CSR00004479
9	Healthcare projects	Yes	No	New Delhi	New Delhi	10.00	Yes	Care India Solutions For Sustainable Development	

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 147.00 Lakhs

(g) Excess amount for set off, if any :

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	146.82
(ii)	Total amount spent for the Financial Year	147.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.18
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.18

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (Rs. In Lakhs)	Amount spent in the reporting Financial Year (Rs. In Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Year (Rs. In Lakhs)
				Name of the Fund	Amount (Rs. In Lakhs)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs. In Lakhs)	Amount spent on the project in the reporting financial year (Rs. In Lakhs)	Cumulative amount spent at the end of the reporting financial year (Rs. In Lakhs)	Status of the project – Completed / Ongoing
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Not Applicable
(Asset-wise details)
- (a) Date of creation or acquisition of the capital asset(s). Not Applicable
 - (b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

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, 2022

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

- 1. Details of contracts or arrangements or transactions not at arm's length basis** **N.A.**
- (a) Name(s) of the related party and nature of relationship: N.A.
 - (b) Nature of contracts/arrangements/transactions: N.A.
 - (c) Duration of the contracts / arrangements / transactions: N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
 - (e) Justification for entering into such contracts or arrangements or transactions: N.A.
 - (f) Date(s) of approval by the Board: N.A.
 - (g) Amount paid as advances, if any: N.A.
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.
- 2. Details of material contracts or arrangement or transactions at arm's length basis**
- (a) Name(s) of the related party and nature of relationship:**
- i) NRB Bearings (Thailand) Limited - Subsidiary Company
 - ii) NRB Bearings Europe GmbH - Subsidiary Company
 - iii) NRB Holdings Limited - Subsidiary Company
 - iv) SNL Bearings Limited - 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 Limited	-	Private Company in which a Director is a Director
ixi) 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
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
iv) SNL Bearings Limited	-	Sale of Finished Goods Purchase of Raw Materials/Component Sale of Property, Plant & Equipment
v) NRB Bearings, USA Inc	-	Sales Promotion Expenses
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
x) Ms. Hanwantbir Kaur Sahney	-	Lease Agreement
xi) 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
xii) NRB Bearings Limited Staff Gratuity Fund	-	Contribution to Gratuity Fund
NRB Bearings Limited Officers Gratuity Fund	-	Contribution to Gratuity Fund

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

Ongoing Related Party Transactions.

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

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

Sr. No.	Name of the Related Parties	Nature of Contract/ arrangements/ transactions	Salient Terms of Contract/ arrangements/ transactions
1.	NRB Bearings (Thailand) Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products.
2.	NRB Bearings Europe GmbH	- Sale of Finished Goods - Business Support Activities (Sale of Service & Business Development)	As per terms and conditions of inter-company agreement
3.	NRB Holdings Limited	- Investments in equity shares - Sale of investments in equity shares	- As per terms and conditions of inter-company agreement
4.	SNL Bearings Limited	Sale/ Purchase of Goods	As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products
5.	NRB Bearings, USA Inc	- Sale of Finished Goods - Business Support Activities (Sale of Service & Business Development)	- At Par - As per terms and conditions of inter-company agreement
6.	First Technologies BV	Consultancy fees	As per terms and conditions of agreement
7.	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 lakhs)**

i) NRB Bearings (Thailand) Limited	- Sale of finished goods	1,337
	- Sale of Property, Plant & Equipment	5
	- Purchase of raw materials	5,441
	- Purchase of Property, Plant & Equipment	140
	- Reimbursement of expenses	25
	- Inter Corporate Deposit repayment received (Including interest received and foreign exchange adjustment)	270
	- Interest income on Inter Corporate Deposit	71
ii) NRB Bearings Europe GmbH	- Sales promotion expenses	535
	- Reimbursement of expenses	2
	- Sales of finished goods	249
iii) SNL Bearings Limited	- Sales of finished goods	210
	- Purchase of raw materials	1,455
	- Sales of property, plant and equipment	8
	- Dividend received on equity shares	119
iv) NRB Bearings, USA Inc	- Sales promotion expenses	349
	- Sales of finished goods	10
v) First Technologies BV	- Consultancy fees	390
vi) First Engineering Technologies Private Limited	- Purchase of raw materials / components	8
vii) New Indo Trading	- Service charges	5
viii) NRB Holdings Limited	- Investments in equity shares	2,628
	- Sale of Investments in equity shares - NRB GmbH	132
	- Sale of Investments in equity shares - NRB USA	97
ix) Trilochan Singh Sahney Trust 1	- Dividend	169
x) Mrs. Hanwantbir Kaur Sahney	- Rental Income	1
xi) Key Managerial Personnels		
Ms. Harshbeena Zaveri	- Remuneration and Commission	592
	- Dividend	55
Mr. Satish Rangani	- Remuneration	142
	- Dividend	0*
Mr. Devesh Singh Sahney	- Sitting Fees	2
	- Dividend	1
Others (Independent Directors)	- Sitting Fees and Commission to Independent Directors	51
Mr. Ravi Teltia	- Remuneration	103
Ms. Shruti Joshi	- Remuneration	69

(*) Amount less than 1 lakh.

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

- i) June 2, 2022
- ii) August 7, 2022
- iii) November 12, 2021
- iv) February 14, 2022

(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 : May 30, 2022

ANNEXURE 6
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[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, 2022 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, 2022 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, 2022. 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.

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

Place : Mumbai
Date : May 30, 2022

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, 2022

ANNEXURE 7**Form No. MGT-9****EXTRACT OF ANNUAL RETURN as on March 31, 2022****[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 India 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 28207203
Fax No. : 022 28207207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	SNL Bearings Limited Dhannur, 15 Sir P.M. Road, Fort, Mumbai 400 001	L99999MH1979PLC134191	Subsidiary	73.45	2(46)
2.	NRB Bearings (Thailand) Limited 300/69, MOO1, T: Tasit, A: Pluak Daeng, Province, Rayong, Thailand 21140	Foreign Company	Subsidiary	100	2(46)
3.	NRB Bearings Europe GmbH, Office # 521, Regus Business Center Konigstrasse 10C, Stuttgart Baden Wurttemberg 70173, Germany.	Foreign Company	Subsidiary	100	2(46)

4.	NRB Holdings Limited GV-00-04-03-BC-29-0, Gate Village Building 04, Dubai International Financial Centre, Level 14, The Gate, P. O. Box 74777, Dubai UAE	Foreign Company	Subsidiary	100	2(46)
5.	NRB Bearings, USA Inc 480 Troywood Drive, Troy, MI48083	Foreign Company	Step-down Subsidiary	100	2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change dur- ing the year
	Demat	Phys- ical	Total	% of Total Shares	Demat	Physi- cal	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	12506024	0	12506024	12.90	2371105	0	2371105	2.45	(10.45)
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
e) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0
f) Any other (Trust)	33809300	0	33809300	34.88	33809300	0	33809300	34.88	0
Sub-total (A) (1)	46315324	0	46315324	47.78	36180405	0	36180405	37.33	(10.45)
(2) Foreign									
a) NRIs - Individuals	1779543	0	1779543	1.84	12134439	0	12134439	12.52	10.68
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0
e) Any Other ...	0	0	0	0.00	0	0	0	0.00	0
Sub-total (A) (2)	1779543	0	1779543	1.84	12134439	0	12134439	12.52	10.68
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	48094867	0	48094867	49.62	48314844	0	48314844	49.85	0.23
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	13213588	6000	13219588	13.63	11239743	6000	11245743	11.60	(2.04)
b) Banks/ FI	0	0	0	0.00	0	0	0	0.00	(0.03)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	(0.88)
g) FIIs / FPIs	19518545	0	19518545	20.14	21223761	0	21223761	21.90	1.76
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0
Alternate Investment Fund	83778	0	83778	0.09	0	0	0	0.00	(0.09)
Sub-total (B) (1)	32815911	6000	32821911	33.86	32463504	6000	32469504	33.50	(0.36)

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	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	560439	4000	564439	0.58	574379	4000	578379	0.59	0.01
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal sharecapital upto Rs.1 Lakh	11812204	312560	12124764	12.51	11536382	293560	11829942	12.21	(0.30)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	1939914	0	1939914	2.00	2324744	0	2324744	2.40	0.40
c) Any Other									
i) Non Resident Indians (Non Repat)	268208	0	268208	0.28	294502	0	294502	0.30	0.02
ii) Non Resident Indians (Repat)	371167	0	371167	0.38	340341	0	340341	0.35	(0.03)
iii) Clearing Members	217780	0	217780	0.22	131090	0	131090	0.14	0.08
iv) Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
v) Trusts	17997	0	17997	0.02	487	0	487	0.00	(0.02)
vi) Foreign Portfolio Investment Corporation	0	0	0	0.00	0	0	0	0.00	0.00
vii) LLP/ Partnership firm	3744	0	3744	0.00	50271	0	50271	0.05	0.05
viii) NBFC	0	0	0	0.00	0	0	0	0.00	0.00
ix) HUF	433228	0	433228	0.45	510435	0	510435	0.53	0.08
x) IEPF Authority	64581	0	64581	0.08	78061	0	78061	0.08	0.01
Sub-total (B) (2)	15689262	316560	16005822	16.52	15840692	297560	16138252	16.65	0.13
Total Public Shareholding (B) = (B)(1) + (B) (2)	48505173	322560	48827733	50.38	48304196	303560	48607756	50.15	(0.23)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	9600040	322560	96922600	100.00	96619040	303560	96922600	100.00	0.00

(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	0.62	0.00
4	Hanwantbir Kaur Sahney	0	0.00	0.00	0	0.00	0.00	0.00
5	Harshbeena Zaveri	10907940	11.25	0.00	11100917	11.45	0.00	0.20

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 share-holding during the year
6	Jasjiv Singh Devinder Singh Sahney	303495	0.31	0.00	303495	0.31	0.00	0.00
7	Rajiv Devinder Sahney	747021	0.77	0.00	0	0.00	0.00	0.77
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	1012770	1.04	0.00	1013770	1.05	0.00	0.01
12.	Mallika Sahney	4920	0.01	0.00	4920	0.01	0.00	0.00
13.	Anupa Rajiv Sahney (Held 26,000 shares at the beginning of the year. Classified as Promoter on March 31, 2022)	0	0	0.00	773021	0.80	0.00	0.00
	Total	48094867	49.62	0.00	48314844	49.85	0.62	0.23

(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
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

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
5.	Harshbeena Zaveri				
	At the beginning of the Year	10907940	11.25		
	02-07-2021 Purchase	360	0.00	10908300	11.25
	27-08-2021 Purchase	8100	0.01	10916400	11.26
	10-09-2021 Purchase	2200	0.01	10918600	11.27
	17-09-2021 Purchase	71270	0.07	10989870	11.34
	24-09-2021 Purchase	77371	0.08	11067241	11.42
	30-09-2021 Purchase	33676	0.03	11100917	11.45
	At End of the Year			11100917	11.45
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	747021	0.77		
	25-03-2022 Sale	(747021)	(0.77)	0	0.00
	At the End of the Year			0	0.00
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	1012770	1.04		
	27-08-2021 Purchase	1000		1013770	1.05
	At the End of the Year			1013770	1.05
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 (Held 26,000 shares at the beginning of the year. Classified as Promoter on March 31, 2022)	0	0.00		
	31-03-2022 Purchase	747021	0.77	747021	0.77
	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 India Fund				
	At the beginning of the Year	1200000	1.24		
	Date wise Increase/ Decrease	Nil	Nil	1200000	1.24
	At the End of the Year			1200000	1.24
7	SBI Magnum Midcap Fund				
	At the beginning of the Year	1297361	1.34		
	11-06-2021 Sale	(21600)	(0.02)	1275761	1.32
	14-01-2022 Sale	(121776)	(0.13)	1153985	1.19
	21-01-2022 Sale	(78224)	(0.08)	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	392508	0.41		
	09-04-2021 Purchase	34929	0.03	427437	0.44
	23-04-2021 Purchase	28853	0.03	456290	0.47
	07-05-2021 Purchase	30123	0.03	486413	0.50
	11-06-2021 Purchase	80612	0.09	567025	0.59
	18-06-2021 Purchase	73455	0.07	640480	0.66

	25-06-2021 Purchase	18841	0.02	659321	0.68
	06-08-2021 Purchase	32270	0.03	691591	0.71
	13-08-2021 Purchase	54158	0.06	745749	0.77
	08-10-2021 Purchase	25437	0.03	771186	0.80
	03-12-2021 Purchase	48507	0.05	819693	0.85
	10-12-2021 Purchase	37937	0.03	857630	0.88
	At the End of the Year			857630	0.88
9	Acacia Banyan Partners				
	At the beginning of the Year	1057600	1.09		
	14-05-2021 Sale	(24745)	(0.02)	1032855	1.07
	21-05-2021 Sale	(159000)	(0.17)	873855	0.90
	28-05-2021 Sale	(130000)	(0.13)	743855	0.77
	04-06-2021 Sale	(159000)	(0.17)	584855	0.60
	At the End of the Year			584855	0.60
10	Sundaram Mutual Fund A/C Sundaram Emerging Small Cap - Series II				
	At the beginning of the Year	1752245	1.81		
	09-04-2021 Sale	(30426)	(0.06)	1721819	1.78
	16-04-2021 Sale	(1750)	(0.19)	1720069	1.77
	23-04-2021 Sale	(44417)	(0.01)	1675652	1.73
	30-04-2021 Sale	(99835)	(0.26)	1575817	1.63
	21-05-2021 Sale	(2324)	(0.41)	1573493	1.62
	04-06-2021 Sale	(33912)	(0.22)	1539581	1.59
	11-06-2021 Sale	(839581)	(0.12)	700000	0.72
	18-06-2021 Sale	(540667)	(0.02)	159333	0.16
	25-06-2021 Sale	(159333)	(0.10)	0	0.00
	At the End of the Year			0	0.00
11	JP Morgan India Smaller Companies Fund				
	At the beginning of the Year	541680	0.56		
	04-03-2021 Sale	(11284)	0.01	530396	0.55
	11-03-2021 Sale	(302279)	0.31	228117	0.24
	18-03-2021 Sale	(228117)	0.24	0	0.00
	At the End of the Year			0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Harshbeena Zaveri				
	At the beginning of the Year	10907940	11.25		
	02-07-2021 Purchase	360	0.00	10908300	11.25
	27-08-2021 Purchase	8100	0.01	10916400	11.26
	10-09-2021 Purchase	2200	0.01	10918600	11.27
	17-09-2021 Purchase	71270	0.07	10989870	11.34
	24-09-2021 Purchase	77371	0.08	11067241	11.42
	30-09-2021 Purchase	33676	0.03	11100917	11.45
	At the End of the Year			11100917	11.45

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
2.	Satish Rangani				
	At the beginning of the Year	9000	0.01		
	Date wise Increase/ Decrease	Nil	Nil	9000	0.01
	At the End of the Year			9000	0.01
3.	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 Indebtness (Rs.in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal amount	19,214	3,394	0	22,608
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	53	159	-	212
Total (i+ii+iii)	19,267	3,553	-	22,820
Change in indebtedness during the financial year				
i) Addition	1,03,270	-	-	1,03,270
ii) Reduction	(95,762)	(3,300)	-	(99,062)
Net Change	7,508	(3,300)	-	4,208
Indebtedness at the end 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

VII. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager for 2021-22: (In Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Ms. Harshbeena Zaveri (Vice Chairman & 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	1,35,00,000	60,00,000	1,95,00,000
	(b) Value of perquisites u/s 17(2)	2,79,56,293	51,44,362	3,31,00,655
	(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	70,14,000	-	70,14,000
	- others, please specify	-	-	-
5.	Others, please specify			
	- Retirals	16,20,000	7,20,000	23,40,000
	- Variable pay / Ex-gratia	-	23,09,220	23,09,220
	- Remuneration from NRB Holdings Limited	1,11,42,421	-	1,11,42,421
	Total (A)	6,12,32,714	1,41,73,582	7,54,06,296
	Ceiling as per the Act	Rs. 9,85,73,938/-		

Notes :

1. An amount of Rs. 90,60,500/- was paid to Ms. Harshbeena Zaveri as arrears of FY 2020-21 being the reversal of the voluntary pay cut taken by her in FY 2020-21.

2. 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. October 14, 2021. During the year under review, Ms. Harshbeena Zaveri, received part of remuneration from NRB Holdings amounting to Rs. 1,11,42,421/-. The remuneration drawn by Ms. Zaveri was divided between the Company and NRB Holdings based on the parameters fixed by the Board.

B. Remuneration to Other Directors for 2021-22:

(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	-	7,00,000	2,90,000	4,00,000	6,80,000
	Commission	-	12,00,000	6,00,000	6,00,000	6,00,000
	Total (1)	-	19,00,000	8,90,000	10,00,000	12,80,000
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings	2,40,000	-	-	-	-
	Commission	-	-	-	-	-
	Total (2)	2,40,000	-	-	-	-
	Total (B)=(1+2)	2,40,000	19,00,000	8,90,000	10,00,000	12,80,000
	Overall ceiling as per the Act	Rs. 98,57,394/-				

- C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Directors and/or Manager for 2021-22:

(In Rs.)

Sr. No.	Particulars of Remuneration	Name of Manager (KMP)		Total Amount
		Mr. Ravi Teltia Cheif 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	32,04,957	20,24,328	52,29,285
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	53,13,380	36,22,876	89,36,256
	(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 - Variable pay / Ex-gratia	3,84,592 14,12,480	2,42,918 10,14,474	6,27,510 24,26,954
	Total (A)	1,03,15,409	69,04,596	1,72,20,005

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 : May 30, 2022

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 EXECUTIVE DIRECTORS/KEY MANAGERIAL PERSONNELS (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 2021-22

Name of Directors	Remuneration (Rs. in Lakhs)	Median Remuneration (Rs. in Lakhs)	Ratio
Ms. Harshbeena Zaveri Vice Chairman & Managing Director	612	4.95	123.63
Mr. Satish Rangani Whole Time Director	142	4.95	28.68
Mr. Ravi Teltia (CFO)	103	4.95	20.81
Ms. Shruti Joshi (CS)	69	4.95	13.94

- b. The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in FY 2021-22:

Name of Executive Directors / KMP	Percentage increase in remuneration in the Financial year.
Ms. Harshbeena Zaveri, Vice Chairman & Managing Director	27.81 per cent
Mr. Satish Rangani, Whole Time Director	29.55 per cent
Mr. Ravi Teltia (CFO)	60.89 per cent
Ms. Shruti Joshi (CS)	38.86 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 11.61 per cent during FY 2021-22. (Rs 4,43,774 p.a. to Rs 4,95,131 p.a.).
- d. The Company has 1,359 number of permanent employees on the rolls of company as on March 31, 2022.
- 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 0.2 per cent while decrease in the Managerial Remuneration is 31.76 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

Satish Rangani
Executive Director

Place : Mumbai
Date : May 30, 2022

BUSINESS RESPONSIBILITY REPORT*[Regulation 34(2)(f)]***SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1. Identity Number (CIN) of the Company:	L29130MH1965PLC013251
2. Corporate Name of the Company:	NRB Bearings Limited
3. Registered address:	Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001
4. Website:	www.nrbbearings.com
5. E-mail id:	investorcare@nrbbearings.co.in
6. Financial Year reported:	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise):	<ul style="list-style-type: none">• Manufacture of bearings and components for the mobility industry• Industrial Activity Code: 35
8. List three Key products/services that the Company manufactures/provides (as in balance sheet):	<ul style="list-style-type: none">• Automotive Bearings
9. Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Nil Registered Office: Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001 Factories: 7 (Seven) in number at Navi Mumbai (Engineering Centre), Thane, Waluj, Aurangabad and Jalna in the State of Maharashtra, Hyderabad in the State of Telangana and Pantnagar in the State of Uttarakhand Regional Offices: 7 (Seven) in number at Pune, Gurgaon, Kolkata, Bangalore, Ahmedabad, Chennai and Indore.
10. Market Served by the Company - Local/State/National/Internationals	India The Company also exports its products globally to approx. 45 countries worldwide.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	19,38,45,200/-
2. Total Turnover (INR Lakhs)	88,938/-
3. Total profit after taxes (INR Lakhs)	7,014/-
4. Total Spending (INR Lakhs) on Corporate Social Responsibility (CSR) as percentage of profit after tax(%)	147/- 2.1%
5. List of activities in which expenditure in 4 above has been incurred *:- a) Promotion of education; b) Promoting gender equality and empowering women; c) Employment enhancing vocational skills; d) Promotion of social business projects including ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources; e) Promoting healthcare including preventive health care with specific emphasis on women, children and girl child.	Please refer table below

* The projects for the activities are presented by the respective Trusts and Non-Government Organizations and are chosen by the Corporate Social Responsibility Committee after thorough evaluation.

Particulars	Activity	Amount Paid (Rs.)
Ashoka University	Education	45,00,000/-
IIT Bombay	Education	19,00,000/-
Aseema Charitable Trust	Education	15,00,000/-
321 Education Foundation	Education	10,00,000/-
The Apprenticeship Project	Vocational Development	10,00,000/-
Goonj	Social Business Projects	10,00,000/-
Hiralal Parekh Parivar Charitable Trust	Social Business Projects	25,00,000/-
Rotary Club of Mumbai	Health Care	3,00,000/-
Care India Solutions For Sustainable Development	Health Care	10,00,000/-

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	SNL Bearings Limited – Subsidiary NRB Bearings (Thailand) Limited- Subsidiary NRB Holdings Limited- Subsidiary NRB Bearings Europe GmbH- Subsidiary NRB Bearings USA, Inc.- Step Down Subsidiary
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	SNL Bearings Limited, subsidiary company is listed on BSE Limited and has its own Business Responsibility (BR) and CSR initiatives. BR initiatives including CSR are undertaken at the parent level and the other subsidiary companies are a part of it.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company encourages responsible business practices and has processes in place to identify suppliers and standards of conduct which need to be followed by the suppliers. The Company recognises that having a diverse supplier base with focus on sustainability strengthens its supply chain which contributes to increased efficiency and innovation. At present, less than 30% of other entities participate in the BR initiatives of the Company.

SECTION D: Business Responsibility (BR) INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The Board of Directors as well as the CSR Committee of the Board monitors the various CSR activities. The CSR Committee consists of the following 3 (three) members viz.

Name	Designation	DIN
Ms. Harshbeena Zaveri	Chairman of the Committee and Vice Chairman & Managing Director of the Company	00003948
Mr. Satish Rangani	Member of the Committee and Executive Director of the Company	00209069
Mr. Ashank Desai	Member of the Committee and Non-Executive and Independent Director of the Company	00017767

The role of the CSR Committee inter alia includes the following:

- a. To formulate and recommend to the Board the Corporate Social Responsibility Policy (CSR Policy). The CSR Policy shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 (the Act) read with Companies (Corporate Social Responsibility) Rules, 2014 (the Rules), as amended from time to time, and shall include the following activities currently included in Schedule VII:
 - (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
 - (ii) promoting education, including special education and employment, enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
 - (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
 - (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
 - (v) protecting of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing of traditional art and handicrafts.
 - (vi) measuring the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
 - (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
 - (viii) contributing to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
 - (ix) Contributing to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
 - (x) rural development projects.
 - (xi) slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
 - (xii) disaster management, including relief, rehabilitation and reconstruction activities.
- b. To approve the amount of expenditure to be incurred on the activities undertaken by the Company as per the CSR Policy within the overall limit specified in Section 135 (5) of the Act, as amended from time to time, but not less than 2% of the average net profits of the Company during the three immediately preceding financial years, (calculated pursuant to Section 198 of the Act) or any other sum, as may be prescribed under Section 135 of the Act from time to time.
- c. To monitor the CSR Policy of the company from time to time.

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00003948
2	Name	Ms. Harshbeena Zaveri
3	Designation	Vice Chairman & Managing Director
4	Telephone number	+91 22 22664160
5	e-mail id	investorcare@nrbbearings.co.in

2. Principle-wise (as per National Voluntary Guidelines 'NVG') BR Policy/Policies

The Company has always believed in and worked towards "inclusive growth" improving the quality of life of the people it touched and in the communities where the Company operates. The Company has a continuing commitment to contribute to the economic development of the society at large and build capacity for sustainable livelihoods. The Company believes in "holistic empowerment" of the community, through implementation of sustainable initiatives which will have maximum societal impact. Thus, respect and integrity for the environment, employees and the community are at the forefront of the business responsibility initiatives of the Company.

The NVG provide for the following 9 (nine) principles:

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.

Principle 3 : Businesses should promote the well being of all employees.

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5 : Businesses should respect and promote human rights.

Principle 6 : Business should respect, protect, and make efforts to restore the environment.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8 : Businesses should support inclusive growth and equitable development.

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

Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.nrbbearings.com								

7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

The Board of Directors reviews the BR initiatives, the Audit Committee reviews the whistle blower policy of the Company, and the Corporate Social Responsibility (CSR) Committee reviews the CSR Policy and the CSR initiatives undertaken by the Company. The CSR Committee satisfies itself that the funds disbursed have been utilised for the purposes and in the manner as approved by it and monitors utilisation through periodic updates and reports from the respective implementing agency. The Board of Directors has oversight relating to the corporate governance and BR initiatives of the Company.

This Business Responsibility Report will be available for review at the following link: www.nrbbearings.com. In line with the requirements of the Companies Act, 2013, your Company has also published the CSR Annual Report which forms a part of the Board's Report of the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

A strong corporate governance foundation based on the cornerstones of transparency, fairness and accountability has been laid down by the Company since its inception. Your Company is committed towards this and everyone associated with the Company must abide by its principles in letter and spirit. The Company vehemently refrains from engaging in corrupt, abusive or anti-competitive practices. Towards this, the Company has formulated the Business Conduct Guidelines and Ethics Policy covering principles of business integrity, responsibilities relating to employees, customers and the environment. The Company periodically cascades the principles under the Business Conduct Guidelines and Ethics Policy across the organization. Concerns and issues related to this framework are reviewed and dealt with by the Corporate Compliance Committee. The Company has adopted a NRB-Whistle Blower Policy which provides a framework through which all the Directors and employees as well as external stakeholders viz. customers, vendors, suppliers, outsourcing partners etc. can report their genuine concerns and actual/potential violations to the designated officials fearlessly. Any concerns or reporting for grievances and violations regarding the policies can be raised to the Corporate Compliance Committee. The Audit Committee also periodically reviews the complaints and grievances, if any received. During FY 2021-22, the Company has received Nil complaints under whistle blower mechanism. Additionally, Code of Conduct for Board of Directors and Senior Management has also been formulated for ethical and transparent behavior to achieve the highest standards of corporate governance.

Principle 2: Products Lifecycle Sustainability

The Company believes product lifecycle sustainability is an approach to effectively manage stages of a product's existence to minimise any adverse environmental impact. The degree of sustainability is largely determined during the beginning of the product lifecycle in which the product is designed and developed. Following the same principle, the Company has developed its products that are safe and will contribute to sustainability throughout their lifecycle. All of the Company's products and consumable materials used in-house are ELV complaint and free from hazardous elements. Every product is certified for the same. The Company endorses product and process design using in-house software simulation and automation. The Company has also taken several initiatives for automating engineering processes, which have reduced simulation, 3D modelling times and reduction of energy waste during testing. Sustainability initiatives include identifying the source of raw materials, ensuring good conditions for workers and reducing the carbon footprint. The Company has always promoted local and domestic (local and small scale industries) resources for their business enrichment. It has identified local small-scale industries with capability or resources and encouraged them to come up with products of international benchmark for mutual benefits. During the year under review, the Company has used approximately 60 per cent of reclaimed raw materials in its needle roller manufacturing process.

Principle 3: Employee's Well-being:

Your Company encourages its employees to maintain a healthy "lifestyle" and stresses the importance of safety both at the work place and outside it. The aim is to create a working environment supportive of employee's personal lives while meeting the Company's objectives. As at March 31, 2022, there were 1,359 permanent employees in the Company out of which 51 no. were women.

The Company has embraced diversity as a culture and understands that strength lies in differences and not similarities. Though the Company encourages diversity in all aspects, it has a particular focus on gender diversity. The Company has in place a policy of prevention of sexual harassment at workplace which endeavors to provide safe workplace and environment for women not only to work freely without any danger to their person but also express their ideas freely and without fear. The Internal Complaints Committees formed at all the factories and locations under the said policy reviews any complaint or grievance by any woman. In addition, the Company has several inclusivity guidelines / policies thus building an organization that celebrates and leverages diversity. Various programmes are conducted to raise awareness on the issue of sexual harassment of women at workplace.

Unleashing talent is the value pillar of the Company and it emphasizes on people focus. There is a clearly defined career philosophy which involves job rotation and diversity of experiences at all stages of the individual's career. Training and Organization development is given utmost importance. The Company focuses on skill and capability building of its employees through various Learning & Development initiatives. These initiatives are focussed on functional / technical, environment-safety and behavioural aspects of employees identified for the individual employee and the Company's need. In FY 2021-22, the number of training achieved for the permanent employees was 2,327 mandays and for others was 1,971 mandays.

The Company has in place an Environment, Health and Safety Policy and top priority is given to the health and safety of all persons working on the Company's premises. The health and safety policies of the Company are reviewed by the Board of Directors. Safety performance is monitored through a set of key performance indicators which are reviewed regularly.

Your Company is a great believer in fair business practices and has a very good record on industrial relations. The rights of workers to freedom of association and collective bargaining are recognized and respected. The Company is committed to upholding the values enshrined in the Constitution of India and applicable laws / regulations and ensure the recognition and protection of the basic human rights of every citizen of India and across the world and also compliance with laws and regulations relating to anti-bribery, upliftment of working conditions, prevention of child labour, protection of the environment and political non-alignment.

During the year, there have been no complaints alleging child labour, forced labour, involuntary labour, discriminatory employment or sexual harassment.

Principle 4: Stakeholder Engagement

Your Company believes that businesses should respect the interests of and be responsive towards all stakeholders especially those who are disadvantaged, vulnerable and marginalized. Customer-centricity is the core value of the Company.

The Company constantly seeks to understand what motivates the customers to consume the Company's products, seeks to provide best in class products and services and to connect and engage with the customers. This principle is enshrined in the Quality Policy of the Company. Your Company has consistently received awards and accolades from customers relating to quality and delivery. Your Company constantly endeavors to provide the best of services to its Members and investors and to maintain the highest level of corporate governance. For this the Company regularly interacts with the Members and investors through the 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. Any association with trade

bodies is done as per the relevant and extant laws and as per the principles embedded in the aforesaid Business Conduct Guidelines and Ethics Policy. Your Company also recognises its employees as important stakeholders 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 your Company. Such communication channels help employees to connect, bond, inspire, motivate and celebrate achievements.

Principle 5: Human Rights

Your Company completely believes that businesses should respect and promote human rights. Openness and integrity forms the core values of your Company. The Company conducts its operations with honesty, integrity and with respect for the human rights and employees.

Your Company is fully conversant of the human rights element of the Constitution of India, various laws and regulations and the contents of the international human rights. The Company expects and encourages its partners, suppliers 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 introduced by the Company.

The Company upholds the principles of human rights and fair treatment through various policies adopted by it such as Business Conduct Guidelines and Ethics, Policy on Prevention of Sexual Harassment at Workplace, CSR Policy, Hospitalization Policy, Voluntary Provident Fund Policy etc.

There were no complaints or grievances received against the Company in the above regard.

Principle 6: Environment

Your Company fully endorses that businesses should utilize natural and man-made resources in an optimal and responsible manner and ensure sustainability of resources by reducing, reusing, recycling and managing waste. The Company takes efforts to check and prevent pollution. The Company has an environment health and safety team which functions to ensure that the operations of the Company follow in spirit the laws relating to preservation and restoration of the environment. Several initiatives are under taken by the research and development and the engineering team for increasing usage of clean technology, alternative sources of energy, cleaner fuels, energy efficiency etc. For the financial year under review, the emissions and waste generated by the operations of the Company are within the permissible limits prescribed by the respective state pollution control boards.

During the year under review, the Company has received Nil show cause/legal notices.

Principle 7: Policy Advocacy

Your Company believes that businesses when engaged in influencing public and regulatory policy must do so in a responsible manner. By combining its own actions with external advocacy on public matters and jointly working with CSR partners, your Company is seeking transformational change. The Company is well represented in industry and trade/business associations.

Principle 8: Inclusive Growth

The Company believes that inclusive business means social and economic development through employment generation and skill development. The Company is committed to creating a positive impact through its existence on all the stakeholders. Through various initiatives and programmes under its CSR activities and social business projects, the Company not only contributes to economic and social development but also works along with underdeveloped communities to improve their lifestyle.

Principle 9: Customer Value

Your Company's business partners i.e. the suppliers, customers and dealers are very crucial for the Company's operations. The entire eco-system together ensures a well-oiled machinery which enables the Company to produce and market quality products and continuously improve products and services. Your Company also has a continuous focus of improvement of the distribution channels to ensure that its products are readily available. The Company serves the requirements of more than 200 reputed domestic and global OEMs and has a network of more than 120 dealers spread across India.

The Company has a strong belief in quality and delivers the best in class products and services which principle is enshrined in the Quality Policy of the Company.

The number of outstanding customer complaints at March 31, 2022 was 129, out of which 128 complaints are since closed and 1 complaint is being investigated. The customer complaints have reduced by 24.43 % in FY 2021-22 as compared to FY 2020 -21 and by 41.89% as compared to FY 2019-20.

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, 2022

CEO/CFO CERTIFICATION

We, Harshbeena Zaveri and Ravi Teltia, 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 2021-22 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

Ravi Teltia
Chief Financial Officer

Place: Mumbai

Date : May 30, 2022

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, 2022.

For NRB Bearings Limited

Harshbeena Zaveri
Vice Chairman & Managing Director

Place: Mumbai

Date : May 30, 2022

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.

Global economic recovery hinges on a delicate balance amid new waves of COVID-19 infections, persistent labour market challenges, lingering supply-chain constraints and rising inflationary pressures. Global recovery output in FY 2021-22 was largely driven by robust consumer spending and some uptake in investment. Trade in goods bounced back, but growth momentum slowed considerably by the end of 2021 including in big economies like China, the European Union and the United States of America, as the effects of fiscal and monetary stimuli dissipated and major supply-chain disruptions emerged. Growth impetus generally has been weaker in most developing countries and economies in transition. Global headline inflation rose to an estimated 5.2 percent in 2021, more than 2 percentage points above its trend rate in the past 10 years. Global economic growth projection for 2022 has decreased to 2.6% from 3.6% due to the Ukraine war and due to changes in macroeconomic policies made by countries in recent months.

Source: UN:Department of Economic & Social Affairs

India, on the other hand has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY 2021-22. The outbreak of COVID-19 had a significant impact on the social and economic situation in India, putting its collective resilience to test. The Indian economy, which was recuperating well in early 2021 after the onset of COVID-19, was again impacted by the gruelling second wave of the pandemic. This led to a contraction in India's Gross Value Added (GVA) by 6.2 per cent in 2021-22, with six out of eight key sectors witnessing a decline.

Source: KPMG India Insights

Global sales of automobiles are forecast to fall to just under 70 million units in 2021, down from a peak of almost 80 million units in 2017. The auto industry's most important industry segments include commercial vehicles and passenger cars. China is counted among the largest automobile markets worldwide, both in terms of sales and production. Car sales in China dipped for the first time in 2018; the market cratered in February 2020 but bounced back shortly after. It is projected that the global automotive industry will grow to just under 9 trillion U.S. dollars by 2030. It is anticipated that new vehicle sales will account for about 38 per cent of this value. Electric vehicles have gained popularity in the past years, with their use increasing over threefold between 2016 and 2019, including battery electric and plug-in hybrid units. The auto industry has reached a crossroads and the fate of the industry seems to rely on how fast production will be ramped up following the pandemic. Work stoppages resulting from outbreaks continue to affect the industry on a global scale, although factories have reopened in most markets. More recently, the pandemic has also sparked a shortage of chips in many industries, including the auto sector. It is projected that on average, electronic systems will account for half of the total price of a new car by 2030.

Source: Statista

Prompted by global initiatives such as the Paris Agreement, several countries around the globe have started enacting stricter emissions controls on new vehicle models. As such, automakers are beginning to expand their business into the electric mobility sector. Every third new car sold is anticipated to be propelled or assisted by an electric battery by 2025. Over the next decade, mobility services and autonomous vehicles are set to stir up yet another revolution in the auto sector. China is projected to lead the market by 2040 with projected autonomous vehicle sales of 14.5 million units.

Source: Deloitte, 2022 Global Automotive Consumer Study

India is the world's 5th largest vehicle market. India is expected to be the world's third-largest automotive market in terms of volume by 2026. The Automobile industry of India, produced 2,29,33,230 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and quadricycles in April 2021-March 2022, of which 56,12,920 were exported. India holds a strong position in the international heavy vehicles arena as it is the largest tractor manufacturer, second-largest bus manufacturer, and third largest heavy trucks manufacturer in the world. The Electric Vehicles (EV) market is expected to grow at CAGR of 44% between 2020-2027 and is expected to hit 6.34 million-unit annual sales by 2027. The EV industry will create five crore direct and indirect jobs by 2030. India's passenger vehicle industry is expected to post a growth of 22% - 25% in FY 2022. India's Automotive Industry is worth more than \$100 bn and contributes 8% of the country's total export and accounts for 2.3% of India's GDP and is set to become the 3rd largest in the world by 2025. The Union Cabinet announced the Production-Linked Incentive (PLI) Scheme in the Automobile and Auto Components sectors. The PLI scheme (outlay of \$ 3.5 bn) for the automobile sector proposes financial incentives of up to 18% to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain. The Government aims to develop India as a global manufacturing and research and development (R&D) hub. In Union Budget 2021-22, the government introduced the voluntary vehicle scrappage policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.

Indian Automobile Industry

- 100% FDI allowed under automatic route
- 7.1% Share in India's GDP
- 35 mn Employment generated
- 40% Share in global R&D
- 4.7% Share in India's exports

The \$222 bn Indian Automobile industry is expected to reach \$300 bn by 2026. India's annual production in FY 2021 was 22.7 million vehicles and 22.93 million vehicles in FY 2022. In the Automobile market in India, Two-wheelers and passenger cars accounted for 81.2% and 14.6% market share, respectively. Passenger car sales are dominated by small and mid-sized cars.

Passenger vehicle (PV) sales stood at 36.47 lakhs units in FY 2022, a growth of 17.00 per cent over the previous year, while commercial vehicles segment registered a growth of 30.70 per cent in FY 2022. The two-wheeler segment registered a de-growth of 2.68 per cent in FY 2022 over FY 2021. In FY 2022, overall automobile exports increased by 35.88 percent, with passenger vehicles, commercial vehicles and two-wheeler exports increasing by 42.90 per cent, 83.37 per cent and 35.34 per cent respectively.

Vehicle Production (Nos.)

Category	2020-21	2021-22	Growth %
Passenger Vehicles	30,62,280	36,50,698	19.22
Commercial Vehicles	6,24,939	8,05,527	28.90
Three Wheelers	6,14,613	7,58,088	23.34
Two Wheelers	1,83,49,941	1,77,14,856	-3.46
Quadricycle	3,836	4,061	5.87
Grand Total	2,26,55,609	2,29,33,230	1.23

Source: SIAM, IEBF

The global auto component (By Component Type: Battery, Cooling System, Underbody Components, Engine Components, Automotive Filter, Lighting Components) manufacturing market was at value of about USD 380 billion in 2020. The industry is further expected to grow at a CAGR of 3% till 2027 to reach a value of around USD 453 billion by 2026.

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. The auto-components industry expanded by a CAGR of 3.28% over FY 2016 to FY 2020 to reach US\$ 45.90 billion in FY 2021. Auto-components industry accounts for 7.1% of India's Gross Domestic Product (GDP). 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.

The Indian automobile component industry turnover stood at Rs. 1.96 lakh crore (US\$ 26.6 billion) between April–September 2021 and is expected to witness revenue growth of 15-17% during the fiscal year. In first half of FY 2022, exports of auto components grew by 76% to Rs. 68,746 crore (US\$ 9.3 billion). As per the Automobile Component Manufacturers Association (ACMA) forecast, automobile component exports from India are expected to reach US\$ 80 billion by 2026. The Indian auto components industry is expected to reach US\$ 200 billion in revenue by 2026. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY 2022. Despite the slow offtake in vehicles sales due to supply side constraints during the first quarter of FY 2021-22, the auto component industry demonstrated a remarkable turn-around in the first half of FY 2021-22. With significant growth in all segments – supply to OEMs, exports as also the aftermarket, the component industry grew to Rs.1.96 lakh crore (USD 26.6 billion) registering 65 per cent growth. Exports grew by 76 per cent to Rs.68.7 lakh crore (USD 9.3 billion) while imports grew by 71 per cent to Rs.64.3 lakh crore (USD 8.7 billion). The Aftermarket, estimated at Rs. 38,895 crore also witnessed a steady growth of 25 per cent. Component sales to OEMs in the domestic market grew by 76 per cent to Rs.1.53 lakh crore. Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits 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 US\$ 206 billion by 2030.
- **Export Opportunities**
India is emerging as a global hub for auto component sourcing and the industry exports over 25 percent 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 year 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 Electric Vehicles reduced to 5 per cent from 12 per cent

Our innovative approach and focus on for 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 24.20 per cent to Rs. 91,384 lakhs from Rs. 73,589 lakhs in 2020-21. Domestic sales increased by 18 per cent to Rs. 63,119 lakhs from Rs. 53,592 lakhs while exports have increased by 38 per cent to Rs. 25,455 lakhs from Rs. 18,462 lakhs in 2020-21.

The table below sets forth the key expense items as a percentage of income for 2021 -22 and 2020-21.

(Rs. in Lakh)

	Percentage of Turnover			
	March 31, 2022		March 31, 2021	
		%		%
Revenue from operations	91,384	100	73,589	100
Other income	1,505	-	1,200	-
Expenditure:				
- Material (Including change in stock)	39,006	42.68	31,733	43.12
- Employee Cost	12,181	13.33	11,119	15.11
- Manufacturing and Other expenses (Net)	27,201	29.77	22,007	29.91
Total Expenditure	78,388	85.78	64,859	88.14
Profit before Depreciation, Interest and Tax	14,501	15.87	9,930	13.49
Depreciation	3,262	3.57	2,667	3.62
Finance costs	1,544	1.69	2,052	2.79
Profit before Exceptional Items and Tax	9,695	10.61	5,211	7.08
Exceptional Item	(393)	(0.43)	-	-

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including :

Ratios	FY 21-22	FY 20-21	Change in Percentage	Explanation for change
Debt service coverage ratio (in times)	2.37	1.44	65	Since working capital loans were obtained at lower rate.
Return on equity ratio (in percentage)	12.91 per cent	9.03 per cent	43	On account of higher net profits due to better sales, reduction in cost of goods sold (COGS) and other operating expenses in current financial year.
Trade payables turnover ratio (in times)	4.25	3.04	40	The Company is taking advantage of early payment discounts through vendor financing scheme.
Net profit ratio (in percentage)	7.68 per cent	5.94 per cent	29	On account of increase in sales, reduction in COGS and other operating expenses in current financial year.
Return on capital employed (in percentage)	16.62 per cent	11.85 per cent	40	Mainly due to better sales, reduction in COGS and other operating expenses in current financial year.

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 positive during the year under review helped by cost efficiencies and better debt management.

		(Rs. In Lakhs)
	2021-22	2020-21
EBIT	10,846	7,263
Less: Adjusted Tax	2,288	838
NOPAT (Net Operating Profit less tax)	8,558	6,425
Equity	57,713	50,954
Debt	27,028	22,820
Total Invested Capital	84,741	73,774
Post Tax Cost of Debt %	4.67	6.18
Cost of Equity %	9.83	9.36
Weighted Average Cost of Capital % (WACC)	8.18	8.38
Weighted Average Cost of Capital (WACC)	6,933	6,179
EVA (NOPAT – WACC)	1,625	246

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 @ 6.83% p.a. plus equity premium adjusted for Company's beta variant at 0.78.

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

A positive business environment, robust industrial output and rapid vaccination coverage have provided a strong momentum for the growth of India's economy, with a GDP growth of 9.2 per cent estimated for the 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.

National Electric Mobility Mission Plan aims at achieving sales of 6-7 million units of hybrid and electric vehicles 2020 onwards. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach US\$ 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.

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 \$300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of \$74 billion. The AMP 2016-26 will help the automotive industry to grow and will benefit Indian economy in the following ways:

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

- 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

Although, India's Gross Value Added (GVA) shrank by 6.2 per cent in 2020-21, the economy has started showing positive signs and is expecting economic growth projections of 8.3–11.1 per cent, in 2022-23. With the permeation of vaccination on a mass scale and by better management of the dialectics between pandemic containment and economic growth; the recovery pathway will eventually become agnostic to the effects of COVID-19.

To alleviate the impact of the second wave and revive businesses, the government has undertaken active measures and unveiled a range of macro-level reforms while developing a robust vaccination strategy. The centre has recently announced a relief package of INR 1.1 lakh crore to help re-energise the affected sectors such as travel, hospitality and automobiles. Furthermore, the government has initiated key structural changes in the policy and regulatory regime for improving the investment climate and boosting economic growth. Such initiatives as are likely to play a pivotal role in the country's economic recovery. As India's growth story unfolds, the medium- to long-term prospects will be determined by the growth

in private investments, increased infrastructure spending, as well as strength of bilateral trade relations. The potential in these factors combined with the pace of vaccinations is expected to enhance the country's economic prospects considerably. The caveat remains that growth will also depend on how India strikes a balance between pandemic containment, revival of social and economic activity and insulating hubs of economic activity from a probable next wave. Amidst these challenges, and once the country emerges out of the pandemic, the prospects for the economy appear to be robust.

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. This approach has led NRB to become the first choice supplier for EV and EV 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 the Company to supplying the world's foremost E-Vehicles, 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. electric vehicles, 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 electric vehicle (EV) sales.
- Expand portfolio to serve adjacent industries.

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

Challenges/Threats

- **Constantly shifting market dynamics**

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

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

- **Changing OEM needs**

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

- **Technological improvements and discontinuities**

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

- **Evolving regulatory and trade environment**

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

- **Spurious/Counterfeit Products**

Spurious / Counterfeit products continue to attract price sensitive Replacement Market which accounts for 20-25 per cent of total demand of bearing industry. These supplies, being of inferior quality, are unsafe in use and pose a risk to people, industry and to the economy by way of unexpected downtime and are safety hazards. In spite of industry wide efforts in educating customers and increasing awareness about the need to use safe sources of procurement, the problem continues owing to the slow legal process in punishing unscrupulous suppliers. There is an industry wide effort to control the same.

Your Company is working continuously to mitigate these threats - leveraging its wide range of products and its engineering capabilities and priming its sourcing and purchasing capabilities. The Company remains committed towards implementing TPM and investing in sophisticated technology to offer enduring and efficient solutions.

Risks and concerns

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

The Board of Directors along with the Risk Management Committee looks at risks which are mainly reputational and where the risk grid shows criticality. For the risk grid, the risks have been listed, then prioritised and ranked in terms of probability and impact- high/moderate/low. Wherever possible, triggers are being identified, even multiple triggers, which would help 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.

During the year under review, the COVID -19 pandemic impacted operations for the Company during the first quarter of the year. 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 electric vehicles 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 and the Risk Monitoring Committee review and monitor 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 and 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.

The primary focus of IR during the current year will continue to be on the 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 1,359 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, 2022

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, 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 Senior Management Personnel 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, Digitization Committee and Financial Advisory Committee. Each of the said Committees have been mandated to operate within a given frame work.

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, 2022, 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. Mr. Satish Rangani was re-appointed as an Executive Director of the Company for a period of 2 (two) years with effect from January 24, 2022 vide a special resolution passed by the Members through postal ballot on April 1, 2022. Mr. Rustom Desai was also re-appointed as an Independent Director for a second term of 5 (five) consecutive years vide a special resolution passed by the Members at the fifty-sixth Annual General Meeting of the Company held on September 24, 2021. 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, 2022 are given below:

Directorship / Committee Membership as on March 31, 2022

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 the last AGM	Shareholding in NRB Bearings Ltd
				Chairman	Member		
Ms. Harshbeena Zaveri DIN: 00003948	01/10/2020*	Executive Director Promoter	2	0	2	Yes	1,11,00,917 (11.45%)
Mr. Devesh Singh Sahney DIN: 00003956	25/05/2001	Non-Executive Director 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	0	Yes	Nil

Notes:

(*) Date of appointment of the Executive Directors are the date of their appointment for their current terms.

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

Other Directorships held by Directors:

(Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.)

Sr. No	Name of Directors	Details of other Directorships	Details of Committee Memberships
1	Ms. Harshbeena Zaveri	<ul style="list-style-type: none"> SNL Bearings Limited - Non-Executive Director National Peroxide Limited Non-Executive Director/ Independent Director 	SNL Bearings Limited : <ul style="list-style-type: none"> Audit Committee-Member Stakeholders Relationship Committee- Member Corporate Social Responsibility Committee-Chairperson Nomination and Remuneration Committee-Member National Peroxide Limited : <ul style="list-style-type: none"> Strategic Advisory Committee-Chairperson

2	Mr. Satish Rangani	<ul style="list-style-type: none"> • SNL Bearings Limited - Non-Executive Director 	SNL Bearings Limited : <ul style="list-style-type: none"> • Stakeholders Relationship Committee-Member • Corporate Social Responsibility Committee-Member
3.	Mr. Tashwinder Singh	<ul style="list-style-type: none"> • Standard Industries Limited Non-Executive Director / Independent Director • Niyogin Fintech Limited Managing Director 	Niyogin Fintech Limited <ul style="list-style-type: none"> • Corporate Social Responsibility Committee-Member
4.	Ms. Vishakha R. M.	<ul style="list-style-type: none"> • India First Life Insurance Company Limited Managing Director 	India First Life Insurance Company Limited: <ul style="list-style-type: none"> • Risk Management Committee-Member • Investment Committee-Member • Policy Holders Protection Committee-Member • With Profits Committee-Member • Allotment Committee-Member • Corporate Social Responsibility Committee-Member
5.	Mr. Rustom Desai	Nil	Nil
6.	Mr. Ashank Desai	<ul style="list-style-type: none"> • Mastek Limited Managing Director 	Mastek Limited: <ul style="list-style-type: none"> • Audit Committee-Member • Stakeholders Relationship Committee-Member • Risk Management & Governance Committee-Member • Corporate Social Responsibility Committee-Member
7.	Mr. Devesh Singh Sahney	<ul style="list-style-type: none"> • NRB Industrial Bearings Limited Promoter/ Managing Director 	NRB Industrial Bearings Limited: <ul style="list-style-type: none"> • Audit Committee-Member

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. 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 FY 2021-22 the Board of Directors met 6 (six) times i.e., on June 2, 2021, August 7, 2021, October 25, 2021, November 12, 2021, January 22, 2022 and February 14, 2022. In view of the COVID 19 pandemic, Securities Exchange Board of India (SEBI) vide its circular dated April 29, 2021, had provided relaxation by extending the due date of holding board meeting for finalization of financial results pursuant to Regulation 33(3) of the Listing Regulations within 60 (sixty) days from the end of the financial year by 1 (one) month, i.e., from May 30, 2021 to June 30, 2021. Accordingly, the board meeting of the Company was held on June 2, 2021.

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	6
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/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.

GOVERNANCE CODES**Code of Conduct**

The Board of Directors has laid down a Code of Conduct for Business and Ethics (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. 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 include Ms. Vishakha R.M.(Independent Director) and Ms. Harshbeena Zaveri (Vice Chairman & Managing Director).

Meetings and Attendance

The Audit Committee met 6 (six) times during FY 2021-22. The maximum gap between two meetings was not more than 120 (one hundred and twenty) days. The Committee met on June 2, 2021, August 7, 2021, October 25, 2021, November 12, 2021, February 8, 2022 and February 14, 2022. 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 24, 2021.

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

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

Terms of Reference

For the purpose of effective compliance of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, the Audit Committee, is responsible for overseeing of the Company's financial reporting process and reviewing with management the quarterly/ half yearly and annual financial statements before submission to the Board. To fulfil 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 with 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, 2022.

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 and internal auditor's representatives are permanent invitees to all Audit Committee meetings. The 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 and the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

Internal Control 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 Auditors attend the meetings of the Audit Committee on regular basis and submit their 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 4 (four) times during the year on April 17, 2021, June 2, 2021, October 25, 2021 and November 12, 2021. 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	4
2.	Mr. Rustom Desai	Member	Independent Director	4
3.	Mr. Tashwinder Singh	Member	Independent Director	4

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 compensation 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 and Financial Advisory 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 2021-22.

Inview 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 2021-22.

The details of the remuneration package of Directors/ Key Management Personnel is tabled below:

(In Rs.)

Name of Director/KMP	Sitting fees FY 2021-22	Commission on profits FY 2021-22	Salary and Perquisites FY 2021-22	Total
Ms. Harshbeena Zaveri	-	70,14,000	5,42,18,714	6,12,32,714
Mr. Tashwinder Singh	7,00,000	12,00,000	-	19,00,000
Mr. Devesh Singh Sahney	2,40,000	-	-	2,40,000
Mr. Satish Rangani	-	-	1,41,73,582	1,41,73,582
Mr. Ashank Desai	2,90,000	6,00,000	-	8,90,000
Mr. Rustom Desai	4,00,000	6,00,000	-	10,00,000
Ms. Vishakha R.M.	6,80,000	6,00,000	-	12,80,000
Mr. Ravi Teltia	-	-	1,03,15,409	1,03,15,409
Ms. Shruti Joshi	-	-	69,04,596	69,04,596

Note :

1. An amount of Rs. 90,60,500/- was paid to Ms. Harshbeena Zaveri as arrears of FY 2020-21 being the reversal of the voluntary pay cut taken by her in FY 2020-21.
2. 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. October 14, 2021. During the year under review, Ms. Harshbeena Zaveri, received part of remuneration from NRB Holdings amounting to Rs. 1,11,42,421/-. The remuneration drawn by Ms. Zaveri was divided between the Company and NRB Holdings based on the parameters fixed by the Board.
3. Commission payable for FY 2021-22 to the Directors was approved at the meeting of the Nomination and Remuneration Committee held on May 30, 2022.
4. 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 2021-22 (payable for FY 2021-22).

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 2021-22 (payable for FY 2021-22).

Commission to Vice Chairman & Managing Director payable for FY 2021-22.

5. Other than as disclosed above, there is no pecuniary relationship or transaction between the Company and the Non- Executive Directors.

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.

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 November 12, 2021. The table below highlights the composition and attendance of the members of the Committee. The requisite quorum was present at all the meetings.

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 share transfer agent- M/s Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited) 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 share transfer agent - M/s. Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited). 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 MEMBERS' COMPLAINTS RECEIVED

The total number of complaints received and resolved during the year ended March 31, 2022 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, 2022. The number of pending share transfers and pending requests for dematerialization as on March 31, 2022 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, 2022.

(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.147.00 lakhs on various CSR activities and projects for FY 2021-22.

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 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 August 19, 2021. 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 of Directors	Position	Category	No. of Meetings Attended
1.	Ms. Harshbeena Zaveri	Chairman	Executive Director (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. The Committee at its first meeting held on November 9, 2021, appointed Ms. Vishkha R. M., Independent Director as the Chairman of the Committee. Mr. Tashwinder Singh, Independent Director, Ms. Harshbeena Zaveri, Vice Chairman & Managing Director and Mr. Ravi Teltia, Chief Financial Officer are the other members of the Committee.

Meetings and Attendance

The Committee met 4 (four) times during FY 2021-22 on November 9, 2021, December 6, 2021, December 10, 2021 and February 24, 2022. 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	4
2.	Ms. Harshbeena Zaveri	Member	Executive Director (Vice Chairman & Managing Director)	4
3.	Mr. Tashwinder Singh	Member	Independent Director	4
4.	Mr. Ravi Teltia	Member	Chief Financial Officer	3

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 17, 2022, 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 2021-22. 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.

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.

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 the M/s. Walker Chandiok & Co., LLP, Chartered Accountants, Statutory Auditors and forms 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 Complaints Committees (ICC) 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 no complaint was received.

m. Non-mandatory requirements

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

i. Chairman of the Board

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

ii. Shareholder Rights

The Company publishes its Results on its website at www.nrbbearings.com 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 report 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.

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, 2022

Annexure to Corporate Governance Report

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 pursuance to 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 on MCA website) 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, 2022 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:

Sr.No:	Name of the Director & DIN	Designation	Date of First Appointment in the Company
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.

UPENDRA C. SHUKLA
COMPANY SECRETARY
FCS: 2727/CP No: 1654

UDIN: F002727D000391500
Place: Mumbai
Date : 30/05/2022

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 8 November, 2021.
2. We have examined the compliance of conditions of corporate governance by NRB Bearings Limited ('the Company') for the year ended on 31 March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2022.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

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

per **Adi P. Sethna**
Partner
Membership No.:108840

UDIN : 22108840AJVSPD8299

Place: Mumbai
Date : May 30, 2022

MEMBER INFORMATION**GENERAL BODY MEETING****DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS HELD**

AGM	Financial Year	Date and Time	Venue	Details of Special Resolutions Passed
56 th	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"> • 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. • 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.
55 th	2019-20	September 15, 2020 at 3:00 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"> • 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. • 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. • 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. • Payment of annual remuneration to Ms. Harshbeena Zaveri, Vice Chairman & 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.
54 th	2018-19	August 9, 2019 at 3:30 p.m.	M. C. Ghia Hall, K. Dubash Marg, Mumbai – 400001	<ul style="list-style-type: none"> • Re-appointment of Mr. Tashwinder Singh (DIN: 06572282) as an Independent Director of the Company for a second term of 5 (five) consecutive years from August 9, 2019 to August 8, 2024. • Payment of annual remuneration to Ms. Harshbeena Zaveri (DIN 00003948), Vice Chairman & Managing Director of the Company, exceeding Rs. 5.00 Crores or 2.5% of the net profits of the Company, whichever is higher for every financial year upto the balance tenure of her appointment, i.e., upto September 30, 2020.

POSTAL BALLOT

During the year under review 1 (one) special resolution was passed through postal ballot, as follow :

- Special Resolution under Sections 196, 197 and 203 read with schedule V for re-appointment of Mr. Satish Rangani (DIN: 00209069), as a whole-time director, designated as Executive Director, who has attained the age of 70 years, for a term of 2 (two) years with effect from January 24, 2022.

Mr. Upendra C. Shukla, practicing Company Secretary was appointed as the Scrutinizer for conducting the postal ballot process in fair and transparent manner. Upon completion of the scrutiny of Ballot Forms and electronic responses, the Scrutinizer had submitted his report to the Vice Chairman & Managing Director of the Company. The results of the Postal Ballot were declared on Friday, April 1, 2022. The said result along with the Scrutinizer's Report was displayed on the website of the Company, i.e., www.nrbbearings.com and intimated to the Stock Exchanges where the shares of the Company are listed. The resolution was approved with requisite majority.

Details of voting pattern for the postal ballot for Special Resolution

Resolution for	Voted in favour of the resolution			Voted against the resolution		
	No. of members voted through e-voting/ postal ballot	No. of votes cast (No. of shares)	Percentage of total no. of votes cast	No. of members voted through e-voting/ postal ballot	No. of votes cast (No. of shares)	Percentage of total no. of votes cast
Resolution under Sections 196, 197 and 203 read with schedule V for re-appointment of Mr. Satish Rangani (DIN: 00209069), as a whole-time director, designated as Executive Director, who has attained the age of 70 years, for a term of 2 (two) years with effect from January 24, 2022.	228	7,87,26,568	99.12	33	7,00,763	0.88

Procedure for Postal Ballot

- Appointment of Scrutinizer who is not in the employment of the Company.
- Notice of postal ballot along with the explanatory statement sent to all Members by registered post or speed post or courier or through electronic means like registered email id.
- Advertisement in English newspaper and in vernacular language (Marathi) newspaper in the principal vernacular language of the district in which the registered office of the Company is situated.
- Notice also placed on the website of the Company.
- Facilitation of the communication for assent or dissent of the Members within a period of 30 (thirty) days.
- Declaration of results by the Scrutinizer after following due process.

Proposed postal ballot

Currently, the Company does not have any proposal to pass any resolution through postal ballot.

ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2021-22

DAY AND DATE	Thursday, September 15, 2022
TIME	3:30 p.m. (IST)
VENUE	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.
BOOK CLOSURE DATES	Friday, September 9, 2022 to Thursday, September 15, 2022 (both days inclusive)

Tentative Calendar for Financial Year ending March 31, 2023

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

Sr. No.	Particulars of Quarter	Tentative dates
1.	First Quarter Results	July/August 2022
2.	Second Quarter & Half Yearly Results	October/November 2022
3.	Third Quarter & Nine-months ended Results	January/February 2023
4.	Fourth Quarter & Annual Results	April/May 2023

Dividend

The Board of Directors at their meeting held on May 30, 2022, has recommended a Final Dividend of Re. 2.00/- per share (100 per cent) for FY 2021-22 which shall be payable, subject to approval of Members, to the Members whose names appear on Register of Members of the Company as on Thursday, September 8, 2022.

Dividend History for the last 7 financial years

The table below highlights the history of Dividend declared by the Company in the last 7 (seven) financial years:

Sr. No.	Financial Year	Date of Declaration of Dividend	Amount declared per share (Rs.)
1	2014-15 : Final Dividend	July 24, 2015	1.50
2	2015-16 : Interim Dividend, considered as Final Dividend	March 10, 2016	1.40
3	2016-17 : Interim Dividend, considered as Final Dividend	February 13, 2017	1.40
4	2017-18 : Interim Dividend	March 20, 2018	1.40
	2017-18 : Final Dividend	August 9, 2018	1.20
4	2018-19 : Final Dividend	August 9, 2019	2.60
6	2019-20-Interim Dividend, considered as Final Dividend	February 11, 2020	0.80
7	2020-21 : Final Dividend	September 24, 2021	0.50

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.nrbearings.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) with in 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, 2022 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	2014-15 (Final Dividend)	July 24, 2015	3,51,753.00	August 29, 2022
2	2015-16 (Interim Dividend)	March 10, 2016	3,30,814.40	April 16, 2023
3	2016-17 (Interim Dividend)	February 13, 2017	3,58,884.40	March 21, 2024
4	2017-18 (Interim Dividend)	March 20, 2018	3,55,818.40	April 25, 2025
5	2017-18 (Final Dividend)	August 9, 2018	4,00,011.60	September 14, 2025
6	2018-19 (Final Dividend)	August 9, 2019	5,90,722.60	September 14, 2026
7	2019-20 (Interim Dividend)	February 11, 2020	1,87,740.00	March 18, 2027
8	2020-21 (Final Dividend)	September 24, 2022	1,53,33,120.91	October 30, 2028

During the year under review, final dividend declared for FY 2012-13 has been transferred to IEPF on October 11, 2021.

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, 2022:

No. of Equity Shares	2022				2021			
	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	44,187	90.49	41,54,537	4.29	40,780	89.83	42,28,776	4.36
501- 1000	2,678	5.48	22,41,257	2.31	2,651	5.83	22,64,062	2.34
1001-2000	1,008	2.06	15,72,000	1.62	1,051	2.31	16,44,714	1.70
2001- 3000	307	0.63	7,93,847	0.82	308	0.69	8,09,152	0.83
3001- 4000	137	0.28	4,92,250	0.51	139	0.30	4,95,042	0.51
4001- 5000	120	0.25	5,72,561	0.59	119	0.26	6,09,021	0.63
5001- 10000	184	0.38	13,75,794	1.42	150	0.33	11,70,672	1.21
10001 & above	208	0.43	8,57,20,354	88.44	205	0.45	8,57,01,161	88.42
TOTAL	48,829	100.00	9,69,22,600	100.00	45,403	100.00	9,69,22,600	100

Shareholding Pattern as on March 31, 2022:

No. of Equity Shares	2022				2021			
	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	47,063	97.69	1,71,67,316	17.72	44,316	97.61	2,70,03,930	27.86
Corporate Bodies/LLP/NBFC Partnership Firms	193	0.40	6,28,650	0.65	242	0.53	7,85,963	0.81
IEPF Suspense A/c	1	0.00	78,061	0.08	1	0.00	64,581	0.07
Trust	3	0.00	3,38,09,787	34.88	3	0.01	3,38,27,297	34.90
Foreign Collaborator	0	0.00	0	0.00	0	0.00	0	0.00
NRI/OCBs	862	1.80	1,27,69,282	13.17	782	1.72	24,18,918	2.50
FI/FII/Banks/ Foreign national/ Trusts/Foreign Portfolio Investor	55	0.11	2,12,23,761	21.90	33	0.07	1,95,18,545	20.14
Mutual Funds/UTI	4	0.00	1,12,45,743	11.60	25	0.06	1,32,19,588	13.64
Alternate Investment Fund	0	0.00	0	0.00	0	0.00	0	0.00
Insurance Companies	0	0.00	0	0.00	0	0.00	0	0.00
TOTAL	48,181	100.00	9,69,22,600	100.00	45,403	100.00	9,69,22,600	100.00

DEMATERIALISATION 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. 99.67 per cent of the equity shares of the Company have been dematerialized (NSDL 92.63 per cent and CDSL 7.06 per cent) as on March 31, 2022.

Dematerialization of Shares

Members who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of Members, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a Depository Participant (DP).
- b) Members should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited).
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories.
- f) Upon confirmation of request, the Member will get credit of the equivalent number of shares in his demat account maintained with the DP.

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the Secretarial Standards.

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

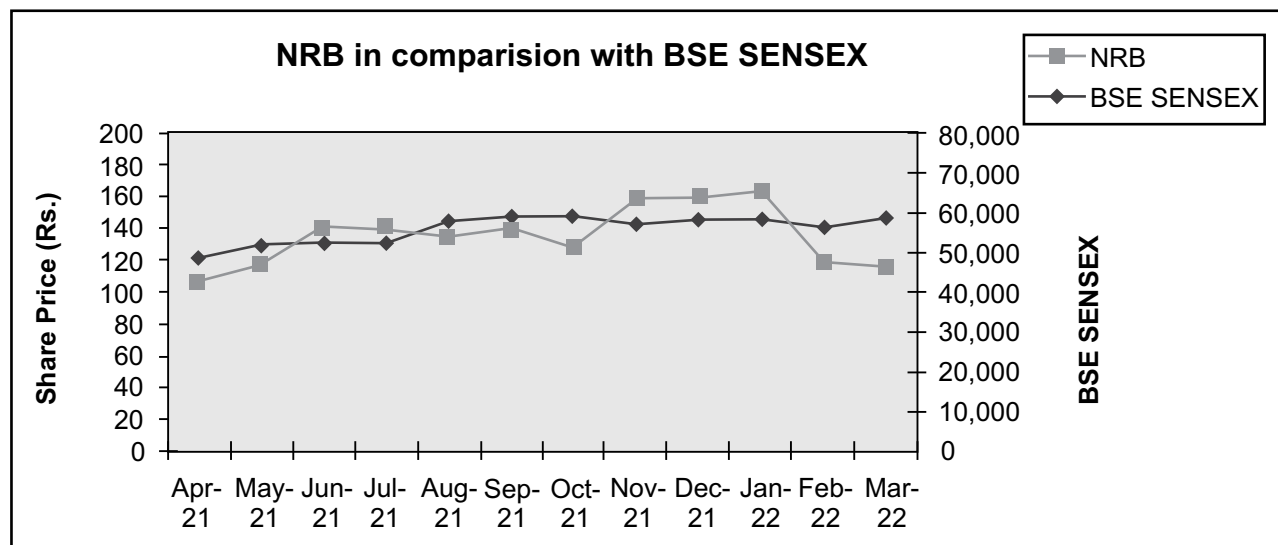
The Company has entered into agreements with NSDL and CDSL during the year 2000-01 and has been allotted ISIN No. INE 349A01013. The shares were split into shares of face value Rs. 2/- each effective April 4, 2007 and the new ISIN No. is INE 349A01021

Listing fees for the year 2021-22 have been paid to the Stock Exchange- BSE Limited and National Stock Exchange of India Limited.

Share Price Data

2021-22	Bombay Stock Exchange			National Stock Exchange		
Month	High (Rs)	Low(Rs)	Volume	High (Rs)	Low(Rs)	Volume
April 2021	113.35	95.25	6,45,881	113.3	96.5	42,59,897
May2021	122.25	104.10	11,90,927	122.2	105	85,74,954
June 2021	146.65	116.50	31,10,269	146.65	116.35	2,45,39,162
July 2021	154.10	134.15	15,08,800	154.4	134.05	93,68,697
August2021	142.55	114.75	9,95,637	143	115	57,55,668
September2021	147.20	130.75	9,02,739	147.4	132	67,00,192
October 2021	149.50	126.50	5,93,751	149.5	126.7	44,42,021
November2021	173.70	128.50	16,35,457	173.8	127.6	1,96,92,104
December2021	175.05	147.50	11,09,436	175.05	148.45	89,82,555
January 2022	189.65	153.35	13,34,653	189.7	150.35	98,97,033
February 2022	172.15	113.15	6,58,036	172.4	114.2	56,25,166
March 2022	125.00	111.90	7,90,811	127.3	112	46,37,226

NRB Bearings Equity Share performance.



MEANS OF COMMUNICATION TO MEMBERS

- 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.
- 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.
- (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 exclusively for investor relations, and the same is prominently displayed on the Company's website www.nrbbearings.com.

Share Transfer System

In terms of Regulation 40(9) of the Listing Regulations, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. 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 Securities Private Limited, (100% subsidiary of Link Intime India Private Limited) at info@unisec.in or to the Company at its dedicated e-mail id i.e., investorcare@nrbbearings.co.in.

Credit Rating

As on March 31, 2022, the Company has been rated AA-/Stable for both short term and long term borrowings and A1+ for commercial paper.

Address for Correspondence:

Compliance Officer	Universal Capital Securities Private Limited (100% subsidiary of Link Intime India Private Limited)	Address of the Company
Ms. Shruti Joshi Phone: 022-22664160/4998 E-mail: investorcare@nrbbearings.co.in	C 101, 247 Park, LBS Road, Vikhroli West, Mumbai 400083 Tel Nos: 022 28207203-05 Fax : 022 28207207 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:

Thane	2nd Pokhran Road, Majiwade, Thane 400 610.
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, 2022

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 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and 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 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 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. Compliance with laws and regulations

We draw attention to Note 14(iii) and Note 27(iv) to the accompanying standalone financial statement which indicates delay in receipt of foreign currency receivable amounting to Rs.3,886 lakhs and delay in payment of foreign currency payable amounting to Rs.155 lakhs, as at 31 March 2022, 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 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><i>Recoverability of investment, trade receivables, loans/ advances given to/recoverable from subsidiary company</i></p> <p><i>Refer Notes 8, 8(i), 14, 17 and 47 in the standalone financial statements.</i></p> <p><i>The Company, as at 31 March 2022, has investments in NRB Bearings (Thailand) Limited, ('wholly owned subsidiary') amounting to ₹ 2,413 lakhs, loans outstanding (including interest receivable) amounting to ₹ 1,329 lakhs, trade receivables amounting to ₹ 1,395 lakhs, and has given guarantee amounting to ₹ 2,489 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 2022.</i></p> <p><i>During the year ended 31 March 2022, NRB Bearings (Thailand) Limited has reported a profit of ₹ 550 lakhs (THB 26 million) but as at that date, its accumulated losses aggregating ₹ 1,887 lakhs (THB 78million), have significantly eroded its capital.</i></p> <p><i>As at 31 March 2022, 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.</i></p> <p><i>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. Such assumptions have been affected by the COVID-19 pandemic adding to the complexity in estimation involved.</i></p> <p><i>Considering the materiality of the amount involved, and significant management judgement required for valuation, the recoverability of aforesaid balances as at 31 March 2022 has been determined to be a key audit matter in the current year audit.</i></p>	<p><i>Our audit procedures in relation to assessing the recoverable value of investments included but were not limited to, the following:</i></p> <ul style="list-style-type: none"> <i>• Obtained an understanding of management's processes and controls for determining the recoverable value of investments;</i> <i>• Assessed the design of and tested the operating effectiveness of the key controls around fair valuation;</i> <i>• Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</i> <i>• Assessed the appropriateness of the valuation methodology used to arrive at the recoverable value of the investments using auditor's valuation specialist;</i> <i>• 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 including the possible impact of COVID 19 and future plans estimated by the management using expertise of our valuation specialist on required parameters;</i> <i>• 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;</i> <i>• Tested the mathematical accuracy of the cash flow projections and fair valuation computation; and</i> <i>• Evaluated the appropriateness and adequacy of the related disclosures made in the standalone financial statements in accordance with the applicable accounting standards.</i>

Information other than the Standalone 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 of corporate governance, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not 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 standalone 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 system with reference to standalone financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- 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 2022 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 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified 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 2022 in the 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 2022;
- 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 2022;
- iv. a. The management has represented that, to the best of its 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 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, 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 attention that causes 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 2022 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 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 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.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDINo.: 22108840AJVSKC8577

Place: Mumbai
Date: 30 May 2022

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 2022

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, right of use assets 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 property, plant and equipment (PPE), right of use assets and investment property under which the assets are physically verified once in every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, no property, plant and equipment, right of use assets and investment property were required to be verified during the year.
- (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 of company and amalgamation of companies as stated in Note 3(ii) to the standalone financial statements respectively, wherein the title deed is in the name of the erstwhile companies.

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation)	Reason for not being held in name of company
Lease hold land – Waluj	₹ 6 lakhs	NRB Torrington Private Limited	No	1 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.
Free hold land – Hyderabad	₹ 55 lakhs	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 Industrial and Financial Reconstruction (BIFR) order in the financial year 1992-93.

- (d) The Company has not revalued its property, plant and equipment (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 a physical verification of inventory 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 quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subjected to audit/review.

- iii) (a) The Company has made investment in one subsidiary, provided loans to one subsidiary and other parties (employees) during the year as per details given below:

Particulars	Guarantees (₹ in lakhs)	Security (₹ in lakhs)	Loans (₹ in lakhs)	Advances in nature of loans (₹ in lakhs)
Aggregate amount provided/granted during the year:				
- Subsidiaries	-	-	1,528	-
- Others	-	-	53	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries	-	-	1,329	-
- Others	-	-	22	-

- (b) The Company has not provided guarantees and security during the year. In our opinion, and according to the information and explanations given to us, the investments made, and terms and conditions of the grant of all 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 payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such subsidiary company or other parties (employees).
- (e) The Company has granted loan which had fallen due during the year and such loan was renewed during the year. The details of the same has been given below:

Name of the party- Sub- subsidiaries	Nature of loan	Total loan amount(₹ in lakhs)	Nature of extension (i.e. renewed/ ex- tended/fresh loan provided)	Aggregate amount of overdues of exist- ing loans renewed or extended or settled by fresh loans(₹ in lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
NRB Bearings (Thailand) Limited	Inter-Corpo- rate Deposit	1,528	Renewed	1,528	96.65%

- (f) The Company has not granted any loan, 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 investments, loans and guarantees as applicable. Further, the Company has not entered into any transaction covered under section 185 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 not accepted any deposits or there is no 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, cess and 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 arrears of 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 Funds 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	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income-tax	35	35	A.Y.2007-08	Commissioner of Income Tax (Appeals)
		83	83	A.Y 2008-09	High Court
		16	16	A.Y 2009-10	Commissioner of Income Tax (Appeals)
		2	2	A.Y 2011-12	
		414	152	A.Y 2012-13	
		96	19	A.Y 2013-14	
		15	15	A.Y 2013-14	Income Tax Appellate Tribunal
		165	40	A.Y 2014-15	Commissioner of Income Tax (Appeals)
		250	136	A.Y 2015-16	
		367	79	A.Y 2016-17	
		635	456	A.Y 2017-18	
		639	44	A.Y 2018-19	
		273	55	A.Y 2019-20	

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Bombay Sales Tax Act, 1959	Value Added tax	1	-	F.Y 1996-97	Deputy Commissioner (Appeals)
The Central Sales Tax Act, 1956	Sales tax	3	-	F.Y 1996-97	Deputy Commissioner (Appeals)
		5	-	F.Y 2012-13	Appellate Deputy Commissioner (Appeals)
		8	-	F.Y 2012-13	Assistant Commissioner (Commercial Tax)
		2	-	F.Y 2013-14	Assistant Commissioner (Commercial Tax)
		7	-	F.Y 2013-14	Commercial Tax Officer
		3	-	F.Y 2014-15	Assistant Commissioner (Commercial Tax)
		44	-	F.Y 2014-15	Deputy Commissioner (Commercial Tax)
		14	-	F.Y 2014-15	Commercial Tax Officer
		6	-	F.Y 2015-16	Deputy Commissioner (Commercial Tax)
		10	1	F.Y 2015-16	Joint Commissioner Sales (Appeals)
		76	-	F.Y 2015-16	Dy. Excise & Taxation Comm (Sales Tax)
		18	9	F.Y 2015-16	Joint Commissioner of Sales Tax
		1	0*	F.Y 2016-17	Senior Joint Commissioner (Appeals)
		101	-	F.Y 2016-17	Joint Commissioner (Appeals)
		6	-	F.Y 2016-17	Commercial Tax Officer
		36	11	F.Y 2016-17	Deputy Commissioner (Commercial Tax)
		17	0*	F.Y 2016-17	Joint Commissioner (Appeals)
		69	-	F.Y 2016-17	Dy. Excise & Taxation Comm (Sales Tax)
		1	0*	F.Y 2017-18	Senior Joint Commissioner (Appeals)
		5	-	F.Y 2017-18	Assistant Commissioner (Commercial Tax)
		7	-	F.Y 2017-18	Deputy Commissioner (Commercial Tax)
		14	-	F.Y 2017-18	Dy. Excise & Taxation Comm (Sales Tax)
		73	-	F.Y. 2017-18	Deputy Commissioner of State Tax

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Bombay Provincial Municipal Corporation Act 1949, read with Bombay Provincial Municipal Corporation (Local Body Tax) Rules 2010 (as amended)	Local body tax	72	17	F.Y 2013-14	Deputy Commissioner of Local Body Tax (Appeals)
		36	9	F.Y 2014-15	
		8	3	F.Y 2015-16	

(*) Amount less 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 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 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 obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, 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 (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which 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.
- (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

UDINo.: 22108840AJVSKC8577

Place: Mumbai

Date: 30 May 2022

Annexure B

Annexure B referred to in Paragraph 18 (f) of the Independent Auditor's Report on the Audit of Standalone Financial Statements on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of NRB Bearings Limited ('the Company') as at and for the year ended 31 March 2022, 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 ('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 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 standalone financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDIN: 22108840AJVSKC8577

Place: Mumbai
Date: 30 May 2022

Standalone Balance Sheet as at 31 March 2022

(₹ in lakhs)

Sr. No.	Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I	Assets			
1	Non-current assets			
	Property, plant and equipment	3	31,018	31,311
	Capital work-in-progress	4	236	397
	Investment property	5	-	-
	Intangible assets	6	4	15
	Intangible assets under development	7	386	230
	Financial assets			
	(i) Investment in subsidiaries	8	5,281	2,688
	(ii) Investments	9	395	444
	(iii) Other financial assets	10	812	808
	Non current (Income) tax assets (net)	11	2,941	2,919
	Other non-current assets	12	957	1,023
	Total non-current assets		42,030	39,835
2	Current assets			
	Inventories	13	25,436	18,355
	Financial assets			
	(i) Trade receivables	14	22,096	20,923
	(ii) Cash and cash equivalents	15	5,065	6,466
	(iii) Bank balances other than cash and cash equivalents	16	369	164
	(iv) Loans	17	1,351	1,548
	(v) Other financial assets	18	197	146
	Other current assets	19	4,202	3,069
	Assets held-for-sale	20	53	-
	Total current assets		58,769	50,671
	Total assets		100,799	90,506
II	Equity and liabilities			
A	Equity			
	Equity share capital	21	1,938	1,938
	Other equity	22	55,775	49,016
	Total equity		57,713	50,954
B	Liabilities			
1	Non-current liabilities			
	Financial liabilities			
	(i) Borrowings	23	6,045	8,941
	(ii) Lease liabilities	51	670	18
	(iii) Other financial liabilities	24	109	81
	Deferred tax liabilities (net)	41	1,507	1,382
	Other non-current liabilities	25	2	78
	Total non-current liabilities		8,333	10,500
2	Current liabilities			
	Financial liabilities			
	(i) Borrowings	26	20,983	13,879
	(ii) Lease liabilities	51	160	42
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	27	1,417	974
	Total outstanding dues of creditors other than micro enterprises and small enterprises		8,289	10,151
	(iv) Other financial liabilities	28	1,914	2,076
	Other current liabilities	29	580	713
	Provisions	30	1,243	1,107
	Current tax liabilities (net)	31	167	110
	Total current liabilities		34,753	29,052
	Total liabilities		43,086	39,552
	Total equity and liabilities		100,799	90,506

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's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : **Mumbai**

Date : **30 May 2022**

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: **Mumbai**

Date: **30 May 2022**

Standalone Statement of Profit and Loss for the year ended 31 March 2022

(₹ in lakhs, except per share data)

Sr. No	Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from operations	32	91,384	73,589
II	Other income	33	1,505	1,200
III	Total income		92,889	74,789
IV	Expenses			
	Cost of materials consumed	34	41,637	30,750
	Changes in inventories of finished goods and work-in-progress	35	(2,631)	983
	Employee benefits expense	36	12,181	11,119
	Finance costs	37	1,544	2,052
	Depreciation and amortisation expenses	38	3,262	2,667
	Other expenses	39	27,201	22,007
	Total expenses		83,194	69,578
V	Profit before exceptional items and tax		9,695	5,211
VI	Exceptional items- loss (net)	40	(393)	-
VII	Profit before tax		9,302	5,211
VIII	Tax expense / (credit)	41		
	Current tax		2,278	1,017
	Tax pertaining to earlier period		-	(128)
	Deferred tax		10	(51)
			2,288	838
IX	Profit for the year		7,014	4,373
X	Other comprehensive income / (loss)	42		
	(i) Items that will not be reclassified to profit or loss (net of tax)		(10)	553
	(ii) Items that may be reclassified to profit or loss (net of tax)		240	131
			230	684
XI	Total comprehensive income for the year		7,244	5,057
XII	Earnings per equity share (face value of ₹ 2 each)	58		
	Basic (in ₹)		7.24	4.51
	Diluted (in ₹)		7.24	4.51

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 Chandiok & Co LLP**

Chartered Accountants

Firm's: Registration No. 001076N/ N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai

Date : 30 May 2022

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2022

Standalone Statement of Cash Flow for the year ended 31 March 2022

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A	Cash flow from operating activities		
	Profit before tax (after exceptional items)	9,302	5,211
	Adjustments for:		
	Depreciation and amortisation expenses	3,262	2,667
	Liabilities written back	(140)	(394)
	Foreign exchange loss (unrealised) (net)	527	130
	Fair valuation loss on derivative instrument measured at FVTPL	27	77
	Fair valuation gain on financial assets measured at FVTPL	(1)	(8)
	Finance costs	1,544	2,052
	Interest income	(103)	(182)
	Dividend income	(128)	(8)
	Profit on sale of property, plant and equipments (net)	(13)	(12)
	Rent income	(137)	(107)
	Provision for doubtful advances	122	219
	Assets scrapped off	-	55
	Provision for doubtful trade receivables and bad debts written off (including exceptional items) (net)	1,839	789
	Gain on sale of investment in subsidiaries	(194)	-
	Provision for gratuity	179	209
	Provision for leave entitlement	155	134
	Provision towards slow moving and non-moving inventories (including exceptional items) (net)	(1,825)	1,402
	Operating profit before working capital changes	14,416	12,234
	Changes in working capital:		
	Adjustment for (increase) / decrease in assets		
	- Trade receivables	(3,566)	(1,363)
	- Inventories	(5,256)	913
	- Other non-current financial assets	(4)	(326)
	- Other current financial assets and loans	218	481
	- Other non-current assets	82	61
	- Other current assets	(1,252)	(62)
	Adjustment in increase / (decrease) in liabilities		
	- Other non-current financial liabilities and other non-current liabilities	(48)	(9)
	- Other financial liabilities	(57)	468
	- Trade payables	(1,234)	3,608
	- Provisions	(125)	(278)
	- Other current liabilities	(133)	144
	Cash generated from operations before tax	3,041	15,871
	Direct taxes paid	(2,230)	(1,109)
	Net cash generated from operating activities (A)	811	14,762

Standalone Statement of Cash Flow for the year ended 31 March 2022

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
B	Cash flow from investing activities		
	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)	(2,433)	(2,911)
	Sale proceeds of property, plant and equipment	13	16
	Deposits with bank	(54)	(48)
	Investment made in subsidiary company	(2,628)	-
	Proceeds from sale of investment in subsidiaries (refer note 8(iii))	229	-
	Rent received	135	107
	Interest received	109	182
	Refund of inter-corporate deposit from related party	160	235
	Dividend received	115	8
	Net cash used in investing activities (B)	(4,354)	(2,411)
C	Cash flow from financing activities		
	Proceeds from non-current borrowings	2,500	5,000
	Proceeds from / (repayment of) current borrowings (net)	7,899	(11,179)
	Repayment of non-current borrowings	(5,967)	(3,908)
	Finance costs paid	(1,614)	(2,194)
	Settlement of lease liabilities	(208)	(162)
	Movement in unclaimed dividend bank balance	(151)	3
	Dividend paid on equity shares (including unclaimed)	(334)	(3)
	Net cash generated from / (used in) financing activities (C)	2,125	(12,443)
	Net decrease in cash and cash equivalents (A+B+C)	(1,418)	(92)
	Add: Balance of cash and cash equivalents at the beginning of the year	6,466	6,554
	Add: Effects of exchange rate changes on cash and cash equivalents	17	4
	Closing balance of cash and cash equivalents (refer note 15)	5,065	6,466

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

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	3	1
Balances with banks in current accounts		
- Current accounts	3,722	1,040
- EEFC account	1,340	5,425
Total cash and cash equivalents	5,065	6,466

2. The cash flow statement 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 flow referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's: Registration No. 001076N/ N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai
Date : 30 May 2022
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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai
Date: 30 May 2022

Standalone Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital (Refer note 21)

(₹ in lakhs)

Particulars	Number of shares	Amount
Balance as at 1 April 2020	96,922,600	1,938
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	96,922,600	1,938
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	96,922,600	1,938

B. Other equity (Refer Note 22)

(₹ in lakhs)

Particulars	Reserves and surplus					Other reserves		Total
	Securities premium	General reserve	Capital redemption reserve	Debt redemption reserve	Retained earnings	Fair value gain/(loss) on equity instruments through OCI	Cash flow hedging reserve	
Balance as at 1 April 2020	848	10,521	11	2,250	30,121	208	-	43,959
Profit for the year	-	-	-	-	4,373	-	-	4,373
Other comprehensive income (refer note 42)	-	-	-	-	342	211	131	684
Transfer from debt redemption reserve to general reserve	-	1,500	-	(1,500)	-	-	-	-
Balance as at 31 March 2021	848	12,021	11	750	34,836	419	131	49,016
Profit for the year	-	-	-	-	7,014	-	-	7,014
Other comprehensive income (refer note 42)	-	-	-	-	39	(49)	240	230
Transfer from debt redemption reserve to general reserve	-	750	-	(750)	-	-	-	-
Final dividend on equity shares for FY 2020-21 of ₹ 0.5 (previous year - ₹ Nil) per equity share	-	-	-	-	(485)	-	-	(485)
Balance as at 31 March 2022	848	12,771	11	-	41,404	370	371	55,775

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 Chandiok & Co LLP**

Chartered Accountants

Firm's: Registration No. 001076N/ N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai

Date : 30 May 2022

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2022

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 standalone financial statements were approved and authorised for issue in accordance with the resolution of the Board of Directors on 30 May 2022.

Basis of Preparation

The standalone financial statements (the "financial statements") have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The accounting policies have been consistently applied for all the periods presented in the standalone financial statements.

The 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 instruments.

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

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 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 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 standalone 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. If such monetary items were not relating to acquisition of depreciable property plant and equipment's, the exchange difference would be amortised

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

over the maturity period or upto the date of settlement of such monetary item, whichever is earlier and charged to the 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.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

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 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 financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets (Including Minimum Alternate Tax credit) are recognised for all deductible temporary differences and unused tax losses or credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 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 liabilities on the 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 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 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 Company'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 statement of profit and loss, as the case may be.

On the balance sheet date, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities (non-current and current).

The Company has elected to account for short-term leases and leases of low-value assets using the exemption / practical expedient given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liabilities, the payments in relation to these are recognised as an expense in statement of 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 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 and loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Trade receivables are recognised initially at fair value 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 standalone financial statements as at and for the year ended 31 March 2022

Measurement

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

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 statement of 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 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 statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

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

k. Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains / (losses).

The Company uses cross-currency interest rate swaps to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates these cross-currency interest rate swaps in a cash flow hedging relationship by applying the hedge accounting principles.

Derivative contracts are stated at fair value on the balance sheet at each reporting date. At inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item. The Company documents its risk management objective and strategy for undertaking its hedging transactions. The Company designates amounts excluding foreign currency basis spread in the hedging relationship for cross currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of Profit and Loss in the periods in which the forecasted transactions occur.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the forecast transactions affect profit or loss. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in equity is retained there until the forecast transaction occurs.

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is immediately transferred to the statement of profit and loss for the year.

l. Offsetting financial instruments

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

m. Property plant and equipment (including Capital Work-in-Progress) and depreciation

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical 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 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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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.

Class of asset	Revised useful life based on SLM (Range)
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

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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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.

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 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 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 statement of 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 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 financial statements. Contingent assets are not recognised, but disclosed in the 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 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 percentage of the eligible employees' salary and charged to the 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 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 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 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/availment. 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.

u. Exceptional items

When items of income and expense within 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 a period not exceeding 12 months for the purpose of classification of its assets and liabilities as Current / 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

y. Critical estimates and judgements

The preparation of standalone 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 standalone 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 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 losses 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.

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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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.

xi) Fair value measurements:

Management applies valuation techniques to determine fair value of equity shares (where active market quotes are not available). This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of equity shares.

xii) Impairment 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.

Recent accounting pronouncements**i) Amendment to Ind AS 16, Property, Plant and Equipment**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The Company is evaluating the requirement of the said amendment and its impact on these 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 2022

ii) Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The Company is evaluating the requirement of the said amendment and its impact on these Standalone Financial Statements.

iii) Amendments to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities. The Company is evaluating the requirement of the said amendment and its impact on these Standalone Financial Statements.

iv) Amendments to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The Company is evaluating the requirement of the said amendment and its impact on these 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 2022

3 Property, plant and equipment

(₹ in lakhs)

Particulars	Freehold land	Leasehold land	Buildings and flats *	Plant and equipment	Furniture and fixtures	Office equipment	Electrical installation	Leasehold improvement	Vehicles	Total
Gross carrying value										
Balance as at 1 April 2020	60	177	12,112	58,834	718	868	1,360	-	535	74,664
Additions (refer note (iii) below)	-	-	64	1,845	18	-	15	-	12	1,954
Disposals and discards	-	-	(27)	(337)	(1)	-	(5)	-	(7)	(377)
Balance as at 31 March 2021	60	177	12,149	60,342	735	868	1,370	-	540	76,241
Additions (refer note (iii) below)	-	-	14	1,098	19	658	254	955	13	3,011
Disposals and discards	-	-	-	(1,020)	(46)	(197)	(8)	-	(43)	(1,314)
Reclassified as assets held-for-sale (refer note 20)	(5)	-	(129)	-	(66)	-	(83)	-	-	(283)
Balance as at 31 March 2022	55	177	12,034	60,420	642	1,329	1,533	955	510	77,655
Accumulated depreciation / amortisation										
Balance as at 1 April 2020	-	31	2,617	37,270	610	691	957	-	428	42,604
Charge for the year*	-	2	412	2,002	58	63	59	-	48	2,644
Reversal on disposals and discards	-	-	(25)	(280)	(1)	-	(5)	-	(7)	(318)
Balance as at 31 March 2021	-	33	3,004	38,992	667	754	1,011	-	469	44,930
Charge for the year*	-	2	301	2,490	58	110	70	175	45	3,251
Reversal on disposals and discards	-	-	-	(1,020)	(46)	(197)	(8)	-	(43)	(1,314)
Eliminated on reclassification as assets held-for-sale	-	-	(81)	-	(66)	-	(83)	-	-	(230)
Balance as at 31 March 2022	-	35	3,224	40,462	613	667	990	175	471	46,637
Net carrying value										
Balance as at 31 March 2021	60	144	9,145	21,350	68	114	359	-	71	31,311
Balance as at 31 March 2022	55	142	8,810	19,958	29	662	543	780	39	31,018

* Buildings includes those constructed on leasehold land.

Notes:

- (i) Buildings and flats include Cost of shares of an aggregate face value of ₹ 750 (31 March 2021: ₹ 750) in co-operative housing societies viz. 5 shares of ₹ 50 each in Vile Parle Vastika 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 2021: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2021: ₹ 59 lakhs), have been transferred to and vested in the Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Company is in process.

Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason 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 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
Free hold land - Hyderabad	55	Sahney Steel Press Works Limited	No	31 March 1993	The land is in the name of Sahney Steel Press Works Limited that was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFR) order in the financial year 1992-93

(iii) The above amounts include adjustments of foreign exchange gain aggregating ₹ 66 lakhs (31 March 2021: ₹ 169 lakhs foreign exchange gain) against the carrying value of plant and equipment. The balance amount, based on aforesaid adjustments, of plant and equipment to be amortised, as at the year-end, aggregates ₹ 700 lakhs (31 March 2021 : ₹ 926 lakhs).

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

(v) For capital commitments, refer note 49.

(vi) Refer 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 ₹ 173 lakhs for building and flats on leasehold land (31 March 2021 : ₹ 109 lakhs) and ₹ 2 lakhs for vehicles (31 March 2021 : ₹ 4 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 2022

4 Capital work-in-progress (₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2020	1,132
Additions	300
Capitalised during the year	(1,035)
Balance as at 31 March 2021	397
Additions *	96
Capitalised during the year	(257)
Balance as at 31 March 2022	236

* It includes roller grading machine, control panels and fluidthorn machine

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	
Balance as at 31 March 2022					
Project in progress	107	102	27	-	236
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021					
Project in progress	300	82	15	-	397
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2022 and as at 31 March 2021, 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	Buildings and flats	Total
Gross carrying amount		
Balance as at 1 April 2020	41	41
Additions	-	-
Balance as at 31 March 2021	41	41
Additions	-	-
Balance as at 31 March 2022	41	41
Accumulated depreciation		
Balance as at 1 April 2020	41	41
Charge for the year	-	-
Balance as at 31 March 2021	41	41
Charge for the year	-	-
Balance as at 31 March 2022	41	41
Net carrying value	-	-
Balance as at 31 March 2021	-	-
Balance as at 31 March 2022	-	-

(Investment property has been fully depreciated on SLM method over the use full life of investment property)

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Notes

(i) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings and flats		
Fair value of investment properties	1,663	1,729
Valuation method used by the independent valuer	Replacement cost method	Replacement cost method

(ii) Amounts recognised in the statement of profit and loss in relation to investment property

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Rental income derived from investment properties	137	107
Direct operating expenses from property (including repairs and maintenance) that generated rental income	(1)	(1)
Direct operating expenses from property (including repairs and maintenance) that did not generate rental income(*)	(0)	(0)
Income arising from investment properties before depreciation	136	106
Depreciation	-	-
Income from investment property (net)	136	106

(*) Amount less than ₹ 1 lakh

(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 2022	As at 31 March 2021
Within one year	72	96
After one year but not more than five years	-	72
More than five years	-	-
Total	72	168

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

6 Intangible assets

(₹ in lakhs)

Particulars	Computer Software's	Total
Gross carrying value		
Balance as at 1 April 2020	683	683
Additions	-	-
Disposals	(2)	(2)
Balance as at 31 March 2021	681	681
Additions	-	-
Disposals	(293)	(293)
Balance as at 31 March 2022	388	388

Accumulated amortisation		
Balance as at 1 April 2020	644	644
Charge for the year	23	23
Reversal on disposal	(1)	(1)
Balance as at 31 March 2021	666	666
Charge for the year	11	11
Reversal on disposal	(293)	(293)
Balance as at 31 March 2022	384	384

Net carrying amount		
Balance as at 31 March 2021	15	15
Balance as at 31 March 2022	4	4

Note - For capital commitments, refer note 49.

7 Intangible assets under development

(₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2020	10
Additions	220
Written off during the year	-
Balance as at 31 March 2021	230
Additions *	166
Written off during the year^	(10)
Balance as at 31 March 2022	386

* including SAP Implementation cost

^ 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 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 2022

Ageing of Intangible assets under development

(₹ in lakhs)

Particulars	Amount in intangible assets under developments for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
Project in progress	166	220	-	-	386
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021					
Project in progress	220	10	-	-	230
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2022 and as at 31 March 2021, 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

(₹ in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Investment in equity shares (fully paid-up)				
- Investment in foreign subsidiaries (wholly owned) (unquoted) (at cost)				
NRB Bearings (Thailand) Limited (face value THB 10 each) (refer note (i) below)	14,666,994	2,413	14,666,994	2,413
NRB Bearings Europe GmbH (face value Euro 1 each) (refer note (iii) below)	-	-	25,000	20
NRB Bearings USA Inc. (face value USD 100 each) (refer note (iii) below)	-	-	200	15
NRB Holdings Limited (face value USD 1 each) (refer note (ii) below)	3,500,000	2,628	-	-
- Investment in Indian subsidiary (quoted) (at cost)				
SNL Bearings Limited (face value ₹10 each)	2,652,762	240	2,652,762	240
Total		5,281		2,688

Aggregate carrying value of unquoted investments (gross)	5,041	2,448
Aggregate carrying value of quoted investments (gross)	240	240
Market value of the quoted investments	7,182	5,161
Impairment allowance	-	-

Notes

- (i) The Company has investments in NRB Bearings (Thailand) Limited (NRBT) amounting to ₹ 2,413 lakhs (31 March 2021: ₹ 2,413 lakhs), has given loan (including interest receivable) amounting to ₹ 1,329 lakhs (31 March 2021: ₹ 1,528 lakhs), has trade receivables amounting to ₹ 1,395 lakhs (31 March 2021: ₹ 840 lakhs), has given advances amounting to ₹ 328 lakhs (31 March 2021: ₹ NIL lakhs) and has given guarantee amounting to ₹ 2,489 lakhs (31 March 2021: ₹ 2,559 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 2022, NRBT has reported a net profit of ₹ 550 lakhs (THB 26 million) (31 March 2021: ₹ 376 lakhs (THB 16 million)) but as at that date its accumulated losses aggregated to ₹ 1,887 lakhs (THB 78 million) (31 March 2021: ₹ 2,437 lakhs (THB 104 million)) which have significantly eroded its net worth. The management has considered that the losses suffered by NRBT and significant erosion

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

of its net worth 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 after considering the impact of the COVID-19.

- (ii) 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, during the year, a wholly owned subsidiary, "NRB Holdings Limited", is incorporated in which the Company has subscribed to 35,00,000 equity shares having face value of USD 1 per share, at par, for a total consideration of Rs. 2,628 lakhs.
- (iii) 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 Rs. 132 lakhs and Rs. 97 lakhs, respectively, as a result of which both the wholly owned subsidiaries will become wholly owned step-down subsidiaries of the Company. During the year ended 31 March 2022, cumulative gain of Rs. 194 lakhs was realised and recorded under Other income (refer note 33).

9 Investments

(₹ in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
- Equity investment measured at fair value through other comprehensive income				
<u>(A) Quoted</u>				
IndusInd Bank Limited (face value ₹ 10 each)	8,541	80	8,541	82
Eicher Motors Limited (face value ₹ 1 each)	6,000	147	6,000	156
Hero Motocorp Limited (face value ₹ 2 each)	6,250	143	6,250	182
<u>(B) Unquoted</u>				
21st Century Battery Limited (face value ₹ 10 each)	10,000	1	10,000	1
Less: Provision for impairment in value		(1)		(1)
		370		420
- Investment in mutual funds measured at fair value through profit and loss (Unquoted)				
DSP Black Rock Equity Fund	50,000	25	50,000	24
		25		24
Total		395		444
Refer Note 43 for information about fair value measurement.				
Notes:				
Aggregate carrying value of quoted investments (gross)		370		420
Aggregate market value of quoted investments		370		420
Aggregate carrying value of unquoted investments (gross)		26		25
Impairment allowances		(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 2022

10 Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(Unsecured, Considered good)		
Security deposits	480	500
Margin money deposits with the maturity of more than 12 months (Refer note (i) below)	332	308
Total	812	808

Note:

(i) Held as lien by bank against bank guarantees amounting to ₹ 331 lakhs (31 March 2021: ₹ 308 lakhs)

(ii) Refer Note 44 for information about credit risk.

11 Non current (Income) tax assets (net)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance taxes paid (net of provision for tax ₹ 26,294 lakhs (31 March 2021 - ₹ 26,182 lakhs))	2,941	2,919
Total	2,941	2,919

12 Other non-current assets

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	606	590
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	43	19
Balance with statutory authorities	433	525
Other advances	-	14
Total	957	1,023

13 Inventories

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials and components (including goods-in-transit ₹ 907 lakhs (31 March 2021 - ₹ 739 lakhs))	8,675	5,382
Work-in-progress	6,580	5,052
Finished goods (including goods-in-transit ₹ 1,769 lakhs (31 March 2021 - ₹ 1,077 lakhs))(refer note (i) below)	4,594	3,137
Stores and spares	5,587	4,784
Total	25,436	18,355

Notes -

(i) Finished goods inventories of ₹ 455 lakhs (31 March 2021 - ₹ 370 lakhs) is written down to its realisable value of ₹ 360 lakhs (31 March 2021 - ₹ 275 lakhs).

(ii) The provision of inventories as at 31 March 2022 is ₹ 1,475 lakhs (31 March 2021 - ₹ 3,300 lakhs)

(iii) Also, refer note 48 and note 40.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

14 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Receivables from		
- Related parties (Refer note (i) below and note 47(ii))	1,676	862
- Others	22,299	22,847
Less: Allowance for expected credit loss - others	(1,879)	(2,786)
Total	22,096	20,923
Current portion	22,096	20,923
Non current portion	-	-
Break up of security details		
Considered good - secured	104	102
Considered good - unsecured	21,992	20,821
Trade receivables which have significant increase in credit risk	557	1,197
Trade receivables- credit impaired	1,322	1,589
	23,975	23,709
Loss: Allowance for expected credit loss	(1,879)	(2,786)
Total	22,096	20,923

Note:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2021 - ₹ 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 2022 includes trade receivables amounting to ₹ 3,886 lakhs (31 March 2021: ₹ 2,719 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 accounts. 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.
- (v) Refer note 44 for information about credit risk and market risk of trade receivables.
- (vi) Unbilled trade receivables amount as at 31 March 2022 is ₹ Nil (31 March 2021 - ₹ Nil).
- (vii) Refer note 48 for information about assets pledged as security for current and non-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 2022

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

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	15,741	4,821	1,036	498	-	-	22,096
Undisputed trade receivables - which have significant increase in credit risk	191	117	92	157	-	-	557
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	-	-	-	-	-	-	-
Total	15,932	4,938	1,128	1,014	554	409	23,975

Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2021 (₹ in lakhs)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	14,353	4,496	1,255	819	-	-	20,923
Undisputed trade receivables - which have significant increase in credit risk	229	283	307	378	-	-	1,197
Undisputed trade receivables - credit impaired	-	-	-	465	319	805	1,589
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	14,582	4,779	1,562	1,662	319	805	23,709

15 Cash and cash equivalents (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks in:		
- Current accounts	3,722	1,040
- EEFC account	1,340	5,425
Cash on hand	3	1
Total	5,065	6,466

Notes -

- There are no repatriation restrictions with regards to bank balances stated above.
- Also refer note 44 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 2022

16 Bank balances other than cash and cash equivalents (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unpaid dividend account (refer note (i) and note (ii) below)	179	28
Margin money deposits (refer note (iii) below)	190	136
Total	369	164

Notes:

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

Financial year	As at 31 March 2022	As at 31 March 2021
2013-14 (refer note (ii) below)	-	2
2014-15	3	3
2015-16	3	3
2016-17	4	4
2017-18	8	8
2018-19	6	6
2019-20	2	2
2020-21	153	-
Total	179	28

(ii) The unclaimed dividend transferred to Investor Educations and Protection Fund during the year is ₹ 2 lakhs (31 March 2021 - ₹ 3 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 131 lakhs (31 March 2021: ₹ 85 lakhs)

(iv) There are no repatriation restrictions with regards to bank balances.

17 Loans (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Inter corporate deposits - related party (refer note 47(ii) and note 53)	1,329	1,528
Loans to employees	22	20
Unsecured, considered credit impaired		
Loans to employees	15	15
Total	1,366	1,563
Less: Loss allowance	(15)	(15)
Total	1,351	1,548
Break up of security details		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (refer note (ii) below)	1,351	1,548
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
Total	1,366	1,563
Loss allowance	(15)	(15)
Total loans	1,351	1,548

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note :

- (i) The inter-corporate deposits include loan given to NRB Bearings (Thailand) Limited, wholly owned subsidiary at the rate of 4.9% p.a. (w.e.f. 1 July 2021, earlier being 6.5% p.a.) (31 March 2021 - 6.5% p.a.) having principal amount outstanding of THB 58.35 million i.e. ₹ 1,329 lakhs (31 March 2021 - THB 65.35 million i.e. ₹ 1,528 lakhs).
- (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 48 for information about assets pledged as security for current and non-current borrowings.

18 Other financial assets

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Derivative assets	184	129
Others	13	17
Total	197	146

19 Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances to suppliers -		
- Related parties (refer note (i) and note 47(ii) below)	336	9
- Others	1,234	827
Less: Loss allowance - others	(501)	(378)
Other advances	72	149
Less: Loss allowance	(29)	(29)
Export incentive and duty drawback receivable	428	103
Balance with government authorities	2,330	2,084
Prepaid expenses	332	304
Total	4,202	3,069

Notes -

- (i) includes ₹ 5 lakhs (31 March 2021 - ₹ 9 lakhs) due from a private company in which director of the Company is a director.
- (ii) Refer note 48 for information about assets pledged as security for current and non-current borrowings.

20 Assets held-for-sale

(₹ in lakhs)

Group of tangible assets held for sale

	As at 31 March 2022	As at 31 March 2021
Freehold land	5	-
Buildings and flats (gross carrying value - ₹ 129 lakhs, accumulated depreciation - ₹ 81 lakhs)	48	-
Furnitures and fixtures (gross carrying value - ₹ 66 lakhs, accumulated depreciation - ₹ 66 lakhs)	-	-
Electrical installations (gross carrying value - ₹ 83 lakhs, accumulated depreciation - ₹ 83 lakhs)	-	-
Total	53	-

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 intends to sale land and building along with other immovable property, plant and equipment situated at Thane plant. An active plan to locate the buyer and to complete the sales has already been initiated, the sale is expected to be completed within next 12 months. Accordingly, these assets have been classified as assets held for sale.

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.

- (ii) Further, the fair value of these assets is higher than its carrying value as on 31 March 2022 and hence, no impairment loss have been recognised.
- (iii) Assets held-for-sales for sale are not depreciated or amortised.

21 Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised share capital:		
100,000,000 (31 March 2021: 100,000,000) equity shares of ₹ 2 each	2,000	2,000
Total	2,000	2,000
Issued, subscribed and fully paid-up share capital:		
96,922,600 (31 March 2021: 96,922,600) equity shares of face value ₹ 2 each fully paid up	1,938	1,938
Total	1,938	1,938

(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2022		As at 31 March 2021	
	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	-	-	-	-
Shares outstanding at the end of the year	96,922,600	1,938	96,922,600	1,938

(ii) Terms and rights attached to equity shares:

- Right to receive dividend as may be approved by the Board / Annual General Meeting.
- 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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
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	11,100,917	11.45%	10,907,940	11.25%
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 shareholder	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
Name of promoters						
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%
Name of promoter group						
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%	100.00%
Total	48,314,844	49.85%		48,094,867	49.61%	

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 2022. Also, no shares were issued for consideration other than cash during five years immediately preceding 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 2022

22 Other equity

Summary of other equity balance

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Securities premium	848	848
General reserve	12,771	12,021
Capital redemption reserve	11	11
Debenture redemption reserve	-	750
Retained earnings	41,404	34,836
Fair value gain on equity instruments through other comprehensive income	370	419
Cash flow hedge reserve	371	131
Total	55,775	49,016

(i) Securities premium

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	848	848
Add - changes during the year	-	-
Balance at the end of the year	848	848

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 2022	As at 31 March 2021
Balance at the beginning of the year	12,021	10,521
Add - transfer from debenture redemption reserve	750	1,500
Balance at the end of the year	12,771	12,021

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 2022	As at 31 March 2021
Balance at the beginning of the year	11	11
Add - changes during the year	-	-
Balance at the end of the year	11	11

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision 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 2022

(iv) Debenture redemption reserve

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	750	2,250
Less - transfer to general reserve	(750)	(1,500)
Balance at the end of the year	-	750

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.

(v) Retained earnings

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	34,836	30,121
Add - Profit for the year	7,014	4,373
Add - Other comprehensive income for the year (Refer note 42)	39	342
Less - Dividend paid @ ₹ 0.50 per equity share (31 March 2021 - ₹ Nil) (refer note 45(iii))	(485)	-
Balance at the end of the year	41,404	34,836

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 2022	As at 31 March 2021
Balance at the beginning of the year	419	208
Add - Change in fair value of FVOCI equity instrument (Refer note 42)	(49)	211
Balance at the end of the year	370	419

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 2022	As at 31 March 2021
Balance at the beginning of the year	131	-
Add - Change in fair value of derivative hedging instrument (Refer note 42)	240	131
Balance at the end of the year	371	131

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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

23 Borrowings (non-current)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Non convertible debentures - unsecured (Refer note (a), note (b) and note (c) below)	-	2,995
Term loan from banks - secured (Refer note (d) below)	5,899	5,693
Deferred sales tax loan - unsecured (Refer note (e) below)	146	253
Total	6,045	8,941

Notes -

(₹ in lakhs)

Sr. No.	Particulars	Security	Terms of repayment of principal	Number of installment outstanding	Rate of interest	As at 31 March 2022	As at 31 March 2021
a	Non-convertible debentures 300 non convertible debentures of face value of ₹ 1,000,000 each (\$)	Unsecured	Redeemed at par, on 09 September 2021	-	9.60%	-	3,154
	Comprises of Long term borrowings Current maturities of long term debt (^)				Total	-	3,154
						-	2,995
						-	159
b	External commercial borrowings from bank (*) Term loan	Secured by hypothecation of charge on specified moveable assets as and by way of first exclusive charge with borrower.	Quarterly installments starting from 04 February 2019 to be completed on 04 February 2022	-	6.40%	-	842
	Comprises of Long term borrowings Current maturities of long term debt (^)				Total	-	842
						-	-
						-	842
						-	842
c	Foreign currency term loan from banks Term loan	Secured by first exclusive charge by way of a hypothecation over specified moveable properties both present and future.	Quarterly installments starting from 14 June 2018 to be completed on 14 December 2021	-	3.95% to 6.80%	-	543
	Comprises of Long term borrowings Current maturities of long term debt (^)				Total	-	543
						-	-
						-	543
						-	543

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

d	Term loan from banks						
	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 on 8 April 2023	2	9.25%	1,667	2,500
	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	28	1 year MCLR +0.50%	4,066	4,739
	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	48	3 Month T-Bill +2.09%	2,500	-
					Total	8,233	7,239
	Comprises of						
	Long term borrowings					5,899	5,693
	Current maturities of long term debt(^)					2,334	1,546
						8,233	7,239
e	Deferred sales tax loan						
	Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	4	-	253	399
					Total	253	399
	Comprises of						
	Long term borrowings					146	253
	Current maturities of long term debt (^)					107	146
						253	399

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

Per the terms of the HSBC sanction letter, the Company must create security by hypothecation of movable assets in respect of the aforesaid loan. However, the Company was unable to create the security mortgage on account of procedural delays. The Company is committed towards the creation of security mortgage and has thus classified such borrowings as secured in accordance with the terms of the borrowing.

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

\$ On 10 September 2021, the Company has exercised an option to redeem its non convertible debentures of ₹ 3,000 lakhs which were outstanding as on that date. There are no outstanding non convertible debentures as at 31 March 2022, the disclosure specified under regulations 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) are not applicable.

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

24 Other non-current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	109	81
Total	109	81

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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

25 Other non-current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid rent	2	6
Other advances received	-	72
Total	2	78

26 Borrowings (current)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Loans from banks - repayable on demand		
- Packing credit loan	18,542	10,510
- Purchase invoice discounting	-	133
Current maturities of non-current borrowings (Refer note 23)		
- Term loan from banks	2,334	1,546
- Deferred sales tax loan	107	146
- Non convertible debentures	-	159
- External commercial borrowings from bank	-	842
- Foreign currency term loan from banks	-	543
Total	20,983	13,879

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 and purchase invoice discounting loan aggregate amounting to ₹ 18,542 lakhs (31 March 2021 - ₹ 10,643 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 and purchase invoice discounting loan is 4.42 % (31 March 2021 - 3.38%) and 6% (31 March 2021 - 6%) respectively.
- (iii) The statement of current assets filed by the Company with banks are in agreement with the books of account which subjected to limited review and audit.
- (iv) Refer note 44 for liquidity risk and market risk.
- (v) Refer note 45 for capital management.
- (vi) Refer note 46 for cash flow changes in liabilities arising from financial activities.

27 Trade Payables

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note (v) below)	1,417	974
Total outstanding dues of creditors other than micro enterprises and small enterprises *	8,289	10,151
Total	9,706	11,125

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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Notes:

- (i) Refer note 44 for information about liquidity risk and market risk of trade payables.
- (ii) Trade payables are non-interest bearing and are settled in line with respective industry norms.
- (iii) From total trade payables mentioned above, payables against unbilled dues are ₹ 435 lakhs (31 March 2021 - ₹ 43 lakhs).
- (iv) The outstanding balances as at 31 March 2022 includes trade payables amounting to ₹ 155 lakhs (31 March 2021: ₹ 90 lakhs), from vendors situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in payments of payables, beyond the timeline stipulated by the FED Master Direction No. 17/ 2016-17, under the Foreign Exchange Management Act, 1999. The Company is in the process of making the payment for outstanding payables. The Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the standalone financial statements do not include any consequential adjustments that may arise due to such delay.
- (v) Dues to micro enterprise and small enterprise
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)

	As at 31 March 2022	As at 31 March 2021
(a) The principal amount remaining unpaid to any supplier at the end of the year	1,302	929
(b) Interest due remaining unpaid to any supplier at the end of the year	115	45
(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	1,414	2,099
(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	115	45
(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	70	9

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. Accordingly, the disclosure has been made in the financial statements and had been relied upon by the statutory auditors.

Ageing for trade payables outstanding as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from date of the transaction					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	1,365	49	3	-	1,417
Others	1,340	6,441	32	41	-	7,854
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	1,340	7,806	81	44	-	9,271
Add - Unbilled dues						435
						9,706

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Ageing for trade payables outstanding as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from date of the transaction					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	967	4	-	3	974
Others	1,885	8,032	58	36	97	10,108
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	1,885	8,999	62	36	100	11,082
Add - Unbilled dues						43
						11,125

28 Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Derivative liability	-	24
Deposits from dealers	207	235
Unclaimed dividends (refer note (ii) below)	179	28
Creditors for capital goods	193	449
Employee related payables	1,335	1,340
Total	1,914	2,076

Notes:

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

29 Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue received in advance	93	107
Statutory dues	407	502
Prepaid rent	8	8
Other advances	72	96
Total	580	713

30 Provisions

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Compensated absences (refer note 50(c))	1,011	981
- Gratuity (refer note 50(b)(iv))	232	126
Total	1,243	1,107

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities [net of advance taxes paid and tax deducted at source ₹ 2111 lakhs (31 March 2021: ₹ 907 lakhs)]	167	110
Total	167	110

32 Revenue from operations (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products (Also refer note 47(ii))		
Finished goods - Bearings	88,938	72,056
Other operating revenues		
Scrap sales	1,281	686
Export incentives	928	396
Liabilities no longer required, written back (refer note (ii))	140	394
Other operating income	97	57
Total	91,384	73,589

Notes

(i) Disaggregated revenue

Revenue based on geography (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Within India	65,001	54,783
Outside India	26,383	18,806
Revenue from operations	91,384	73,589

Revenue based on timing of recognition (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue recognition at a point in time	91,384	73,589
Revenue recognition over period of time	-	-
Revenue from operations	91,384	73,589

(ii) Details of liabilities no longer required, written back (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Pertains to trade payables	141	363
- Pertains to employee related payables	-	31
Total	141	394

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

33 Other income

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend income on equity shares of subsidiary company (refer note 47(ii))	119	-
Dividend income on financial assets measured at FVOCI	7	5
Dividend income on financial assets measured at FVTPL	2	3
Interest income on financial assets measured at amortised cost		
- On bank deposits	20	45
- On loans inter corporate deposits (refer note 47(ii))	71	113
Fair value changes on financial assets measured at FVTPL	1	8
Profit on sale of property, plant and equipment's	13	12
Rent income	137	107
Gain on foreign currency exchange rate fluctuations (net)	898	877
Gain on sale of investment in equity shares of subsidiaries (refer note 8(iii) and note 47(ii))	194	-
Interest on electricity deposits	12	24
Insurance claim received	21	3
Others	10	3
Total	1,505	1,200

34 Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock	5,382	6,793
Add: Purchases (also refer note 47 (ii))	44,242	29,339
Less: Closing stock (refer note 13)	(8,675)	(5,382)
Total	40,949	30,750
Add: Exceptional items (refer Note 40)	688	-
Total	41,637	30,750

35 Changes in inventories of work-in-progress and finished goods

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventories		
Finished goods	3,137	3,603
Work-in-progress	5,052	5,569
	8,189	9,172
Closing inventories (refer note 13)		
Finished goods	4,594	3,137
Work-in-progress	6,580	5,052
	11,174	8,189
Total	(2,985)	983
Add: Exceptional items (refer Note 40)	354	-
Total	(2,631)	983

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

36 Employee benefits expense

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages *	11,032	10,118
Contribution to provident and other funds (refer note 50(a))	578	555
Staff welfare expenses	571	446
Total	12,181	11,119

* Includes amount paid to key managerial personnel amounting to ₹ 734 lakhs (31 March 2021 - ₹ 588 lakhs) (refer note 47(iv)).

37 Finance costs

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost		
- Long term borrowings	757	1,009
- Short term borrowings	690	925
Interest on lease liabilities (refer note 51(ii))	67	12
Exchange difference regarded as an adjustment to borrowing cost	-	58
Other borrowing costs	30	48
Total	1,544	2,052

38 Depreciation and amortisation expense

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	3,076	2,531
Depreciation on investment property	-	-
Depreciation on right to use assets (refer note 51(ii))	175	113
Amortisation on intangible assets	11	23
Total	3,262	2,667

39 Other expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spare parts	7,181	5,038
Processing charges	1,731	1,667
Power and fuel	3,335	2,789
Repairs and maintenance -		
Buildings	245	165
Plant and equipment's	398	279
Others	74	50
Insurance	214	224
Rent (refer note 51(ii))	152	176
Rates and taxes	135	268

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Legal and professional fees	1,126	878
Directors' fees and commission (refer note 47(ii))	53	29
Commission on sales	729	780
Travelling and conveyance	186	115
Postage, telephone and fax	52	53
Bank charges	116	34
Advertisement and sales promotion expenses (refer note 47(ii))	1,016	886
Forwarding charges	4,776	3,264
Bad debts written off (net of amounts provided against ₹ 2,692 lakhs (31 March 2021 ₹ 1,334 lakhs))	54	106
Provision for doubtful debts*	350	683
Information technology expenses	467	549
Provision for doubtful advances	122	219
Contract labour	3,121	2,340
Sanitation and housekeeping expenses	231	185
Export expenses	232	157
Security charges	324	275
Assets scrapped/ written off	-	55
Fair valuation loss on derivative contracts measured at FVPTL	27	77
Auditors' remuneration (refer note (i) below)	113	82
Expenditure on corporate social responsibility (refer note 52)	147	192
Miscellaneous expenses	494	392
Total	27,201	22,007

* Provision for doubtful debts are net of amount classified as exceptional items of ₹ 1,435 lakhs (31 March 2021 - ₹ Nil) (Refer Note 40)

Notes -

Auditors' remuneration (excluding goods and service tax)

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditors - audit and limited review	84	54
Tax audit	3	3
GST audit	7	7
Other matters	17	15
Reimbursement of expenses	2	3
Total	113	82

40 Exceptional items- gain / (loss) (net)

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
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)	(1,435)	-
Total	(393)	-

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note :-

- (i) During the year ended 31 March 2022, the Company has 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 year ended 31 March 2022, 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.

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	2,278	1,017
Tax pertaining to earlier period	-	(128)
Total current tax expense	2,278	889
Deferred taxes		
Relating to origination and reversal of temporary differences recognised through Profit and Loss and through OCI	125	106
Total deferred tax expense (net)	125	106
Total tax expense	2,403	995

41.(i) Tax reconciliation (for profit and loss including OCI) (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income tax expense	9,302	5,211
Tax at the rate of 25.17% (31 March 2021 - 25.17%)	2,341	1,312
<u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u>		
Non deductible expenses for tax purpose	67	78
Reversal in deferred tax due to tax rate reduction	-	(393)
Others	(5)	(2)
Income tax expense	2,403	995

41.(ii) Deferred tax related to the following: (₹ in lakhs)

Deferred tax liabilities (net)	As at 31 March 2020	Recognised through profit and loss and OCI	As at 31 March 2021	Recognised through profit and loss and OCI	As at 31 March 2022
Deferred tax liabilities on account of:					
Difference between book and tax depreciation	(3,112)	747	(2,365)	37	(2,328)
IND AS 116 (Right of use asset)	(82)	36	(46)	(196)	(242)
Financial liabilities measured at amortised cost	(5)	1	(4)	-	(4)
Fair valuation of derivative contracts	(50)	33	(17)	7	(10)
Others	(7)	2	(5)	12	7
Total deferred tax liabilities	(3,256)	819	(2,437)	(140)	(2,577)

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Deferred tax assets on account of:					
Provision for gratuity	193	(162)	31	27	58
Amortisation of borrowings	4	-	4	-	4
Provident fund contribution	20	(1)	19	-	19
Provision for doubtful trade receivables	1,202	(500)	702	(227)	475
Voluntary retirement compensation	-	-	-	13	13
Provision for compensated absence	329	(84)	245	8	253
Lease liabilities	104	(50)	54	194	248
Minimum alternate tax credit entitlement	128	(128)	-	-	-
Total deferred tax assets	1,980	(925)	1,055	15	1,070
Total deferred tax liabilities (net)	1,276	106	1,382	125	1,507

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)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Items that will not be reclassified to profit or loss		
Actuarial gain on remeasurements of the net defined benefit plans	73	457
(Gain) / loss on fair value of equity instruments	(49)	211
Income tax relating to items that will not be reclassified to profit or loss	(34)	(115)
	(10)	553
- Items that will be reclassified to profit or loss		
Remeasurement of gains on derivative hedging instruments	321	173
Income tax relating to items that may be reclassified to profit or loss	(81)	(42)
	240	131
Total	230	684

43 Fair value measurements

Financial instruments by category:

(₹ in lakhs)

Particulars	31 March 2022			31 March 2021		
	FVOCI	FVTPL	Amor- tised cost	FVOCI	FVTPL	Amor- tised cost
Financial assets - non-current						
Investments (other than subsidiaries)(*)	370	25	-	420	24	-
Other financial assets	-	-	812	-	-	808
Financial assets - current						
Trade receivables *	-	-	22,096	-	-	20,923
Cash and cash equivalents	-	-	5,065	-	-	6,466
Bank balances other than cash and cash equivalents	-	-	369	-	-	164
Loans *	-	-	1,351	-	-	1,548
Other financial assets	-	184	13	-	129	17
	370	209	29,706	420	153	29,926

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Particulars	31 March 2022			31 March 2021		
	FVOCI	FVTPL	Amor- tised cost	FVOCI	FVTPL	Amor- tised cost
Financial liabilities - non current						
Borrowings	-	-	6,045	-	-	8,941
Lease liabilities	-	-	670	-	-	18
Other financial liabilities	-	-	109	-	-	81
Financial liabilities - current						
Short term borrowings (including current maturities of non-current borrowings)	-	-	20,983	-	-	13,879
Lease liabilities	-	-	160	-	-	42
Trade payables	-	-	9,706	-	-	11,125
Other financial liabilities	-	-	1,914	-	24	2,052
	-	-	39,587	-	24	36,138

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.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- 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.
- 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.
- Fair valuation of forward exchange contracts are determined using forward exchange rates at the balance sheet date.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

- (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 measurement:

(₹ in lakhs)

Particulars	31 March 2022			31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in mutual fund measured at FVTPL	-	25	-	-	24	-
Investments in equity instrument measured at FVOCI	370	-	-	420	-	-
Derivative assets	-	184	-	-	129	-
Financial liabilities						
Interest rate swap and foreign currency option	-	-	-	-	24	-

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.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks.

A Credit risk

The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and other financial instruments).

Credit risk management

To manage credit risk, the Company follows a policy of providing 0-90 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.

Expected credit loss for trade receivables as on 31 March 2022

(₹ in lakhs)

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

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Expected credit loss for trade receivables as on 31 March 2021 (₹ in lakhs)

	Not Due	Less than 1 year	more than 1 year	Credit impaired	Total
Gross trade receivables (a)	14,582	6,341	1,197	1,589	23,709
Expected loss rate	1.57%	9.30%	31.58%	100.00%	
Expected credit loss (b)	229	590	378	1,589	2,786
Carrying amount of trade receivables (a-b)	14,353	5,751	819	-	20,923

Movement in provision of doubtful debts (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening provision	2,786	3,437
Add - additional provision made during the year	1,785	683
Less - bad debts written off	(2,692)	(1,334)
Closing provision	1,879	2,786

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 (₹ in lakhs)

As at 31 March 2022

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-derivative				
Non-current borrowings	-	2,681	3,364	6,045
Short term borrowings (including current maturities of non-current borrowings)	20,983	-	-	20,983
Trade payables	9,706	-	-	9,706
Lease liabilities (current and non-current)	160	169	501	830
Other non-current financial liabilities	-	109	-	109
Other current financial liabilities	1,914	-	-	1,914
Derivative				
Interest rate swap and foreign currency option	-	-	-	-
Total	32,763	2,959	3,865	39,587

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

As at 31 March 2021

(₹ in lakhs)

Particulars	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-derivative				
Non-current borrowings	-	2,113	6,828	8,941
Short term borrowings (including current maturities of non-current borrowings)	13,879	-	-	13,879
Trade payables	11,125	-	-	11,125
Lease liabilities (current and non-current)	42	11	7	60
Other non-current financial liabilities	-	81	-	81
Other current financial liabilities	2,052	-	-	2,052
Derivative				
Interest rate swap and foreign currency option	24	-	-	24
Total	27,122	2,205	6,835	36,162

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk.

(i) Foreign currency risk

The Company is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Company's exposure arises mainly on import (of raw material and capital items), 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Impact of hedging activities

(a) Disclosures of effects of hedge accounting on balance sheet:

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					
Cash flow hedge Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 54	144	-	Apr 2021 - Jul 2025	1:1	87.53	357	(357)

As at 31 March 2021

(₹ 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					
Cash flow hedge Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 54	38	-	Apr 2021 - Jul 2025	1:1	87.53	166	(166)

(b) Disclosure of effects of hedge accounting on statement of profit and loss

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
Cash flow hedge Foreign exchange risk	(357)	-	(57) 21	Revenue Foreign exchange loss / (gain)

For the year ended 31 March 2021

(₹ 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
Cash flow hedge Foreign exchange risk	(166)	-	(2) 9	Revenue Foreign exchange loss / (gain)

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(c) Movement in cash flow hedging reserve

(₹ in lakhs)

Particulars	Foreign currency and interest rate risk
Cash flow hedge reserve	
Balance as at 1 April 2020	-
Add - Changes in fair value of hedging instruments	(166)
Less - Amounts reclassified to standalone statement of profit or loss	(7)
Less - Deferred tax relating to above (net)	42
Balance as at 31 March 2021	(131)
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
Balance as at 31 March 2022	(371)

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

As at 31 March 2022

(₹ in lakhs)

Particulars	31 March 2022				
	USD	EURO	THB	CHF	JPY
Financial liabilities					
Trade payables	662	348	-	9	1,657
Creditors for capital goods				-	108
Foreign currency forward contracts	(1380)	(213)	-	-	-
	(718)	135	-	9	1,765
Financial assets					
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 EEFC account	606	735	-	-	-
Forward contract receivables	-	(1,483)	-	-	-
	7,980	11 218	1 329	-	-
Net exposure to foreign currency assets / (liabilities)	8,698	11,083	1,329	(9)	(1,765)

As at 31 March 2021

(₹ in lakhs)

Particulars	31 March 2021				
	USD	EURO	THB	CHF	JPY
Financial liabilities					
Trade payables	603	959	-	16	808
Creditors for capital goods				-	183
Loans payable	1,385	-	-	-	-
Forward contract payable	-	(128)	-	-	(83)
Foreign currency option contracts	(962)	-	-	-	-
	1026	831	-	16	908

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Financial assets					
Trade receivables	5,823	9,910	-	-	-
Inter corporate deposits to related parties (including interest receivable)	-	-	1,528	-	-
Balance with government authorities	-	1,392	-	-	-
Bank balance in EEFC account	479	4,947	-	-	-
Forward contract receivables	(713)	(225)	-	-	-
	5,589	16,024	1,528	-	-
Net exposure to foreign currency assets / (liabilities)	4,563	15,193	1,528	(16)	(908)

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 2022		31 March 2021	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
USD	174	(174)	91	(91)
EUR	222	(222)	304	(304)
THB	27	(27)	31	(31)
CHF(*)	(0)	0	(0)	0
JPY	(35)	35	(18)	18

(*) Amount less than ₹ 1 lakh

Sensitivity analysis to foreign currency risk includes an exposure to foreign exchange fluctuations on long term foreign currency loans of \$ Nil lakhs equivalent to ₹ Nil lakhs (31 March 2021 - \$ 19 lakhs equivalent to ₹ 1,385 lakhs) that have been capitalised into the cost of the related assets and are expected to impact statement of profit and loss over a period of 6 to 15 years in the form of adjustment to the depreciation charge.

(ii) 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 2022 and 31 March 2021, 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 borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	6,566	8,130
Total	6,566	8,130

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 2022		31 March 2021	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	6,566	24.29%	8,130	35.63%
Interest rate swaps	-	-	(1,385)	(17.04%)
Net exposure to cashflow interest rate risk	6,566	24.29%	6,745	29.56%

Sensitivity analysis - Variable rate borrowing

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	31 March 2022	31 March 2021
Increase by 50 basis points	(33)	(41)
Decrease by 50 basis points	33	41

Sensitivity analysis - Interest rate swap

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	31 March 2022	31 March 2021
Increase by 50 basis points	-	7
Decrease by 50 basis points	-	(7)

(iii) Price Risk

The Company is exposed to price risk from its investment in equity instruments measured at fair value through other comprehensive income and investment in mutual fund measured at fair value through profit and loss.

(₹ in lakhs)

Sensitivity	31 March 2022	31 March 2021
Impact on profit after tax for 5% increase in price of underlying shares	20	22
Impact on profit after tax for 5% decrease in price of underlying shares	(20)	(22)

45 Capital Management

A 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

B The capital composition is as follows:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Gross debt (long term and short term borrowings)	27,028	22,820
Add - lease liabilities (current and non current) (refer note 51(iv))	830	60
Less - cash and cash equivalents	(5,065)	(6,466)
Net debt (A)	22,793	16,414
Equity (B)	57,713	50,954
Gearing ratio (A / B) (%)	39.49%	32.21%

C Dividends

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
i) Equity shares (face value of ₹ 2 each)		
Final dividend for the year ended 31 March 2022 of ₹ 0.50 per share (31 March 2021 - ₹ Nil per share)	485	-
Dividends not recognised at the end of the reporting period		
In addition to the above, at year end the directors have recommended the payment of a final dividend of ₹ 2 per equity share (31 March 2021 - ₹ 0.50 per equity share), The proposed dividend is subject to the approval of shareholders in the ensuring annual general meeting.	1,938	485

46 Net debt reconciliation

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings (current and non-current)	27,028	22,820
Lease liabilities (current and non current) (refer note 51(iv))	830	60
	27,858	22,880
Less - cash and cash equivalents	(5,065)	(6,466)
Net debt	22,793	16,414

(₹ in lakhs)

Particulars	Borrowings (current and non-current) (A)	Lease liabilities (B)	Cash and cash equivalents (C)	Total (A+B-C)
Net debt as at 01 April 2020	33,149	186	6,554	26,781
Cash flows (net)	(10,087)	(162)	(92)	(10,157)
Non cash movement - acquisitions / disposal	-	24	-	24
Finance cost recognised	2,040	12	-	2,052
Finance cost paid	(2,194)	-	-	(2,194)
Exchange gain / (loss) (net)	(88)	-	4	(92)
Net debt as at 31 March 2021	22,820	60	6,466	16,414

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Borrowings (current and non-current) (A)	Lease liabilities (B)	Cash and cash equivalents (C)	Total (A+B-C)
Net debt as at 31 March 2021	22,820	60	6,466	16,414
Cash flows (net)	4,432	(208)	(1,418)	5,642
Non cash movement - acquisitions / disposal	-	911	-	911
Finance cost recognised	1,477	67	-	1,544
Finance cost paid	(1,614)	-	-	(1,614)
Exchange gain / (loss) (net)	(87)	-	17	(104)
Net debt as at 31 March 2022	27,028	830	5,065	22,793

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 NRB Bearings Europe GmbH (till 2 March 2022) NRB Holdings Limited (w.e.f. 14 October 2021)
Step-down subsidiaries	NRB Bearings USA Inc. (w.e.f. 7 January 2022) NRB Bearings Europe GmbH (w.e.f. 2 March 2022)
Relatives of KMP	Ms. Hanwantbir Kaur Sahney
Key Management Personnel (KMP)	Ms. Harshbeena Zaveri, Vice Chairman and Managing Director Mr. Satish Chellaram Rangani, Executive Director Mr. Devesh Singh Sahney Mr. Tashwinder Singh Mr. Ashank Datta Desai Mr. Rustom Desai Ms Vishakha Maheshwari
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 2022
II Transactions with related parties during the year:

(₹ in lakhs)

Name of related party	Nature of transaction	Transactions during the year		Receivable as at		Payable as at	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
SNL Bearings Limited	Sale of finished goods	210	117	-	-	-	-
	Sale of property, plant and equipment	8	15	-	-	-	-
	Purchase of raw materials	1,455	1,339	-	-	274	392
	Service charges	-	10	-	-	-	-
	Dividend received on equity shares	119	-	-	-	-	-
NRB Bearings (Thailand) Limited (#)	Sale of finished goods	1,337	709	1,395	840	-	-
	Sale of property, plant and equipment	5	2	-	-	-	-
	Purchase of raw materials	5,441	3,788	328	-	-	377
	Purchase of property, plant and equipment	140	-	-	-	-	-
	Development charges	-	46	-	-	-	-
	Inter corporate deposits repayment received (Including interest received and foreign exchange adjustment)	270	326	-	-	-	-
	Interest income on inter corporate deposits	71	113	-	-	-	-
	Reimbursement of expenses to the Company	25	26	-	-	-	-
	Inter corporate deposits receivable (including interest)	-	-	1,329	1,528	-	-
NRB Industrial Bearings Limited	Sale of finished goods	-	-	18	18	-	-
NRB Holdings Ltd	Investments in equity shares	2,628	-	-	-	-	-
	Sale of Investments in equity shares of subsidiaries (@)	229	-	-	-	-	-
NRB Bearings Europe GmbH (@)	Sales promotion expenses	535	434	-	-	182	140
	Sale of finished goods	249	-	249	-	-	-
	Reimbursement of expenses to the Company	2	2	-	-	-	-

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Transactions with related parties during the year (Contd):

(₹ in lakhs)

Name of related party	Nature of transaction	Transactions during the year		Receivable as at		Payable as at	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
NRB Bearings USA Inc (@)	Sales promotion expenses	349	367	3	-	-	72
	Sale of finished goods	10	-	10	-	-	-
First Engineering Technologies Private Limited	Sale of finished goods	-	-	4	4	-	-
	Purchase of raw materials/ components	8	3	5	9	-	-
First Technology BV	Legal and professional fees	390	247	-	-	53	41
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	169	-	-	-	-	-
Ms. Hanwantbir Kaur Sahney	Providing accommodation in company owned flats(*)	1	1	-	-	0	-
Ms. Harshbeena Zaveri	Remuneration and commission (refer note (iii))	592	479	-	-	70	29
	Dividend paid	55	-	-	-	-	-
Mr. S. C. Rangani	Remuneration	142	109	-	-	-	-
	Dividend paid (*)	0	-	-	-	-	-
Mr. D. S. Sahney	Sitting fees and commission	2	7	-	-	-	5
	Dividend paid	1	-	-	-	-	-
Other KMPs (Directors)	Sitting fees and commission to non-executive directors	51	39	-	-	30	27
Trust	Contribution to gratuity fund trust	-	180	-	-	-	-

(*) Amount less 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 -

- 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)
- All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions.
- 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, during the year, a wholly owned subsidiary, "NRB Holdings Limited", is incorporated in which the Holding Company has 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.
- 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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

III Additional disclosure pursuant to Circular CRD/GEN/2003/1 dated February 6, 2003 of The Stock Exchange, Mumbai (₹ in lakhs)

Particulars	Balance as at		Maximum amount outstanding during the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Loans and advances (including interest receivable) in the nature of loans to subsidiary company NRB Bearings (Thailand) Limited (refer note 17 and note 53(b))	1,329	1,528	1,528	1,839
No shares are held by the subsidiary in the Company.				

Note -

- 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.
- The loan given to the subsidiary company was for the purpose of making payment of suppliers and meeting operating expenses of the subsidiary company.
- The guarantee given towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods.

IV Key managerial personnel compensation (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Short term employee benefits	711	566
Post-employment benefits	23	22
Total compensation (*)	734	588

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

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	31 March 2022	31 March 2021
Property, plant and equipment	8,929	5,733
Current asset	58,769	50,671

49 Contingent liabilities, capital and other commitments (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
<u>Claim against the Company not acknowledge as debt</u>		
Income tax	2,920	2,570
Sales tax, value added tax and local body tax	326	253
Guarantee in the form of stand by letter of credit given to bank on behalf of a subsidiary company	2,489	2,559
MSME Interest	-	105

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

Note:

- (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.

Commitments

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,648	1,381

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 ₹ 571 lakhs (31 March 2021: ₹ 524 lakhs) is recognised as expense and included in "Note No. 36 - employee benefits expenses"**

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Employer's contribution to provident fund	298	257
(ii) Employer's contribution to family pension fund	207	191
(iii) Employer's contribution to superannuation fund	66	76
Total	571	524

(B) Defined Benefit Plan :

(1) 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:-

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

i Actuarial assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Expected return on plan assets	6.49% - 6.80%	6.49% - 6.80%
Discount rate (per annum)	6.70% - 7.23%	6.49% - 6.80%
Rate of salary increase(#)	6% - 10%	6% - 10%
Particulars	As at 31 March 2022	As at 31 March 2021
Attrition / withdrawal rate (per annum)	2% - 11%	2% - 11%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08)
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.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

ii Changes in the present value of defined benefit obligation (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	3,489	3,326
Interest expense	233	224
Current service cost	170	172
Actuarial (gain) /loss	(17)	15
Benefits paid	(422)	(248)
Present value of obligation at the end of the year	3,453	3,489

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

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at beginning of the year	3,363	2,772
Interest income	224	187
Contributions	-	180
Benefits paid	(422)	(248)
Return on plan assets, excluding amount recognised in net interest expense	56	472
Fair value of plan assets at the end of the year	3,221	3,363

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of the defined benefit obligation at the end of the year	3,453	3,489
Less: Fair value of plan assets at the end of the year	(3,221)	(3,363)
Net liabilities recognised (refer note 30)	232	126
Recognised under provisions		
Non current provision	-	-
Current provisions	232	126

v Net interest expense (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses	233	224
Interest income	(224)	(187)
Net interest cost	9	37

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	170	172
Net interest expense	9	37
Net gratuity cost recognised	179	209

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gains) / losses	(17)	15
Return on plan assets, excluding amount recognised in net interest expense	(56)	(472)
Total remeasurement credit for the year recognised in OCI (refer note 42)	(73)	(457)

viii Reconciliation of net asset / (liabilities) recognised: (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Net liabilities recognised at the beginning of the year	(126)	(554)
Company contributions	-	180
Gain recognised in other comprehensive income	73	457
Expenses recognised in standalone statement of profit and loss	(179)	(209)
Mortality charges and taxes	-	-
Net liabilities recognised at the end of the period	(232)	(126)

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

Particulars	As at 31 March 2022	As at 31 March 2021
Funds managed by insurer	100%	100%
Total	100%	100%

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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:

(₹ in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Decrease	Increase	Decrease	Increase
Change in discount rate by - / + 1%	214	189	220	194
Change in salary growth rate by - / + 1%	190	212	195	217
Change in attrition rate by - / + 1%	3	2	5	5

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 2022	As at 31 March 2021
1 year	454	407
2 to 5 years	1,620	1,657
6 to 10 years	1,355	1,372
More than 10 years	2,485	2,370

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 statement of profit and loss for the current year, under the Note 33 - Employee benefits expense, is ₹ 155 lakhs (31 March 2021: ₹ 134 lakhs). Liability towards provision for compensated absences as at 31 March 2022 of ₹ 1,011 lakhs (31 March 2021 - ₹ 981 lakhs).

Note - The liability of ₹ 1,011 lakhs (31 March 2021 - ₹ 981 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.

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 ₹ 152 lakhs (31 March 2021 - ₹ 176 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%

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Information about leases for which the Company is a leasee are presented below -

(i) Right-of-use assets (ROU) (Included in Property, plant and equipment) **(₹ in lakhs)**

Particulars	Buildings and flats	Vehicles	Total
Gross carrying value			
Balance as at 1 April 2020	252	7	259
Additions	20	4	24
Disposals	(23)	(7)	(30)
Balance as at 31 March 2021	249	4	253
Additions	955	-	955
Disposals	(205)	-	(205)
Balance as at 31 March 2022	999	4	1,003
Particulars	Buildings and flats	Vehicles	Total
Accumulated depreciation			
Balance as at 1 April 2020	116	4	120
Charge for the year	109	4	113
Disposal / adjustment	(23)	(7)	(30)
Balance as at 31 March 2021	202	1	203
Charge for the year	173	2	175
Disposal / adjustment	(205)	-	(205)
Balance as at 31 March 2022	170	3	173
Net carrying value			
Balance as at 31 March 2021	47	3	50
Balance as at 31 March 2022	829	1	830

(ii) Amount recognised in the standalone statement of profit and loss **(₹ in lakhs)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest cost on lease liabilities	67	12
Depreciation on right of use assets	175	113
Rental expense recorded for short-term lease payments and payments for lease of low-value assets not included in the measurement of the lease liability (refer note (i) below and note 39)	152	176

(a) Breakdown of rent **(₹ in lakhs)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Short-term lease expense	11	37
Low value lease expense	141	139
Total lease expense	152	176

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(iii) Cash outflow from leases

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash payments for the principal and interest portion of the lease liability within financing activities	208	162
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	152	176

(iv) Lease liabilities

(₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2020	186
Adjustment on transition to Ind AS 116	24
Add: Movement during the year	-
Add: Interest cost accrued during the year	12
Less: payment of lease liabilities	(162)
Balance as at 31 March 2021	60
Add: Movement during the year	911
Add: Interest cost accrued during the year	67
Less: Payment of lease liabilities	(208)
Balance as at 31 March 2022	830

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current	670	18
Current	160	42
Total	830	60

(v) Maturity analysis of lease liabilities

Maturity analysis – contractual discounted cash flows

As at 31 March 2022

(₹ in lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Buildings and flats	158	169	501	-
Vehicles	2	-	-	-
Total	160	169	501	-

As at 31 March 2021

(₹ in lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Buildings and flats	40	9	7	-
Vehicles	2	2	-	-
Total	42	11	7	-

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Maturity analysis – contractual undiscounted cash flows

As at 31 March 2022

(₹ in lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Buildings and flats	235	228	558	-
Vehicles	2	-	-	-
Total	237	228	558	-

As at 31 March 2021

(₹ in lakhs)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Buildings and flats	39	11	11	-
Vehicles	3	2	-	-
Total	42	13	11	-

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 2022	Year ended 31 March 2021
(i) Amount required to be spent by the company during the year	147	192
(ii) Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	147	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.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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

(a) Gaurantee given to other body corporate

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Gaurantee in the form of stand by letter of credit given to bank on behalf of NRB Bearings (Thailand) Limited (subsidiary company)	2,489	2,559
Total	2,489	2,559

(b) Inter corporate deposits (unsecured)

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

(₹ in lakhs)

Name of borrower	Opening balance as on 1 April 2021	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing as on 31 March 2022
NRB Bearings (Thailand) Limited (subsidiary)	1,528	-	-	(160)	(40)	1,329
	1,528	-	-	(160)	(40)	1,329

Movement in inter corporate deposit for the year ended 31 March 2021

(₹ in lakhs)

Name of borrower	Opening balance as on 1 April 2020	Issued during the year	Interest accrued during the year	Repayment during the year	Foreign exchange adjustment	Closing as on 31 March 2021
NRB Bearings (Thailand) Limited (subsidiary)	1,741	-	-	(235)	22	1,528
	1,741	-	-	(235)	22	1,528

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 4.9% per annum w.e.f 1 July 2021(prior to that 6.5% per annum) (31 March 2021 - 6.5% 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 2022 and 31 March 2021:

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	Variance
Current ratio (in times)	Current assets	Current liabilities	1.69	1.75	(-3%)
Debt-equity ratio (in times)	Debt	Net worth	0.47	0.45	6%
Debt service coverage ratio (in times)	EBITDA	Finance costs + principal repayments of non current borrowings within next one year	2.37	1.44	65%

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	Variance
Return on equity ratio (in %)	Profit for the year	Net worth	12.91%	9.03%	43%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventories	1.78	1.63	9%
Trade receivables turnover ratio (in times)	Revenue from contracts with customers	Average net trade receivables	4.25	3.53	20%
Trade payables turnover ratio (in times)	Net purchases	Average trade payables	4.25	3.04	40%
Net capital turnover ratio (in times)	Revenue from contracts with customers	Net assets	3.81	3.40	12%
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.68%	5.94%	29%
Return on capital employed (in %)	EBIT	Capital Employed	16.62%	11.85%	40%
Return on investment	Profit before tax	Total assets	7.33	6.68	10%

Explanations:

- (i) Debt = Non current borrowings + Current borrowings
- (ii) Net worth = Paid up share capital + Reserves created out of profit - Accumulated losses
- (iii) EBITDA = Earnings before finance costs, depreciation and amortisation expense, Other income and tax
- (iv) Cost of goods sold = Purchases of stock-in-trade + Changes in inventories of work-in-progress and stock-in-trade
- (v) Net purchase = Purchases of stock-in-trade + Changes in inventories of work-in-progress and stock-in-trade + service charges
- (vi) Net assets = Property, plant and equipment + Current assets - Current liabilities
- (vii) EBIT = Earnings before finance costs, other income and tax
- (viii) Capital employed = Total equity + Non current borrowings

Reason for variance of more than 25% as compared to the previous year-

Debt service coverage ratio- Debt service coverage ratio is better as compared to previous year due to obtained working capital loans at lower rate.

Return on Equity ratio- Return on equity has increased by 43% on account of higher net profits due to better sales, reduction in cost of goods sold (COGS) and other operating expenses in current financial year

Trade payables turnover ratio- Trade payable turnover ratio has increased by 40% on account of the Company is taking advantage of early payment discounts through vendor financing scheme.

Net profit ratio- Net profit ratio has increased by 29% on account of increase in sales, reduction in COGS and other operating expenses in current financial year.

Return on capital employed - Increase in ROCE due to better sales, reduction in COGS and other operating expenses in current financial year.

Summary of Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

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 March 31, 2022

Name of stuck off company	Nature of transacti ons	Transaction 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 Pvt Ltd	Payable	1	-	None

For the year ended March 31, 2021

Name of stuck off company	Nature of transactions	Transaction during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
NA	NA	-	-	-

56 Other Regulatory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group 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 quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of account.
- (vii) The Company has complied with the number of layers prescribed under section 2(87) of the Act.
- (viii) The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2022 and 31 March 2021.
- (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 2022

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 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 2022**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 2022	Year ended 31 March 2021
Net profit after tax for the year (₹ in lakhs)	7,014	4,373
Profit attributable to equity share holders (₹ in lakhs)	7,014	4,373
Weighted average number of equity shares outstanding during the year (numbers)	96,922,600	96,922,600
Basic (in ₹)	7.24	4.51
Diluted (in ₹)	7.24	4.51
Face value per share (in ₹)	2	2

Note:

The Company does not have any outstanding dilutive potential equity shares as at 31 March 2022 and 31 March 2021. Consequently, basic and diluted earnings per share of the Company remain the same.

59 Voluntary Retirement Scheme (VRS)

Pursuant to the Board Meeting held on 22 January 2022, the Company has paid Voluntary Retirement Scheme (VRS) amounting to Rs. 64 lakhs to the workmen at the Thane plant in accordance with VRS Scheme approved by the Board of Directors of the Company.

60 COVID-19 impact

The spread of the COVID-19 pandemic and consequent lockdown imposed by the Government of India had temporarily impacted the business of the Company. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 and had taken into consideration internal and certain external sources for estimating the impact on the carrying values of its property, plant and equipment, investments, inventories and receivables and carried out a detailed assessment of its liquidity position for the next one year including the recoverability of carrying value of its assets, and expects to recover the carrying amount of its assets. The estimate involved in deriving the conclusion on the impact of global health pandemic might vary from the date of approval of these standalone financial results. The Company does not foresee any risk on account of any uncertainties arising out of the pandemic and will continue to closely monitor any material changes due to economic conditions which may have an impact on the operations of the Company.

61 Authorisation of standalone financial statements

The standalone financial statements as at and for the year ended 31 March 2022 were approved by the Board of Directors on 30 May 2022.

62 Previous year figures

Previous year figures have been regrouped or rearranged, wherever considered necessary to make them comparable with those of the current year.

This is the summary of significant accounting policies and other explanatory information referred to in our audit report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's: Registration No. 001076N/ N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai**Date : 30 May 2022****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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai**Date: 30 May 2022**

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 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

List of subsidiary companies:

1. SNL Bearings Limited
 2. NRB Bearings (Thailand) Limited
 3. NRB Bearings Europe (GmbH)
 4. NRB Bearings USA Inc.
 5. NRB Holdings Limited
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 2022, 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, and 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

4. **Compliance with laws and regulations**

We draw attention to note 12 (c) and note 26(i) to the accompanying consolidated financial statement, which indicates delay in receipt of foreign currency receivable amounting to Rs.3,886 lakhs and delay in foreign currency payable amounting to Rs.155 lakhs of the Holding Company as at 31 March 2022 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 Holding 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 would not be material and accordingly, the accompanying consolidated financial statements do not include any consequential adjustments that may arise due to such delay/ default. Our opinion is not modified in respect of this matter.

Key Audit Matter

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 matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Recoverability of carrying amount of property, plant and equipment of a subsidiary company</p> <p>Refer Note 2 to the consolidated financial statements. The Group carries property, plant and equipment('PPE') amounting to Rs.3,373 lakhs as at 31 March 2022 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 networth 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 2022.</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 2022 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"> • Obtained an understanding of management's processes and controls for determining the CGU and its recoverable value; • Assessed the design of and tested the operating effectiveness of the key controls around identification of impairment indicators and valuation; • Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management; • Assessed the appropriateness of the valuation methodology used to arrive at the recoverable value of the CGU using auditor's valuation specialists; • Evaluated the reasonableness of the assumptions used in cash flow projections such as growth rate, discount rates, etc. based on historical results, current developments including the possible impact of COVID 19 and future plans estimated by the management using expertise of our valuation specialist on required parameters; • 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; • Tested the mathematical accuracy of the cash flow projections and value-in-use computation; and • Evaluated the appropriateness and adequacy of the related disclosures made in the consolidated financial statements in accordance with the applicable accounting standards.

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 obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the 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.

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 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, 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 entities covered 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 Board of Directors either intend to liquidate the entities covered in the Group or to cease operations, or has no realistic alternative but to do so.
10. Those 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 system 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;

- 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 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 financial statements of one foreign subsidiary, whose financial statements (before eliminating inter-company transactions) reflect total assets of Rs.8,159 lakhs and net assets of Rs.1,555 lakhs as at 31 March 2022, total revenues of Rs.7,654 lakhs and net cash inflows amounting to Rs.41 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 report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the reports of the other auditors.

Further, this subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditor under generally accepted auditing standards applicable in their country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their country 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 balances and affairs of such subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, we report that the Holding Company and one of its subsidiary company covered under the Act has 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 till date by us, of companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act we report that:

- A) Following are the qualifications/adverse remarks reported by us in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2022 for which such Order reports have been issued till date:

S No	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	SNL Bearings Limited	L99999MH1979PLC134191	Subsidiary Company	vii(a)

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 and other financial information of the subsidiaries, associates and joint ventures, 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) 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 covered under the Act, are disqualified as on 31 March 2022 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 financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, during the year ended 31 March 2022;
 - iv.
 - a. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and, 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 company ('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 its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes 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 Holding company and its subsidiary company during the year ended 31 March 2022 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 to the accompanying consolidated financial statements, the Board of Directors of the Holding company and its subsidiary company have proposed final dividend for the year ended 31 March 2022 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.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDINo.: 22108840AJVSLZ7567

Place: Mumbai
Date: 30 May 2022

Annexure A referred to in Paragraph 19 (f) of the Independent Auditor's Report on the Audit of Consolidated Financial Statements on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the 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 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and one subsidiary company, which are 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 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 on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and one subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion, the Holding Company and 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 and such controls were operating effectively as at 31 March 2022, based on Guidance Note issued by the ICAI.

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

Adi P. Sethna
Partner
Membership No.: 108840
UDINo.: 22108840AJVSLZ7567
Place: Mumbai
Date : 30 May 2022

Consolidated Balance Sheet as at 31 March 2022

(₹ in lakhs)

Sr No.	Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I	Assets			
1	Non - current assets			
	Property, plant and equipment	2	35,712	35,769
	Capital work-in-progress	3	735	817
	Investment property	4	-	-
	Goodwill		48	48
	Other intangible assets	5	19	38
	Intangible assets under development	6	386	230
	Financial assets			
	(i) Investments	7	1,930	444
	(ii) Loans (*)	8	1	0
	(iii) Other financial assets	9	916	858
	Non current(Income) for assets (net)	10	3,010	2,964
	Other non - current assets	11	1,217	1,275
	Total non - current assets		43,974	42,443
2	Current assets			
	Inventories	12	28,885	20,341
	Financial assets			
	(i) Investments	13	1,452	802
	(ii) Trade receivables	14	21,531	20,867
	(iii) Cash and cash equivalents	15	6,167	7,379
	(iv) Bank balances other than cash and cash equivalents	16	596	237
	(v) Loans	17	24	23
	(vi) Other financial assets	18	343	149
	Other current assets	19	4,414	3,409
	Assets held-for-sale	20	53	-
	Total current assets		63,465	53,207
	Total assets		107,439	95,650
II	Equity and Liabilities			
A	Equity			
	Equity share capital	21	1,938	1,938
	Other equity	22	56,920	49,834
	Equity attributable to owners of parent		58,858	51,772
	Non- controlling interest		1,310	1,116
	Total equity		60,168	52,888
B	Liabilities			
1	Non - current liabilities			
	Financial liabilities			
	(i) Borrowings	23	6,051	8,941
	(ii) Lease liabilities	54	677	25
	(iii) Other financial liabilities	24	109	81
	Deferred tax liabilities (net)	41	1,781	1,632
	Other non - current liabilities	25	2	78
	Total non - current liabilities		8,620	10,757
2	Current liabilities			
	Financial liabilities			
	(i) Borrowings	26	23,358	16,316
	(ii) Lease liabilities	54	160	43
	(iii) Trade payables	27		
	Total outstanding dues of micro enterprises and small enterprises		1,447	1,033
	Total outstanding dues of creditors other than micro enterprises and small enterprises		9,125	10,217
	(iv) Other financial liabilities	28	2,271	2,292
	Other current liabilities	29	813	812
	Provisions	30	1,290	1,165
	Current tax liability (net)	31	187	127
	Total current liabilities		38,651	32,005
	Total liabilities		47,271	42,762
	Total equity and liabilities		107,439	95,650

(*) ₹ 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's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai
Date : 30 May 2022
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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai
Date: 30 May 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(₹ in lakhs except per share data)

Sr No	Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from operations	32	94,421	76,240
II	Other income	33	1,276	1,508
III	Total income (I+II)		95,697	77,748
IV	Expenses			
	Cost of materials consumed	34	37,638	27,691
	Changes in inventories of finished goods and work-in-progress	35	(3,083)	1,096
	Employee benefits expense	36	15,583	13,774
	Finance costs	37	1,664	2,184
	Depreciation and amortisation expenses	38	3,717	3,069
	Other expenses	39	29,630	23,291
	Total expenses (IV)		85,149	71,105
V	Profit before exceptional items and tax (III-IV)		10,548	6,643
VI	Exceptional items- (loss) / gain (net)	40	(393)	-
VII	Profit before tax (V+VI)		10,155	6,643
VIII	Tax expense / (credit):	41		
	Current Tax		2,566	1,240
	Deferred Tax		28	(49)
	Tax pertaining to earlier period		-	(118)
			2,594	1,073
IX	Profit after tax (VII-VIII)		7,561	5,570
X	Other Comprehensive Income/(loss) (OCI)	42		
	(i) Items that will not be reclassified to profit or loss (net of tax)		1	561
	(ii) Items that may be reclassified to profit or loss (net of tax)		246	117
			247	678
XI	Total Comprehensive Income for the year (IX+X)		7,808	6,248
	Net profit after tax attributable to:			
	-Owners		7,327	5,406
	-Non controlling interest		234	164
	Other comprehensive income attributable to:			
	-Owners		244	676
	-Non controlling interest (*)		3	2
	Total comprehensive income attributable to:			
	-Owners		7,571	6,082
	-Non controlling interest		237	166
XII	Earnings per equity share:	58		
	Basic & Diluted (in ₹)		7.56	5.58
	Face value per share (in ₹)		2.00	2.00

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

This is the Consolidated Statement of Profit and Loss referred to in our audit report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai

Date : 30 May 2022

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2022

Consolidated Statement of Cash Flow for the year ended 31 March 2022

(₹ in lakhs)

Sr No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A	Cash flow from operating activities		
	Profit before tax (after exceptional items)	10,155	6,643
	Adjustments for:		
	Depreciation and amortisation expense	3717	3,069
	Liabilities no longer required written back	(140)	(410)
	Foreign exchange loss (unrealised)	550	138
	Fair valuation loss on derivative instrument measured at FVTPL	27	77
	Fair valuation gain on financial assets measured at FVTPL	(50)	(37)
	Profit on sale of investment	-	(29)
	Finance costs	1664	2,184
	Interest income	(86)	(84)
	Dividend income	(9)	(8)
	Profit on sale of property, plant and equipments (net)	(31)	-
	Rent Income	(137)	(107)
	Provision for doubtful advances	122	219
	Assets scrapped off	-	55
	Provision for doubtful trade receivables and bad debts written off (including exceptional items) (net)	1,843	795
	Changes in Foreign currency translation reserve	6	(14)
	Provision for gratuity	178	211
	Provision for leave entitlement	157	132
	Provision towards slow moving and non-moving inventories (including exceptional items) (net)	(1,825)	1,470
	Operating profit before working capital changes	16,141	14,304
	Changes in working capital:		
	Adjustment for (increase)/ decrease in assets		
	- Trade receivables	(3,062)	(1,984)
	- Inventories	(6,719)	889
	- Other non-current financial assets	(59)	(325)
	- Other current financial assets and loans	(467)	478
	- Other non-current assets	76	61
	- Other current assets	(1,119)	(286)
	Adjustment in increase/ (decrease) in liabilities		
	- Other non-current financial liabilities and other non current liabilities	(76)	(25)
	- Other current financial liabilities	79	574
	- Trade payables	(490)	3,524
	- Provisions	(196)	(257)
	- Other current liabilities	1	180
	Cash generated from operations before tax adjustments	4,109	17,133
	Direct taxes paid (net of refunds)	(2,551)	(1,356)
	Net cash generated from operating activities (A)	1,558	15,777

Consolidated Statement of Cash Flow for the year ended 31 March 2022

(₹ in lakhs)

Sr. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
B	Cash flow from investing activities		
	Purchase of property, plant and equipment and intangibles (including movement of capital advances, capital work-in-progress, intangible assets under development and capital creditors)	(3,024)	(3,609)
	Sale proceeds of property, plant and equipment	70	75
	(Purchase of) / Proceeds from sale of current and non current investments (net)	(2,066)	241
	Deposits with banks	(203)	(103)
	Rent received	135	107
	Interest received	61	84
	Dividend received	8	8
	Net cash used in investing activities (B)	(5,019)	(3,197)
C	Cash flow from financing activities		
	Proceeds from non-current borrowings	2,509	5,016
	Proceeds from / (repayment of) current borrowings (net)	7,837	(11,485)
	Repayment of non-current borrowings	(6,033)	(3,908)
	Finance costs paid	(1,418)	(2,326)
	Settlement of lease liabilities	(210)	(164)
	Movement in unclaimed dividend bank balance	(156)	3
	Dividend paid on equity shares (including unclaimed)	(326)	(3)
	Net cash generated from / (used in) financing activities (C)	2,203	(12,867)
	Net decrease in cash and cash equivalents (A+B+C)	(1,258)	(287)
	Add: Balance of cash and cash equivalents at the beginning of the year	7,379	7,649
	Add: Effects of exchange rate changes on cash and cash equivalents	46	17
	Closing balance of cash and cash equivalents	6,167	7,379

Notes to cash flow statement

- Cash and cash equivalents at the end of the year comprise -

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash on hand	4	2
Balances with banks in current accounts		
- Current accounts	4,606	1,292
- EEFC account	1,340	5,425
Balances with banks in deposits with original maturity of less than 3 months	217	660
Total cash and cash equivalents	6,167	7,379

- The consolidated cash flow statement 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 consolidated financial statements

This is the Consolidated Statement of Cash Flow referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : **Mumbai**

Date : **30 May 2022**

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: **Mumbai**

Date: **30 May 2022**

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital (Refer note 21)

(₹ in lakhs)

Particulars	Number of shares	Amount
Balance as at 1 April 2020	96,922,600	1,938
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	96,922,600	1,938
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	96,922,600	1,938

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						
Balance as at 1 April 2020	848	10,475	15	1,011	2,250	29,237	209	-	(293)	43,752	950	44,702
Profit for the year	-	-	-	-	-	5,406	-	-	-	5,406	164	5,570
Other comprehensive income / (loss) (refer note 42)	-	-	-	-	-	348	211	131	(14)	676	2	678
Transfer from debenture redemption reserve to general reserve	-	1,500	-	-	(1,500)	-	-	-	-	-	-	-
Balance as at 31 March 2021	848	11,975	15	1,011	750	34,991	420	131	(307)	49,834	1,116	50,950
Profit for the year	-	-	-	-	-	7,327	-	-	-	7,327	234	7,561
Other comprehensive income / (loss) (refer note 42)	-	-	-	-	-	45	(47)	240	6	244	3	247
Final dividend on equity shares for FY 2020-21 of ₹ 0.5 (previous year - ₹ Nil) per equity share	-	-	-	-	-	(485)	-	-	-	(485)	-	(485)
Transfer from debenture redemption reserve to general reserve	-	750	-	-	(750)	-	-	-	-	-	-	-
Dividend paid to non controlling interest	-	-	-	-	-	-	-	-	-	-	(43)	(43)
Balance as at 31 March 2022	848	12,725	15	1,011	-	41,878	373	371	(301)	56,920	1,310	58,230

(*) Amount lower than ₹ 1 Lakhs

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's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Membership No.: 108840

Place : Mumbai

Date : 30 May 2022

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2022

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 2022 were approved and authorised for issue in accordance with the resolution of the Board of Directors on 30 May 2022.

Basis of Preparation

The consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. 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 instruments.

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

1.1 Significant accounting policies

a. Principles of consolidation

The consolidated financial statements incorporate 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 standalone 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 standalone 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 2022.

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.

Refer note 47 for the list of subsidiaries considered in the consolidated financial statement.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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.

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.

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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 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 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 group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in consolidated statement of profit and loss, except to the extent that it relates to items recognised in the consolidated other comprehensive income or directly in equity. In this case, the tax is also recognised in consolidated other comprehensive income or directly in equity, respectively.

f. Leases

Measurement and recognition of leases

The group assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the group assesses whether the contract meets three key criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the group.
- the group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- 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.

Company as a lessor

Leases for which the group is a lessor are classified as finance or operating lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the consolidated balance sheet based on their nature.

g. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the consolidated statement of profit and loss.

After impairment, depreciation / amortisation (where applicable) is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

h. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

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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 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 initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Measurement

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

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 the 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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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.

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 consolidated statement of 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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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.

I. Offsetting financial instruments

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

m. Property plant and equipment (including Capital Work-in-Progress), 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.

Class of asset	Revised useful life based on SLM (Range)
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 equipment	3 – 10 years
Electrical installations	5 – 20 years
Vehicles	5 - 8 years

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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.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

n. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

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.

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.

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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.

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

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 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 administrated by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the PF trust and the notified interest rate. The Group makes provision for provident fund based on an actuarial valuation done as per projected unit credit method by an actuary. Actuarial gains and losses on shortfall, if any, arising on the remeasurement of defined benefit obligation is charged/ credited to consolidated OCI.

iii) Defined contribution plans:

Provident fund and family pension fund: Defined contribution plans such as Provident Fund and family pension fund are charged to the consolidated statement of profit and loss as incurred. The Group's contribution to the state governed Provident Fund and family pension fund is determined based on a fixed percentage of the eligible employees' salary and charged to the consolidated statement of profit and loss on accrual basis. The Group's contributions to Defined Contribution Plan are charged to the statement of consolidated profit and loss as incurred. The Group does not have any obligation other than the contribution made to the fund administered by the government.

C) Compensated absences

Liabilities for compensated absences that are not short term, are determined on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to consolidated statement of profit and loss.

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.

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 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 / 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 losses on financial assets:

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) Deferred taxes:

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

vi) Impairment of financial assets:

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the group assesses the expected credit losses on outstanding receivables. Further, group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

vii) Impairment of non-financial assets:

Where the carrying amount of an asset or CGU exceeds its recoverable amount (fair value less costs of disposal or its value in use), the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

viii) Defined benefit obligation:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ix) Leases:

Determining the lease term of contracts with renewal and termination options – group as lessee Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The group has several lease contracts that include extension and termination options. The group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the group includes such extended term and ignore termination option in determination of lease term

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

x) Provisions:

Provision is recognised when the group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

xi) Fair value measurements:

Group applies valuation techniques to determine fair value of equity shares (where active market quotes are not available). This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of equity shares.

xii) Impairment 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.

1.2 Recent accounting pronouncements**i) Amendment to Ind AS 16, Property, Plant and Equipment**

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The group is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

ii) Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The group is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

iii) Amendments to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities. The group is evaluating the requirement of the said amendment and its impact on these consolidated financial statements."

iv) Amendments to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The group is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

2 Property, plant and equipment

(₹ in lakhs)

Particulars	Freehold land	Leasehold land	Buildings & flats	Plant & equipment	Furniture & fixtures	Office equipment	Electrical installation	Leasehold improvement	Vehicles #	Total
Gross carrying value										
Balance as at 1 April 2020	301	193	13,103	64,952	1,116	1,010	1,611	-	547	82,833
Additions (refer note (iii) below)	-	-	97	2,462	21	12	20	-	12	2,624
Foreign currency translation reserve	3	-	9	35	5	1	3	-	-	56
Disposals and discards	-	-	(27)	(417)	(1)	-	(5)	-	(7)	(457)
Balance as at 31 March 2021	304	193	13,182	67,032	1,141	1,023	1,629	-	552	85,056
Additions (refer note (iii) below)	-	-	26	1,816	24	687	261	955	24	3,793
Foreign currency translation reserve	(6)	-	(22)	(112)	(10)	(3)	(7)	-	-	(160)
Disposals and discards	-	-	-	(1,059)	(46)	(214)	(8)	-	(47)	(1,374)
Reclassified as assets held-for-sales (refer note 20)	(5)	-	(129)	-	(66)	-	(83)	-	-	(283)
Balance as at 31 March 2022	293	193	13,057	67,677	1,043	1,493	1,792	955	529	87,032
Accumulated depreciation / amortisation										
Balance as at 1 April 2020	-	42	3,053	40,082	968	812	1,156	-	436	46,549
Charge for the year*	-	2	441	2,319	74	71	82	-	50	3,039
Foreign currency translation reserve	-	-	4	15	4	1	2	-	-	26
Reversal on disposals and discards	-	-	(25)	(289)	(1)	-	(5)	-	(7)	(327)
Balance as at 31 March 2021	-	44	3,473	42,127	1,045	884	1,235	-	479	49,287
Charge for the year*	-	2	336	2,855	71	122	90	175	47	3,698
Foreign currency translation reserve	-	-	(9)	(48)	(10)	(2)	(6)	-	-	(75)
Reversal on disposals and discards	-	-	-	(1,045)	(46)	(214)	(8)	-	(47)	(1,360)
Eliminated on reclassified as assets held-for-sales (refer note 20)	-	-	(81)	-	(66)	-	(83)	-	-	(230)
Balance as at 31 March 2022	-	46	3,719	43,889	994	790	1,228	175	479	51,320
Net carrying value										
Balance as at 31 March 2021	304	149	9,709	24,905	96	139	394	-	73	35,769
Balance as at 31 March 2022	293	147	9,338	23,788	49	703	564	780	50	35,712

Notes:

- Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2020: ₹ 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.
- The title deeds/ leasehold right of land, having gross carrying amount aggregating ₹ 61 lakhs (31 March 2021: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2021: ₹ 59 lakhs), have been transferred to and vested in the Holding Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Holding Company is in process.
- The above amounts includes adjustment of foreign exchange gain aggregating to ₹ 66 lakhs (31 March 2021: ₹ 169 lakhs - foreign exchange gain) against the carrying value of plant and equipment. The balance amount, based on aforesaid adjustments, of plant and equipment to be amortised, as at the year-end, aggregates ₹ 700 lakhs (31 March 2021 : ₹ 926 lakhs).
- Refer Note 50 for information on property, plant and equipment pledged as security by the Group.
- 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 one of its wholly owned subsidiary Company namely NRB Bearings (Thailand) Limited 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.
- 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.
- For capital commitments, refer note 51.

* Charge for the year includes charge created on Right-of-use ("ROU") assets of ₹ 173 lakhs for building on leasehold land (31 March 2021 : ₹ 109 lakhs) and ₹ 3 lakhs for vehicles(31 March 2020: ₹ 5 lakhs) (Also refer note 54).

Includes leasehold vehicles.(also refer notes 23 and 26 for information of vehicles provided as collateral or security for borrowings or finance liabilities availed by the Company)

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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

Particulars	Amount
Balance as at 1 April 2020	1,602
Additions	818
Capitalised during the year	(1,603)
Balance as at 31 March 2021	817
Additions *	740
Capitalised during the year	(822)
Balance as at 31 March 2022	735

* It includes construction of building, roller grading machine and control panels and fludthern machine

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	
Balance as at 31 March 2022					
Project in progress	511	197	27	-	735
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021					
Project in progress	600	189	15	13	817
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2022 and as at 31 March 2021, 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	Buildings and flats	Total
Gross carrying value		
Balance as at 31 March 2020	41	41
Additions	-	-
Balance as at 31 March 2021	41	41
Additions	-	-
Balance as at 31 March 2022	41	41
Accumulated Depreciation		
Balance as at 31 March 2020	41	41
Additions	-	-
Balance as at 31 March 2021	41	41
Additions	-	-
Balance as at 31 March 2022	41	41
Net carrying value		
Balance as at 31 March 2021	-	-
Balance as at 31 March 2022	-	-

(Investment property has been fully depreciated on SLM method over the useful life of investment property)

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Notes

(i) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings and flats		
Fair value of investment properties	1,663	1,729
Valuation method used by the independent valuer	Replacement cost method	Replacement cost method

(ii) Amounts recognised in the statement of profit and loss in relation to investment property

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Rental Income derived from investment properties	137	107
Direct operating expenses from property (including repairs and maintenance) that generated rental income	(1)	(1)
Direct operating expenses from property (including repairs and maintenance) that did not generate rental income*	(0)	0
Income arising from investment properties before depreciation	136	106
Depreciation	-	-
Income from investment properties (net)	136	106

(*) Amount less than ₹ 1 lakh

(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 2022	As at 31 March 2021
Within one year	120	96
After one year but not more than five years	163	72
More than five years	-	-
Total	283	168

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

5 Other intangible assets

(₹ in lakhs)

Particulars	Computer Software's	Total
Gross carrying value		
Balance as at 1 April 2020	780	780
Additions	12	12
Foreign currency translation reserve	-	-
Disposals	(2)	(2)
Balance as at 31 March 2021	790	790
Additions	-	-
Foreign currency translation reserve	(1)	(1)
Disposals	(324)	-
Balance as at 31 March 2022	465	789

Accumulated amortisation		
Balance as at 31 March 2020	723	723
Amortisation charge for the year	30	30
Foreign currency translation reserve	-	-
Disposals	(1)	(1)
Balance as at 31 March 2021	752	752
Amortisation charge for the year	19	19
Foreign currency translation reserve	(1)	(1)
Disposals	(324)	-
Balance as at 31 March 2022	446	770
Net carrying amount		
Balance as at 31 March 2021	38	38
Balance as at 31 March 2022	19	19

6 Intangible assets under development

(₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2020	10
Additions	220
Written off during the year ^	-
Balance as at 31 March 2021	230
Additions *	166
Written off during the year ^	(10)
Balance as at 31 March 2022	386

* including SAP Implementation cost

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

^ 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 profit and loss.

Ageing of Intangible assets under development

(₹ in lakhs)

Particulars	Amount in intangible assets under developments for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
Project in progress	166	220	-	-	386
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021					
Project in progress	220	10	-	-	230
Projects temporarily suspended	-	-	-	-	-

Note - Basis the assessment performed by management as at 31 March 2022 and as at 31 March 2021, 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 Investment

(₹ in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of unit	Amount	No. of unit	Amount
- Equity investment measured at fair value through other comprehensive income				
(A) Quoted				
Indusind Bank Limited (face value ₹ 10 each)	8,541	80	8,541	82
Eicher Motors Limited (face value ₹ 1 each)	6,000	147	6,000	156
Hero Motocorp Limited (face value ₹ 2 each)	6,250	143	6,250	182
(B) Unquoted				
21st Century Battery Limited (face value ₹ 10 each)	10,000	1	10,000	1
Less: Provision for impairment in value		(1)		(1)
		370		420
- Equity investment measured at fair value through profit and loss				
(A) Unquoted				
Matternet Inc	290,567	1,535		-
Total investments in equity shares		1,905		420
- Investment in mutual funds measured at fair value through profit and loss (Unquoted)				
DSP Black Rock Equity Fund	50,000	25	50,000	24
Total		1,930		444

Refer note 43 for information about fair value measurement.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Notes

Aggregate carrying value of quoted investments (gross)	370	420
Aggregate market value of quoted investments	370	420
Aggregate carrying value of unquoted investments (gross)	1,561	25
Impairment allowances	(1)	(1)

8 Non-current loans

(₹ in lakhs)

Particulars

As at
31 March 2022

As at
31 March 2021

Unsecured, considered good

Loans and advances to employees*

1	0
1	0

Break up of security details

Loans receivables considered good - secured

- -

Loans receivables considered good - unsecured*

1 0

Loans receivables which have significant increase in credit risk

- -

Loans receivables - credit impaired

- -

Total

1 0

Loss : allowance

- -

Total

1 0

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

Notes:

(i) Refer note 43 for information about fair value measurement and note 44 about information on credit risk.

(ii) There are no loans and advances in the nature of loans granted to promoters, directors and KMP's of the Group.

9 Other non-current financial assets

(₹ in lakhs)

Particulars

As at
31 March 2022

As at
31 March 2021

(Unsecured, Considered good)

Security deposits

534 550

Margin money deposits with the maturity of more than 12 months (refer note (i) below)

382 308

Total

916 858

Note:

(i) Held as lien by bank against bank guarantees amounting to ₹ 376 lakhs (31 March 2021: ₹ 308 lakhs)

(ii) Refer note 44 for information about credit risk.

(iii) There are no repatriation restrictions with regards to bank balances.

10 Non current (Income) tax assets (net)

(₹ in lakhs)

Particulars

As at
31 March 2022

As at
31 March 2021

Advance taxes paid (net of provision for tax ₹ 27,730 lakhs (31 March 2021: ₹ 27,343 lakhs))

3,010 2,964

Total

3,010 2,964

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

11 Other non-current assets

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	855	837
Less: Provision for capital advances	(125)	(125)
Prepaid expenses	47	20
Balance with government authorities	440	529
Other advances	-	14
Total	1,217	1,275

12 Inventories

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials, components and packing material (Including goods-in-transit ₹ 995 lakhs (31 March 2021: ₹ 739 lakhs))	10,060	5,821
Work-in-progress	7,039	5,451
Finished goods (Including goods-in-transit ₹ 1,819 lakhs (31 March 2021 ₹ 1,141 lakhs))	5,842	3,993
Stores and spares	5,944	5,076
Total	28,885	20,341

Notes -

- (i) Finished goods inventories of ₹ 455 lakhs (31 March 2021 - ₹ 370 lakhs) is written down to its realisable value of ₹ 360 lakhs (31 March 2021 - ₹ 275 lakhs).
- (ii) Total provision for inventories as at 31 March 2022 is ₹ 1,561 lakhs (31 March 2021 ₹ 3,410 lakhs)
- (iii) Also, refer note 40 and note 50.

13 Investments (Current)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Quantity (Nos.)	Amount (₹ in lakhs)	Quantity (Nos.)	Amount (₹ in lakhs)
Investment in mutual funds measured at fair value through profit and loss (unquoted):				
HDFC ultra short term fund	9,137,069	1,134	4,984,384	595
HDFC nifty 100 fund	1,000,000	102	-	-
ASBL short term fund	65,553	27	65,553	25
DSP ultra short term fund	6,389	189	6,389	182
Total		1,452		802

Notes:

Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,452	802
Aggregate amount of impairment in value of investments	-	-

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

14 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Receivable from:		
- Related parties (refer note (i) below and note 49)	22	22
- Others	23,395	23,648
Less: Allowance for expected credit loss - others	(1,886)	(2,803)
Total receivables	21,531	20,867
Current portion	21,531	20,867
Non current portion	-	-
Break up of security details		
Trade receivables considered good - secured	104	102
Trade receivables considered good - unsecured	21,427	20,765
Trade receivables which have significant increase in credit risk	551	1,207
Trade receivables - credit impaired	1,335	1,596
	23,417	23,670
Loss: Allowance for expected credit loss	(1,886)	(2,803)
	21,531	20,867

Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2021 - ₹ 4 lakhs) from a private company where director of the Parent Company is also a director.
- (ii) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.
- (iii) Refer note 44 for information about credit risk and market risk of trade receivables.
- (iv) The outstanding balances as at 31 March 2022 includes trade receivables amounting to ₹ 3,886 lakhs (31 March 2021: ₹ 2,719 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 Holding Company is in the process of recovering these outstanding dues however, wherever required, provision has been made in the books. The Holding Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the accompanying consolidated financial statements do not include any consequential adjustments that may arise due to such delay.
- (iv) Trade receivables are non interest bearing and are generally on credit terms in line with respective industry norms.
- (v) Unbilled trade receivables amount as at 31 March 2022 is ₹ Nil (31 March 2021: ₹ Nil).
- (vi) Refer note 50 for information about assets pledged as security for current and non-current borrowings.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	15,483	4,732	751	333	-	232	21,531
Undisputed trade receivables - which have significant increase in credit risk	179	120	95	157	-	-	551
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	-	-	-	-	-	-	-
Total	15,662	4,852	846	861	554	642	23,417

Ageing for trade receivables (gross of allowance for expected credit loss) outstanding from due date of payment as at 31 March 2021 (₹ in lakhs)

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	14,166	4,576	1,187	690	35	213	20,867
Undisputed trade receivables - which have significant increase in credit risk	229	290	310	378	-	-	1,207
Undisputed trade receivables - credit impaired	-	-	-	471	320	805	1,596
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	14,395	4,866	1,497	1,539	355	1,018	23,670

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

15 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks in:		
- Current accounts	4,606	1,292
- EEFC account	1,340	5,425
- Deposit accounts with the original maturity of less than three months	217	660
Cash on Hand	4	2
Total	6,167	7,379

Notes -

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

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

16 Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Margin money deposits (refer note (iii) below)	394	191
Unpaid dividend account (refer note (i) below)	202	46
Total	596	237

Notes:

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

Financial year	As at 31 March 2022	As at 31 March 2021
2013-14 (refer note (ii) below)	-	2
2014-15	3	3
2015-16	5	5
2016-17	7	7
2017-18	13	13
2018-19	11	11
2019-20	5	5
2020-21	158	-
Total	202	46

(ii) The unclaimed dividend transferred to Investor Educations and Protectoin Fund during the year is ₹ 2 lakhs (31 March 2021- ₹ 3 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 131 lakhs (31 March 2021: ₹ 85 lakhs).

(iv) There are no repatriatoin restrictions with regards to bank balances.

17 Loans

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Loans to employees	24	23
Unsecured, credit impaired		
Loans to employees	15	15
	39	38
Less: Loss allowance	(15)	(15)
Total	24	23

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Break up of security details

Particulars

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured (refer note (i) below)	24	23
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	15	15
Total	39	38
Loss allowance	(15)	(15)
Total	24	23

Note :

- (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 50 for information about assets pledged as security for current and non-current borrowings.

18 Other financial assets

(₹ in lakhs)

Particulars

	As at 31 March 2022	As at 31 March 2021
Interest and rent receivable	8	20
Derivative assets	184	129
Others (refer note 49(ii)(v))	151	-
Total	343	149

19 Other current assets

(₹ in lakhs)

Particulars

	As at 31 March 2022	As at 31 March 2021
Advances to suppliers:		
- Related parties (refer note (i) and note 49 below)	5	9
- Others	1,420	930
Less: Loss allowance	(501)	(378)
Other advances	72	150
Less: Loss allowance	(29)	(29)
Export incentive and duty drawback receivable	428	103
Balance with government authorities	2,525	2,196
Prepaid expenses	475	414
Gratuity planned assets (net) (refer note 52 (b) (1) (iv))	19	14
Total	4,414	3,409

Notes -

- (i) includes ₹ 5 lakhs (31 March 2021 - ₹ 9 lakhs) due from a private company where director of the Parent Company is also a director.
- (ii) Refer note 50 for information about assets pledged as security for current and non-current borrowings.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

20 Assets held-for-sale (₹ in lakhs)

Group of tangible assets held for sale	As at 31 March 2022	As at 31 March 2021
Freehold land	5	-
Buildings and flats (gross carrying value - ₹ 129 lakhs, accumulated depreciation - ₹ 81 lakhs)	48	-
Furnitures and fixtures (gross carrying value - ₹ 66 lakhs, accumulated depreciation - ₹ 66 lakhs)	-	-
Electrical installations (gross carrying value - ₹ 83 lakhs, accumulated depreciation - ₹ 83 lakhs)	-	-
Total	53	-

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 Group intends to sale land and building along with other immovable property, plant and equipment situated at Thane plant. An active plan to locate the buyer and to complete the sales has already been initiated, the sale is expected to be completed within next 12 months. Accordingly, these assets have been classified as assets held for sale.

Land and building at Chikalthana

- The Group 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.
- (ii) Further, the fair value of these assets is higher than its carrying value as on 31 March 2022 and hence, no impairment loss have been recognised.
- (iii) Assets held-for-sales are not depreciated or amortised.

21 Equity share capital (₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised share capital:		
100,000,000 (31 March 2021: 100,000,000) equity shares of ₹ 2 each	2,000	2,000
Total	2,000	2,000
Issued, subscribed and fully paid-up share capital:		
96,922,600 (31 March 2021: 96,922,600) equity shares of face value ₹ 2 each fully paid up	1,938	1,938
Total	1,938	1,938

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2022		As at 31 March 2021	
	(In nos.)	(₹ in lakhs)	(In nos.)	(₹ 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	-	-	-	-
Shares outstanding at the end of the year	96,922,600	1,938	96,922,600	1,938

(ii) Terms and rights attached to equity shares:

- Right to receive dividend as may be approved by the Board / Annual General Meeting.
- 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 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 Parent Company.
- In the event of liquidation of the Company, 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 share holders

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

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
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	11,100,917	11.45%	10,907,940	11.25%
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 shareholder	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
Name of promoters						
Devesh Singh Sahney	850,089	0.88%	-	850,089	0.88%	-
Trilochan Singh Sahney	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%

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Name of shareholder	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
Name of promoter group						
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%	-
Total	48,314,844	49.85%		48,094,867	49.61%	

Note - As per records of the group, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(v) The group has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2022. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2022.

22 Other equity

Summary of other equity balance

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Securities premium	848	848
General reserve	12,725	11,975
Capital reserve	15	15
Capital redemption reserve	1,011	1,011
Debenture redemption reserve	-	750
Retained earnings	41,878	34,991
Fair value gain on equity instruments through OCI	373	420
Foreign currency translation reserve	(301)	(307)
Cash flow hedge reserve	371	131
Total	56,920	49,834

Nature and purpose of reserves

(i) Securities premium

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	848	848
Add - changes during the year		
Balance at the end of the year	848	848

Amount received (on issue of shares) in excess of the face value has been classified as securities premium. The reserve will be utilised in accordance with the provision of the Act.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(ii) General reserve

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	11,975	10,475
Transferred from debenture redemption reserve	750	1,500
Balance at the end of the year	12,725	11,975

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is distributable reserve.

(iii) Capital reserve

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	15	15
Add - Changes during the year	-	-
Balance at the end of the year	15	15

Capital reserve

(iv) Capital redemption reserve

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,011	1,011
Add - changes during the year	-	-
Balance at the end of the year	1,011	1,011

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 2022	As at 31 March 2021
Balance at the beginning of the year	750	2,250
Less - transfer to general reserve	(750)	(1,500)
Balance at the end of the year	-	750

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 2022	As at 31 March 2021
Balance at the beginning of the year	34,991	29,237
Add: Profit for the year	7,327	5,406
Less: Other comprehensive income for the year (refer note 42)	45	348
Less: Final dividend on equity shares for FY 2020-21 of ₹ 0.5 (previous year - ₹ Nil) per equity share	(485)	-
Balance at the end of the year	41,878	34,991

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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(vii) Fair value gain / (loss) on equity instruments through OCI

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	420	209
Change in fair value of equity instrument (Refer note 42)	(47)	211
Balance at the end of the year	373	420

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 2022	As at 31 March 2021
Balance at the beginning of the year	(307)	(293)
Add: Addition during the year	6	(14)
Balance at the end of the year	(301)	(307)

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 statement of profit and loss when the foreign operation is disposed off.

(ix) Cash flow hedge reserve

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	131	-
Add: Change in fair value of derivative hedging instrument (refer note 42)	240	131
Balance at the end of the year	371	131

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

23 Borrowings (non-current)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Non convertible debentures - unsecured (refer note (a), note (b) and note (c) below)	-	2,995
Term Loan from banks - secured (refer note (d) below)	5,905	5,693
Deferred sales tax loan - unsecured (Refer note (e) below)	146	253
Total	6,051	8,941

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

	Particulars	Security	Terms of repayment of principal	Number of installment outstanding	Rate of interest	As at 31 March 2022	As at 31 March 2021
a	(a) Non-convertible debentures (*) 300 Non convertible debentures of face value of ₹ 1,000,000 each Comprises of Long term borrowings Current maturities of long term debt (^)	Unsecured	Redeemed at par, on 09 September 2022	-	9.60%	-	3,154
					Total	-	3,154
						-	2,995
						-	159
b	External commercial borrowings from bank (*) Term loan Comprises of Long term borrowings Current maturities of long term debt (***)	Secured by hypothecation of charge on specified moveable assets as and by way of first exclusive charge with borrower.	Quarterly installments starting from 04 February 2019 to be completed on 04 February 2022	-	6.40%	-	842
						-	842
						-	-
						-	842
					Total	-	842
c	Foreign currency term loan from banks (*) Term loan Comprises of Long term borrowings Current maturities of long term debt (^)	Secured by first exclusive charge by way of a hypothecation over specified moveable properties both present and future.	Quarterly installments starting from 14 June 2018 to be completed on 14 December 2021	-	3.95% to 6.80%	-	543
					Total	-	543
						-	-
						-	543
						-	543
d	Term loan from banks (*) Term loan Term loan Vehicle loan Working capital term loan	Secured by exclusive charge by way of mortgage of a residential property of the Company situated in Mumbai. 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. 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. Secured by way of mortgage of a residential property of the Company situated in Mumbai. (#)	Annual installments starting from 8 April 2021 to be completed on 8 April 2023 Quarterly installments starting from 1 October 2020 to be completed on 1 July 2025 Monthly installments starting from 31 December 2021 to be completed on 31 December 2024 Monthly installments starting from 1 October 2022 to be completed on 1 September 2026	2 29 33 48	9.25% 1 year MCLR +0.50% 8.00% 3 Month T-Bill +2.09%	1,667 4,066 9 2,500	2,500 4,739 - -
					Total	8,242	7,239

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)						
Particulars	Security	Terms of repayment of principal	Number of installment outstanding	Rate of interest	As at 31 March 2022	As at 31 March 2021
Comprises of						
Long term borrowings					5,905	5,693
Current maturities of long term debt (^)					2,337	1,546
					8,242	7,239
e Deferred sales tax loan						
Deferred sales tax loan	Unsecured	Annual installments to be completed by May 2025	4	-	253	399
				Total	253	399
Comprises of						
Long term borrowings					146	253
Current maturities of long term debt (^)					107	146
					253	399

* The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50.

Per the terms of the HSBC sanction letter, the Company must create security by hypothecation of movable assets in respect of the aforesaid loan. However, the Holding Company was unable to create the security mortgage on account of procedural delays. The Company is committed towards the creation of security mortgage and has thus classified such borrowings as secured in accordance with the terms of the borrowing.

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

\$ On 10 September 2021, the Holding Company has exercised an option to redeem its non convertible debentures of ₹ 3,000 lakhs which were outstanding as on that date. There are no outstanding non convertible debentures as at 31 March 2022, the disclosure specified under regulations 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) are not applicable.

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

24 Other non-current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	109	81
Total	109	81

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

25 Other non-current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid Rent	2	6
Other advances received	-	72
Total	2	78

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

26 Borrowings (Current)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Loans from banks - repayable on demand		
- Packing credit loan	18,539	10,510
- Purchase invoice discounting	-	133
- Cash credit - repayable on demand	2,375	2,437
Current maturities of non-current borrowings (refer note 23)		
- Term loans from banks	2,337	1,546
- Deferred sales tax loan	107	146
- Non Convertible debentures	-	159
- External commercial borrowings from bank	-	842
- Foreign currency term loan from banks	-	543
Total	23,358	16,316

Notes -

- The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50.
- Packing credit loan and purchase invoice discounting loan aggregate amounting to ₹ 18,539 lakhs (31 March 2021 - ₹ 10,643 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 and purchase invoice discounting loan is 4.42% (31 March 2021 - 3.38%) and 6% (31 March 2021 - 6%) respectively.
- Cash credit loan - repayable on demand amounting to ₹ 2,375 (31 March 2021 - ₹ 2,437 lakhs) which is secured by stand by letter of credit issued by Citi bank, India.
- The statement of current assets filed by the Group with banks are in agreement with the books of account which subjected to limited review and audit.
- Refer note 44 for liquidity risk and market risk.
- Refer note 45 for capital management.
- Refer note 46 for cash flow changes in liabilities arising from financial activities.

27 Trade Payables

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Outstandings dues of micro and small enterprise [Refer note (v) below]	1,447	1,033
Total Outstandings dues of creditors other than micro and small enterprise*	9,125	10,217
Total	10,572	11,250

* includes dues to related party (refer note 49(ii))

Notes -

- Refer note 44 for information about liquidity risk and market risk of trade payables.
- Trade payables are non-interest bearing and are settled in line with respective industry norms.
- From total trade payables mentioned above, payables against unbilled dues are ₹ 435 lakhs (31 March 2021 - ₹ 43 lakhs).

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- iv) The outstanding balances as at 31 March 2022 includes trade payables amounting to ₹ 155 lakhs (31 March 2021: ₹ 90 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.

Notes:

Dues to micro enterprise and small enterprise

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 2022	As at 31 March 2021
The principal amount remaining unpaid to any supplier at the end of the year	1,332	988
Interest due remaining unpaid to any supplier at the end of the year	115	45
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	1,414	2,099
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	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	115	45
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	70	9

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group. The disclosure has been made in the consolidated financial statements and had been relied upon by the statutory auditors.

Ageing for trade payables outstanding as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from date of the transaction					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	0*	1,395	49	3	-	1,447
Others	2,472	6,145	32	41	-	8,690
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	2,472	7,540	81	44	-	10,137
Add - Unbilled dues						435
						10,572

* Amount lower than ₹ 1 lakh

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Ageing for trade payables outstanding as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from date of the transaction					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	56	970	4	-	3	1,033
Others	2,807	7,176	58	36	97	10,174
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	2,863	8,146	62	36	100	11,207
Add - Unbilled dues				-		43
						11,250

28 Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Derivative liability	-	24
Security deposits	207	238
Book overdraft	-	-
Unpaid dividends (unclaimed) (Refer footnote i and ii)	202	46
Creditors for capital goods	193	449
Employee related payables	1,518	1,535
Other payables (refer note 49(ii)(v))	151	-
Total	2,271	2,292

Notes:

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

29 Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues	497	591
Prepaid rent	8	8
Other advances	308	213
Total	813	812

30 Provisions

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Compensated absences (refer note 52(c))	1,058	1,039
- Gratuity (Refer note 52(b)(1)(iv))	232	126
Total	1,290	1,165

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

31 Current tax liability (net)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current tax liabilities (net of advances taxes paid and tax deducted at source ₹ 2,111 lakhs (31 March 2021: 907 lakhs))	187	127
Total	187	127

32 Revenue from operations

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of Products (Also refer note 49 (ii))		
Finished goods - Bearings	91,863	74,627
Other operating revenues		
Sale of raw materials	-	3
Scrap sales	1,392	748
Liabilities no longer required, written back (Refer Note ii)	140	394
Export incentives	929	397
Other operating income	97	71
Total	94,421	76,240

i) Disaggregated revenue

Revenue based on geography

(₹ in lakhs)

Within India	67,571	56,878
Outside India	26,850	19,362
Total	94,421	76,240

Revenue based on timing of recognition

(₹ in lakhs)

Revenue recognition at a point in time	94,421	76,240
Revenue recognition over period of time	-	-
Total	94,421	76,240

ii) Details of liabilities no longer required, written back

(₹ in lakhs)

- Pertains to trade payables	140	363
- Pertains to employee related payables	-	31
Total	140	394

33 Other income

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend Income on financial assets measured at FVOCI	7	5
Dividend Income on financial assets measured at FVTPL	2	3
Interest Income on financial assets measured at amortised cost	54	60
Fair value changes on financial assets measured at FVTPL	50	37
Profit on sale of property plant and equipment's	31	-

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rent income	137	107
Net gain on foreign currency transactions and translation	875	1,216
Profit on sale of investment	-	29
Interest on electricity deposit	12	24
Insurance claim received	21	3
Government grants	-	18
Others	87	6
Total	1,276	1,508

34 Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock	5,821	7,246
Add: Purchases (also refer note 49 (ii))	41,189	26,266
Less: Closing stock (refer note 12)	(10,060)	(5,821)
Total	36,950	27,691
Add: Exceptional items (refer Note 40)	688	-
Total	37,638	27,691

35 Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventories		
Work-in-progress	5,451	5,963
Finished goods	3,993	4,577
	9,444	10,540
Closing inventories (refer note 12)		
Work-in-progress	7,039	5,451
Finished goods	5,842	3,993
	12,881	9,444
Total	(3,437)	1,096
Add: Exceptional items (refer note 40)	354	-
Total	(3,083)	1,096

36 Employee benefits expense

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages *	13,680	12,296
Contribution to provident and other funds (refer note 52(a))*	708	654
Staff welfare expenses	1,195	824
Total	15,583	13,774

* Includes amount paid to key managerial personnel amounting to ₹ 1,175 lakhs (31 March 2021 - ₹ 945 lakhs) (refer note 49(iii)).

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

37 Finance costs

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost		
- Long term borrowings	757	1,009
- Short term borrowings	809	1,055
Interest on lease liability (refer note 54 (ii))	68	13
Exchange difference regarded as an adjustment to borrowing cost	-	58
Other borrowing costs	30	49
Total	1,664	2,184

38 Depreciation and amortisation expense

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	3,522	2,925
Depreciation on investment property	-	-
Depreciation on right to use assets (refer note 54(ii))	176	114
Amortisation on intangible assets	19	30
Total	3,717	3,069

39 Other expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spare parts	8,069	5,612
Processing charges	1,867	1,748
Power and fuel	3,860	3,179
Repairs and maintenance -	-	
Buildings	256	170
Plant and machinery	708	444
Others	152	88
Insurance	234	244
Rent (refer note 54(ii))	265	231
Rates and taxes	141	282
Legal and professional fees	1,488	1,023
Directors' fees and commission (Refer note 49)	81	46
Commission on sales	797	823
Travelling and conveyance	312	190
Postage, telephone and fax	59	60
Bank charges	162	74
Advertisement and sales promotion expenses	156	97
Forwarding charges	5,160	3,431
Bad debts written off (net of amounts provided thereagainst ₹ 2,725 lakhs (31 March 2021 ₹ 1334 lakhs))	56	107

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Provision for doubtful debts*	373	688
Information technology expenses	481	559
Provision for doubtful advances	122	219
Assets scrapped/ written Off	-	55
Fair valuation loss on derivative contracts	27	77
Auditors' remuneration (refer note (i) below)	123	93
Expenditure on corporate social responsibility	162	212
Contract labour	3,121	2,340
Sanitation and housekeeping expenses	281	212
Export expenses	232	157
Security charges	371	316
Miscellaneous expenses	514	514
Total	29,630	23,291

* Provision for doubtful debts are net of amount classified as exceptional items of ₹ 1,435 lakhs (31 March 2021 - ₹ Nil) (refer note 40).

Notes -

i) Auditor's (of the parent) remuneration (excluding goods and service tax) (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditors - audit and limited review	91	61
Tax audit	4	4
GST audit	9	10
Other services	17	15
Reimbursement of expenses	2	3
Total	123	93

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
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)	(1,435)	-
Total	(393)	-

Note :-

- (i) During the year ended 31 March 2022, the Holding Company has 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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- (ii) During the year ended 31 March 2022, the Holding Company observed significant increase in credit risk as compared to earlier years which resulted into significant increase in provision for doubtful trade receivables in accordance with the expected credit loss method adopted by the Holding Company. Considering the nature and significance of amount, such charge is considered as an exceptional loss.

41 Tax expense in consolidated statement of profit and loss (including Other Comprehensive Income (OCI)) (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	2,566	1,240
Tax pertaining to earlier year	-	(118)
Total current tax expense	2,566	1,122
Deferred taxes		
Relating to origination and reversal of temporary differences recognised through profit and loss and through OCI	149	111
Total deferred tax expense (net)	149	111
Total	2,715	1,233

(i) Tax reconciliation for profit and loss including OCI (₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income tax expense	10,155	6,643
Tax at the rate of 25.17% (for 31 March 2021 - 25.17%)	2,556	1,672
<u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u>		
Non deductible expenses for tax purpose	67	-
Depreciation	-	78
Fair value of current investment (*)	-	0
Adjustment due to change in tax rates	-	(132)
Reversal in deferred tax due to tax rate reduction	-	(393)
Tax adjustment in respect of earlier years	-	6
Others	92	2
Income tax expense	2,715	1,233

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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(ii) Deferred tax related to the following:

(₹ in lakhs)

Deferred tax liability (Net)	As at 31 March 2020	Recognised through profit and loss through OCI	As at 31 March 2021	Recognised through profit and loss through OCI	As at 31 March 2022
Deferred tax liabilities on account of:					
Difference between book and tax depreciation	(3,256)	740	(2,516)	32	(2,484)
IND AS 116 (Right of Use Asset)	(84)	36	(48)	(196)	(244)
Outside basis tax	(182)	-	(182)	-	(182)
Financial liability measured at amortised cost	(5)	1	(4)	-	(4)
Fair valuation of derivative contracts	(50)	33	(17)	7	(10)
Unrealised capital gain on mutual funds	-	-	-	(13)	(13)
Others	(16)	2	(14)	11	(3)
Total deferred tax liabilities	(3,593)	812	(2,781)	(159)	(2,940)
Deferred tax assets on account of:					
Provision for gratuity	202	(163)	39	27	66
Provident fund contribution	23	1	24	(1)	23
Provision for doubtful trade receivables	1,206	(499)	707	(229)	478
Voluntary retirement compensation	-	-	-	13	13
Provision for compensated absence	341	(84)	257	7	264
Lease liability	106	(50)	56	193	249
Minimum alternate tax credit entitlement	128	(128)	-	-	-
Amortisation of borrowings	4	-	4	-	4
Unrealised profits on intercompany transactions	62	-	62	-	62
Total deferred tax assets	2,072	(923)	1,149	10	1,159
Total deferred tax liability (net)	1,521	111	1,632	149	1,781

Note:

The Group offsets tax assets and liabilities if and only if it has legally enforceable rights to do so and the entity's intention is to settle it on a net basis, or to realise such assets and liabilities simultaneously and deferred tax assets and deferred tax liabilities related to taxes levied by same tax authorities.

42 Other comprehensive Income (OCI)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Items that will not be reclassified to profit or loss		
Actuarial gain on remeasurements of the net defined benefit plans	88	468
(Loss)/ gain on fair value equity instruments	(47)	211
Income tax relating to items that will not be reclassified to profit or loss	(40)	(118)
	1	561

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Items that will be reclassified to profit or loss		
Exchange differences in translating the financial statements of a foreign operation	6	(14)
Remeasurement of gains on derivative hedging instruments	321	173
Income tax relating to items that may be reclassified to profit or loss	(81)	(42)
	246	117
Total	247	678

43 Fair value measurements

Financial instruments by category: _____

(₹ in lakhs)

Particulars	31 March 2022			31 March 2021		
	FVOCI	FVTPL	Amor- tised cost	FVOCI	FVTPL	Amor- tised cost
<u>Financial assets - non-current</u>						
Investments (*)	370	1,560	-	420	24	-
Loans	-	-	1	-	-	0
Other financial assets	-	-	916	-	-	858
<u>Financial assets - current</u>						
Investments	-	1,452	-	-	802	-
Trade receivables*	-	-	21,531	-	-	20,867
Cash and cash equivalents	-	-	6,167	-	-	7,379
Bank balances other than cash and cash equivalents	-	-	596	-	-	237
Loans*	-	-	24	-	-	23
Other financial assets	-	184	159	-	148	1
	370	3,196	29,394	420	974	29,365
<u>Financial liabilities - non-current</u>						
Borrowings	-	-	6,051	-	-	8,941
Lease Liabilities	-	-	677	-	-	25
Other financial liabilities	-	-	109	-	-	81
<u>Financial liabilities - current</u>						
Short term borrowings (including current maturities of non-current borrowings)	-	-	23,358	-	-	16,316
Lease liabilities	-	-	160	-	-	43
Trade payables	-	-	10,572	-	-	11,250
Other financial liabilities	-	-	2,271	-	24	2,268
	-	-	43,198	-	24	38,924

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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 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 measurement:

(₹ in lakhs)

Particulars	31 March 2022			31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in mutual fund measured at FVTPL	-	1,452	-	-	826	-
Investments in equity instrument measured at FVTPL	-	1,560	-	-	-	-
Investments in equity instrument measured at FVOCI	370	-	370	420	-	-
Derivative asset measured at FVTPL	-	184	-	-	148	-
Financial liability						
Interest rate swap and foreign currency option	-	-	-	-	24	-

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

44 Financial risk management

The Group's principal financial liabilities comprise borrowings, lease liabilities 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 0-90 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 2022

(₹ in lakhs)

	Not Due	Less than 1 year	more than 1 year	Credit impaired	Total
Gross trade receivables (a)	15,662	5,698	722	1,335	23,417
Expected loss rate	1.14%	3.77%	21.73%	100.00%	
Expected credit loss (b)	179	215	157	1,335	1,886
Carrying amount of trade receivables (a-b)	15,483	5,483	565	-	21,531

Expected credit loss for trade receivables as on 31 March 2021

(₹ in lakhs)

	Not Due	Less than 1 year	more than 1 year	Credit impaired	Total
Gross trade receivables (a)	14,395	6,363	1,316	1,596	23,670
Expected loss rate	1.59%	9.43%	28.73%	100.00%	
Expected credit loss (b)	229	600	378	1,596	2,803
Carrying amount of trade receivables (a-b)	14,166	5,763	938	-	20,867

Movement in provision of doubtful debts

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening provision	2,803	3,449
Add - additional provision made during the year	1,785	688
Less - bad debts written off	(2,702)	(1,334)
Closing provision	1,886	2,803

(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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 at each reporting date:

Maturities of financial liabilities

(₹ in lakhs)

As at 31 March 2022	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-derivative				
Non-current borrowings	-	2,684	3,367	6,051
Short term borrowings (including current maturities of non-current borrowings)	23,358	-	-	23,358
Trade payables	10,572	-	-	10,572
Lease liabilities (current and non-current)	160	169	508	837
Other non-current financial liabilities	-	109	-	109
Other current financial liabilities	2,271	-	-	2,271
Derivative				
Interest rate swap and foreign currency option	-	-	-	-
Total	36,361	2,962	3,875	43,198

(₹ in lakhs)

As at 31 March 2021	Within 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-derivative				
Non-current borrowings	-	2,113	6,828	8,941
Short term borrowings (including current maturities of non-current borrowings)	16,316	-	-	16,316
Trade payables	11,250	-	-	11,250
Lease liabilities (current and non-current)	43	11	14	68
Other non-current financial liabilities	-	81	-	81
Other current financial liabilities	2,268	-	-	2,268
Derivative				
Interest rate swap and foreign currency option	24	-	-	24
Total	29,901	2,205	6,842	38,948

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and price risk.

(i) Foreign currency risk

The Group is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Group's exposure arises mainly on import of raw material and capital items, 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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Impact of hedging activities

(i) Disclosures of effects of hedge accounting on balance sheet-

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					
Cash flow hedge Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 54	144	-	Apr 2021 - Jul 2025	1:1	87.53	357	(357)

As at 31 March 2021

(₹ 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					
Cash flow hedge Foreign exchange risk <u>Derivative instruments</u> (i) Cross currency swaps	EUR 54	38	-	Apr 2021 - Jul 2025	1:1	87.53	166	(166)

(ii) Disclosure of effects of hedge accounting on statement of profit and loss

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
Cash flow hedge Foreign exchange risk	(357)	-	(57) 21	Revenue Foreign exchange loss / (gain)

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

For the year ended 31 March 2021

(₹ 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
Cash flow hedge Foreign exchange risk	(166)	-	(2) 9	Revenue Foreign exchange loss / (gain)

(iii) Movement in cash flow hedging reserve

(₹ in lakhs)

Particulars	Foreign currency and interest rate risk
Cash flow hedge reserve	
Balance as at 1 April 2020	-
Add - Changes in fair value of hedging instruments	(166)
Less - Amounts reclassified to consolidated statements profit or loss	(7)
Less - Deferred tax relating to above (net)	42
Balance as at 31 March 2021	(131)
Add - Changes in fair value of hedging instruments	(357)
Less - Amounts reclassified to consolidated statements profit or loss	36
Less - Deferred tax relating to above (net)	81
Balance as at 31 March 2022	(371)

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

As at 31 March 2022

(₹ in lakhs)

Particulars	31 March 2022			
	USD	EURO	CHF	JPY
Financial liabilities				
Trade payables	664	232	9	1,657
Creditors for capital goods	-	-	-	108
Forward contract payable	(1,380)	(213)	-	-
	(716)	19	9	1,765
Financial assets				
Trade receivables	5,974	10,410	-	-
Balance with government authorities	-	1,307	-	-
Bank balance in EEFC account	606	735	-	-
Forward contract receivables	-	(1,483)	-	-
	6,580	10,969	-	-
Net exposure to foreign currency assets / (liabilities)	7,296	10,949	(9)	(1,765)

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

As at 31 March 2021

(₹ in lakhs)

Particulars	31 March 2021			
	USD	EURO	CHF	JPY
Financial liabilities				
Trade payables	240	843	16	805
Capital creditors	-	-	-	183
Loans payable	1,385	-	-	-
Forward contract payable	-	(128)	-	(83)
Foreign currency option contracts	(962)	-	-	-
	663	715	16	905
Financial assets				
Trade receivables	4,987	9,919	-	-
Balance with government authorities	-	1,392	-	-
Bank balance in EEFC account	479	4,947	-	-
Forward contract receivable	(713)	(225)	-	-
	4,753	16,033	-	-
Net exposure to foreign currency assets / (liabilities)	4,090	15,318	(16)	(905)

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 2022		31 March 2021	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
USD	146	(146)	82	(82)
EUR	219	(219)	306	(306)
CHF (*)	(0)	0	(0)	0
JPY	(35)	35	(18)	18

(*) Amount lower than ₹ 1 lakh

Sensitivity analysis to foreign currency risk includes an exposure to foreign exchange fluctuations on long term foreign currency loans of \$ Nil lakhs equivalent to ₹ Nil lakhs (31 March 2021 - \$19 lakhs equivalent to ₹ 1,385 lakhs) that have been capitalised into the cost of the related assets and are expected to impact statement of profit or loss over a period of 6 to 15 years in the form of adjustment to the depreciation charge.

(2) Cash flow and fair value interest rate risk

The Group's interest rate risk is mainly due to 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 2022 and 31 March 2021, 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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

The Group's borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	6,566	10,566
Total	6,566	10,566

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 2022		31 March 2021	
	Balance	% of total loans	Balance	% of total loans
Variable rate loan	6,566	22.33%	10,566	41.83%
Interest rate swaps	-	0.00%	(1,385)	-5.48%
Net exposure to cashflow interest rate risk	6,566	22.33%	9,180	36.35%

Sensitivity analysis - Variable rate borrowing

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	31 March 2022	31 March 2021
Increase by 50 basis points	(33)	(53)
Decrease by 50 basis points	33	53

Sensitivity analysis - Interest rate swap

(₹ in lakhs)

Interest rate	Impact on profit before tax	
	31 March 2022	31 March 2021
Increase by 50 basis points	-	7
Decrease by 50 basis points	-	(7)

(iii) Price Risk

The Group is exposed to price risk from its investment in equity instruments measured at fair value through other comprehensive income and investment in mutual fund measured at fair value through profit and loss.

(₹ in lakhs)

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 5% increase in value	97	22
Impact on profit before tax for 5% decrease in value	(97)	(22)

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.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 2022	As at 31 March 2021
Gross debt (long term and short term borrowings)	29,409	25,257
Less: cash and cash equivalents	(6,167)	(7,379)
Add - lease liabilities (current and non current) (refer note 54(iv))	837	68
Net debt (A)	24,079	17,946
Equity (B)	60,168	52,888
Gearing ratio (A / B) (%)	40.02%	33.93%

(iii) Dividends

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Equity Shares (face value of Rs. 2 each)		
Final dividend for the year ended 31 March 2022 of ₹ 0.50 per share (31 March 2021 - ₹ Nil)	485	-
Final dividend for the year ended 31 March 2022 of ₹ 4.5 per share (31 March 2021 - ₹ Nil)	43	-
Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since the year end, the directors of the Holding Company have recommended the payment of a final dividend of ₹ 2 (31 March 2021: ₹ 0.50 per fully paid equity share). This proposed dividend is subject to the approval of shareholders at the ensuing annual general meeting.	1,938	485
In addition to the above dividends, since the year end, the directors of SNL Bearings Limited have recommended the payment of a final dividend of ₹ 6.5 (31 March 2021: ₹ 4.5 per fully paid equity share). This proposed dividend is subject to the approval of shareholders at the ensuing annual general meeting.	62	43

46 Net debt reconciliation

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings (current and non-current)	29,409	25,257
Lease liabilities (current and non current) (refer note 54(iv))	837	68
	30,246	25,325
Cash and cash equivalents	6,167	7,379
Net debt movement	24,079	17,946

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Particulars	Liabilities		Assets	Total (A+B-C+D)
	Borrowings (current and non- current)	Lease Obligation (C)	Cash and cash equivalents (D)	
Net debt as at 1 April 2020	35,892	195	7,649	28,438
Cash flows (net)	(10,377)	(164)	(287)	(10,254)
Non cash movement - acquisitions / disposal	-	24	-	24
Finance cost paid	(2,326)	-	-	(2,326)
Finance cost incurred	2,171	13	-	2,184
Exchange (loss) / gain (net)	(103)	-	17	(120)
Net debt as on 31 March 2021	25,257	68	7,379	17,946
Cash flows	2,509	(210)	(1,258)	3,557
Non cash movement - acquisitions / disposal	-	911	-	911
Finance cost paid	(1,418)	-	-	(1,418)
Finance cost incurred	1,596	68	-	1,664
Exchange (loss) / gain (net)	(339)	-	46	(385)
Net debt as on 31 March 2022	27,605	837	6,167	22,275

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 Subsidiaries	Principal place of business and country of incorporation	Activities	Proportion of ownership interest 31 March 2022	Proportion of ownership interest 31 March 2021
1	SNL Bearings Limited (subsidiary)	India	Manufacture and marketing of bearing products	73.45%	73.45%
2	NRB Bearings Europe GmbH(*) (Step down subsidiary)	Europe	Marketing of bearing products, customer support services and trading of goods	100%	100%
3	NRB Bearings (Thailand) Limited (Subsidiary)	Thailand	Manufacture and marketing of bearing products	100%	100%
4	NRB Bearings USA Inc.(*) (Step down subsidiary)	USA	Marketing of bearing products, customer support services and trading of goods	100%	100%
5	NRB Bearings Holdings Limited (*) (Subsidiary (w.e.f. 14 October 2021))	UAE	Marketing of bearing products and customer support services	100%	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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

100% of its shareholding in Company's two wholly owned subsidiaries, "NRB Bearings Europe GmbH" and "NRB USA Inc.", at a consideration of Rs. 132 lakhs and Rs. 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 results of the Group.

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 2022	As at 31 March 2021
Current assets	3,815	3,168
Current liabilities	(487)	(450)
Net current assets	3,328	2,718
Non - Current assets	1,668	1,519
Non - Current liabilities	(164)	(136)
Net non-current assets	1,504	1,383
Net assets	4,832	4,101
Accumulated NCI	1,310	1,116

(₹ in lakhs)

Summarised statement of profit and loss	Year Ended 31 March 2022	Year Ended 31 March 2021
Revenue	4,351	3,647
Profit for the year	883	619
Other comprehensive income	11	8
Total comprehensive income	894	627
Profit allocated to NCI	234	164
Other comprehensive income allocated to NCI (*)	3	2

(₹ in lakhs)

Summarised cash flows	Year Ended 31 March 2022	Year Ended 31 March 2021
Net cash generated from operating activities	589	799
Net cash generated from / (used in) investing activities	(925)	(6)
Net cash used in financing activities	(156)	(309)
Net increase in cash and cash equivalents	(492)	484

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 Company and its subsidiary companies (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)**

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Key Management Personnel	<p><u>KMP's Parent Company:-</u></p> <p>Ms. Harshbeena Zaveri, Vice Chairman and Managing Director Mr. Satish Chellaram Rangani, Executive Director Mr. Devesh Singh Sahney Mr. Tashwinder Singh Mr. Ashank Datta Desai Mr. Rustom Desai Ms Vishakha Maheshwari</p> <p><u>KMP's Subsidiary Companies (other than those covered above):-</u></p> <p>Mr. K M Marfatia Mr. Vivik Sahai Mr. Claude D'Gama Rose Mr. Sahir Zaveri (also relative of another KMP) Mr. Arvider Singh Kohli Mr Kishore Ochani</p>
Relatives of KMP	Ms. Hanwantbir Kaur Sahney
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 in which has substantial interest in the Parent Company and in which a 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 (w.e.f 04.02.2022) First Technology BV

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(ii) Transactions with related parties during the year:

(₹ in lakhs)

Name of related party	Nature of transaction	Transactions during the year ended		Receivable/ Advances as at		Payable as at	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
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	-	-	5	9	-	-
	Purchase of raw materials	8	3	-	-	-	-
First Technology BV	Purchase of Services	390	247	-	-	53	41
New Indo trading	Service Charges	5	5	-	-	1	-
Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name)	Final Dividend paid	169	-	-	-	-	-
Ms. Hanwantbir Kaur Sahney	Providing accommodation in Company owned flats(*)	1	1	-	-	0	-
Ms. Harshbeena Zaveri	Sale of investments (refer note (v) below)	121	-	121	-	-	-
	Remuneration and commission	698	478	-	-	70	29
	Dividend paid	57	-	-	-	-	-
	Sitting fee	9	4	-	-	2	1
Mr. S. C. Rangani	Remuneration	142	109	-	-	-	-
	Commission, sitting fees	3	2	-	-	2	1
	Dividend paid (*)	0	-	-	-	-	-
Mr. D. S. Sahney	Commission, sitting fees	2	7	-	-	-	5
	Dividend paid	4	-	-	-	-	-
Mr. Kishore Ochani	Remuneration	305	334	-	-	-	-
Mr. A S Kohli	Remuneration	29	24	-	-	-	-
	Commission, sitting fees	3	2	-	-	2	1
	Dividend Paid (*)	0	-	-	-	-	-
	Advance for expenses	-	-	-	3	-	-
Other KMPs (Directors)	Sitting fees and commission to non-executive directors	63	31	-	-	35	31
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 provident fund trust - Employer's Contribution	23	7	-	-	10	4
	Contribution to provident fund trust - Employee's Contribution	7	7	-	-	1	1
	Contribution to gratuity fund trust	-	180	-	-	-	-

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

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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.
- (iii) The Board of Directors of the Holding 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 year, a wholly owned subsidiary, "NRB Holdings Limited", is incorporated in which the Holding Company has 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 Holding 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) has 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, which 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. The amount receivable from the KMPs and the amounts payable by NRB Holdings Limited to FMLL was collected / discharged during the month of May 2022.

(iii) Key managerial personnel compensation

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Short term employee benefits	1,152	923
Post-employment benefits	23	22
Total compensation (*)	1,175	945

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

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	31 March 2022	31 March 2021
Property, plant and equipment (specific assets)	8,929	5,733
Current asset	63,465	53,207

51 Contingent liabilities, capital and other commitments

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Claim against the Group not acknowledge as debt		
Income Tax	2,953	2,603
Sales Tax, value added tax and local body tax	326	253
MSME Interest	-	105

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 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 determinable	Amount not determinable
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Claim against the Indian subsidiary not acknowledge as debt

The Indian subsidiary had received an Order dated 6 September 2004 from the Employees Provident Fund Organisation raising a demand of ₹ 161 lakhs including interest of ₹ 47 lakhs for default in making payment of Employees Provident Fund and allied dues for the period April, 1986 to February, 2003. The subsidiary had been making contributions to the 'SNL Officers Provident Fund Trust' and 'SNL Employee's Provident Fund Trust', being Trusts formed by the subsidiary in earlier years; these Trusts have net assets of ₹ 166 lakhs and ₹ 76 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.

Note:

- 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.
- The above disclosure has been made on the basis of information available with the Group.
- 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.
- 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.

Commitments

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,189	2,695

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 ₹ 630 (P.Y. ₹ 568) lakhs is recognized as expense and included in "Note No. 36 - Employee Benefits Expenses" (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
i) Employer's contribution to provident fund	338	283
ii) Employer's contribution to family pension fund	226	209
iii) Employer's contribution to superannuation fund	66	76
Total	630	568

(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:-

i Actuarial assumptions

Particulars	31 March 2022	31 March 2021
Expected return on plan assets	6.49% - 6.80%	6.49% - 6.80%
Discount rate (per annum)	6.70% - 7.23%	6.49% - 6.80%
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 (2006-08)
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.

ii Changes in the present value of defined benefit obligation

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	3,755	3,617
Interest cost	250	243
Current service cost	183	184
Actuarial (gain) /loss	(32)	3
Benefits paid	(443)	(292)
Present value of obligation at the end of the year	3,713	3,755

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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

Particulars	31 March 2022	31 March 2021
Fair value of plan assets at beginning of the year	3,643	3,076
Interest income	242	207
Contributions	2	181
Benefits paid	(443)	(292)
Return on plan assets, excluding amount recognised in net interest expense	56	471
Fair value of plan assets at the end of the year	3,500	3,643

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

Particulars	31 March 2022	31 March 2021
Present value of the defined benefit obligation at the end of the year	3,713	3,755
Less: Fair value of plan assets at the end of the year	(3,500)	(3,643)
Net liability recognised	213	112
Recognised under provisions / (assets)		
Current assets	(19)	(14)
Current provisions (*)	232	126

v Expenses recognised in the consolidated statement of profit and loss (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Current Service Cost	183	184
Net interest (income)/ expense	8	36
Net gratuity cost recognised in the current year	191	220

vi Expenses recognised in the consolidated statement of other comprehensive income (OCI) (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Actuarial (gains) / losses	(32)	3
Return (differential) on plan assets, excluding interest income	(56)	(471)
Net (Income)/Expense for the year recognized in OCI (Refer note 42)	(88)	(468)

vii Reconciliation of net asset / (liability) recognised: (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Net asset / (liabilities) recognised at the beginning of the period	(112)	(540)
Company contributions	2	181
Gain / (loss) recognised in OCI	88	468
Expenses recognised in the consolidated statement of profit and loss	(191)	(220)
Net asset / (liabilities) recognised at the end of the year	(213)	(111)

viii Categories of Assets (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Insurance fund	100%	100%
Total	100%	100%

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

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 2022	As at 31 March 2021
Delta Effect of +1% Change in Rate of Discounting	437	59
Delta Effect of -1% Change in Rate of Discounting	(483)	(57)
Delta Effect of +1% Change in Rate of Salary Increase	481	494
Delta Effect of -1% Change in Rate of Salary Increase	(438)	(448)
Delta Effect of +1% Change in Rate of Employee Turnover	259	257
Delta Effect of -1% Change in Rate of Employee Turnover	(263)	(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 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.

x **Maturity Profile of Defined Benefit Obligation:**

(₹ in lakhs)

Weighted average duration (based on discounted cash flows)	31 March 2022	31 March 2021
Weighted average duration (based on discounted cash flows)	4 years	4 years

Maturity analysis of the benefit payments: From the fund:

Projected benefits payable in future years from the date of reporting:

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
1 year	499	445
2 to 5 years	1,816	1,835
6 to 10 years	1,425	1,478
More than 10 years	2,541	2,421

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:-

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

i Actuarial assumptions

Particulars	31 March 2022	31 March 2021
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Discount rate (per annum)	6.44%	5.69%
Interest rate guarantee (per annum)	8.10%	8.50%
Average Historic Yield on the Investment (per annum)	8.60%	8.44%
Attrition rate based on ages :		
Upto 30 years	3%	3%
31 to 40 years	2%	2%
Above 40 years	1%	1%

ii Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2022	31 March 2021
Funds managed by insurer	100%	100%

iii Assets and liabilities relating to defined benefit provident fund (₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Present value of the defined benefit obligation at the end of the year	216	231
Less: Fair value of plan assets at the end of the year	(217)	(231)
Net (asset) / liabilities recognised by the Trust	(1)	-

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	31 March 2022	31 March 2021
Government of India securities	7%	6%
State Government securities	26%	23%
High quality corporate bonds	12%	23%
Equity shares of listed companies	10%	9%
Special deposit Scheme	34%	30%
Funds managed by Insurer	3%	1%
Bank balance and others	8%	8%
Total	100%	100%

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 balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Change in Discount Rate by - / + 1%	216	216	231	230
Change in Interest Rate guarantee by - / + 1%	213	213	226	236

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.

(c) Other long term benefits:

Compensated absences recognized in the consolidated statement of profit and loss for the current year, under the employee cost in Note 36 - Employee benefits expense, is ₹ 166 lakhs (31 March 2021: ₹ 144 lakhs) Liability towards provision for compensated absences amounted to ₹ 1,058 lakhs as at 31 March 2022 (31 March 2021 ₹ 1,039 lakhs)

Note - The liability of ₹ 1,058 lakhs (31 March 2021 - ₹ 1,039 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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1) Segment revenue		
- Within India	67,571	56,878
- Outside India	26,850	19,362
2) Carrying amount of segment Non current assets		
- Within India	37,948	38,579
- Outside India	6,026	3,864

None of the customer contribute materially to the revenue of the Group.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

54 Ind AS 116- Leases

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 ₹ 265 lakhs (31 March 2021 - ₹ 231 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 lessee are presented below -

(i) Right-of-use assets (ROU)

(Included in Property, plant and equipment)

(₹ in lakhs)

Particulars	Lease hold land	Land and building	Vehicles	Total
Gross carrying value				
As at 1 April 2020	5	251	11	267
Additions	-	20	4	24
Disposals	-	(23)	(7)	(30)
Balance at 31 March 2021	5	248	8	261
Additions	-	955	-	955
Disposals	-	(205)	(3)	(208)
Balance at 31 March 2022	5	998	5	1,008
Accumulated depreciation and impairment				
As at 1 April 2020(*)	0	116	5	121
Charge for the year (*)	0	109	5	114
Disposal/adjustment	-	(23)	(7)	(30)
Balance at 31 March 2021(*)	0	202	3	205
Charge for the year (*)	0	173	3	176
Disposal/adjustment	-	(205)	(3)	(208)
Balance at 31 March 2022(*)	0	170	3	173
Net carrying value				
Balance as at 31 March 2021	5	46	5	56
Balance as at 31 March 2022	5	828	2	835

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

(ii) Amount recognised in profit and loss for the year ended 31 March 2022

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Interest cost on lease liabilities	68	13
Depreciation on right of use assets	176	114
Rental expense recorded for short-term lease payments and payments for lease for low-value assets not included in the measurement of the lease liability (refer note (i) below and refer note 39)	265	231

(a) Breakdown of rent

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Short-term lease expense	124	92
Low value lease expense	141	139
Total lease expense	265	231

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(iii) Cash outflow from leases

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash payments for the principal and interest portion of the lease liability within financing activities	210	164
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	265	231

(iv) Lease liabilities

(₹ in lakhs)

Particulars	Amount
Balance as at 31 March 2020	195
Add: Movement during the year	24
Add; Interest cost accrues during the year	13
Less; Payment of lease liabilities	(164)
Balance as at 31 March 2021	68
Add: Movement during the year	911
Add; Interest cost accrues during the year	68
Less; Payment of lease liabilities	(210)
Balance as at 31 March 2022	837

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current	677	25
Current	160	43
Total	837	68

(v) Maturity analysis of discounted lease liabilities

Maturity analytics - Contractual discounted cash flow

(₹ in lakhs)

As at 31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Land and buildings	158	169	502	6
Vehicles	2	-	-	-
Total	160	169	502	6

(₹ in lakhs)

As at 31 March 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Land and buildings	39	10	7	7
Vehicles	4	1	-	-
Total	43	11	7	7

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Maturity analysis of undiscounted lease liabilities

(₹ in lakhs)

As at 31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Land and buildings	236	229	560	40
Vehicles	2	-	-	-
Total	238	229	560	40

(₹ in lakhs)

As at 31 March 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities				
Land and buildings	40	12	13	41
Vehicles	4	2	-	-
Total	44	14	13	41

55 COVID-19 impact

The spread of the COVID-19 pandemic and consequent lockdown imposed by the Government of India had temporarily impacted the business of the group. The group has considered the possible effects that may result from the pandemic relating to COVID-19 and had taken into consideration internal and certain external sources for estimating the impact on the carrying values of its property, plant and equipment, investments, inventories and receivables and carried out a detailed assessment of its liquidity position for the next one year including the recoverability of carrying value of its assets, and expects to recover the carrying amount of its assets. The estimate involved in deriving the conclusion on the impact of global health pandemic might vary from the date of approval of these consolidated financial results. The group does not foresee any risk on account of any uncertainties arising out of the pandemic and will continue to closely monitor any material changes due to economic conditions which may have an impact on the operations of the group.

56 For Disclosures mandated by Schedule III to Companies Act 2013, by way of additional information, refer below:

(₹ in lakhs)

2021-2022								
Name of Entity	Net Assets (Total Assets - Total Liabilities)		Share in 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
Parent company								
NRB Bearings Limited	57,713	95.92%	7,014	92.77%	230	93.12%	7,244	92.78%
Indian Subsidiary Company								
SNL Bearings Limited	3,549	5.90%	649	8.58%	8	3.24%	657	8.42%
Foreign Subsidiary Companies								
NRB Bearings (Thailand) Limited	1,455	2.42%	551	7.28%	-	0.00%	551	7.05%
NRB Bearings Holdings Ltd.	2,431	4.04%	(202)	-2.67%	-	0.00%	(202)	-2.58%

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

2021-2022								
Name of Entity	Net Assets (Total Assets - Total Liabilities)		Share in 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
Foreign Step Down Subsidiary Companies (refer note 47)								
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%
	66,624		8,275		241		8,516	
Less: Elimination	(6,456)	-10.73%	(714)	(9.45)	6	2.43%	(708)	(9.07)
	60,168	100.00%	7,561	100.00%	247	100.00%	7,808	100.00%

(₹ in lakhs)

2020-2021								
Name of Entity	Net Assets (Total Assets - Total Liabilities)		Share in 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
Parent company								
NRB Bearings Limited	50,954	96.34%	4,373	78.51%	684	100.88%	5,057	80.94%
Indian Subsidiary Company								
SNL Bearings Limited	3,012	5.70%	455	8.17%	6	0.88%	461	7.38%
Foreign Subsidiary Companies								
NRB Bearings (Thailand) Limited	1,050	1.99%	392	7.04%	(17)	-2.51%	375	6.00%
NRB Bearings Europe GmbH	85	0.16%	16	0.29%	2	0.29%	18	0.29%
NRB Bearings USA Inc.	51	0.10%	22	0.39%	1	0.15%	23	0.37%
Minority interest in subsidiary	1,116	2.11%	164	2.94%	2	0.29%	166	2.66%
	56,268		5,422		678		6,100	
Less: Elimination	(3,380)	-6.39%	148	2.66%	-	0.00%	148	2.37%
	52,888	100.00%	5,570	100.00%	678	100.00%	6,248	100.00%

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022**57 Disclosure for struck off companies**

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck off under section 248 of the Companies Act, 2013.

For the year ended 31 March 2022

Name of stuck off company	Nature of transactions	Transaction 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 P.vtd	Payable	1	-	None

For the year ended 31 March 2021

Name of stuck off company	Nature of transactions	Transaction during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
NA	NA	-	-	-

58 Other Regulatory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency.
- (iii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (iv) The Group has not made any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Group has not been declared a wilful defaulter by any bank.
- (vi) The Group has sanctioned borrowings / facilities from bank on the basis security of current assets. The quarterly returns or statements of current assets filed by the Group with 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 2022 and 31 March 2021.
- (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 Holding Company ('Ultimate Beneficiaries') or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

59 Voluntary Retirement Scheme (VRS)

Pursuant to the Board Meeting held on 22 January 2022, The Parent Company has paid Voluntary Retirement Scheme (VRS) amounting to Rs. 64 lakhs to the workmen at the Thane plant in accordance with VRS Scheme approved by the Board of Directors of the Parent Company.

Significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

60 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 at the year end.

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net profit after tax for the year attributable to owners (₹ in lakhs)	7,327	5,406
Weighted average number of equity shares outstanding during the year	96,922,600	96,922,600
Basic and diluted earnings per share (₹)	7.56	5.58
Face value per share (₹)	2.00	2.00

Note:

The Group does not have any outstanding dilutive potential equity shares as at 31 March 2022 and 31 March 2021. Consequently, basic and diluted earnings per share of the Company remain the same.

61 Previous year figures

Previous year figures have been regrouped or rearranged, wherever considered necessary to make them comparable with those of the current year.

This is the summary of significant accounting policies and other explanatory information referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

Adi P. Sethna

Partner

Place : Mumbai

Date : 30 May 2022

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

Ravi Teltia

Chief Financial Officer

Shruti Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2022

FINANCIAL HIGHLIGHTS

Rs. in lakhs

Year Ended	31.03.18	31.03.19	31.03.20	31.03.21	31.03.22
Sales (Net)					
Domestic	64,990	72,701	58,473	53,646	63,483
Exports	16,957	19,889	15,757	18,410	25,455
Sales Total	81,947	92,590	74,230	72,056	88,938
Operating Profit	15,096	16,523	7,258	8,730	13,006
Profit Before Tax	12,031	14,268	4,163	5,211	9,302
Tax (Net)	3,840	4,391	1,218	838	2,288
Profit After Tax	8,191	9,877	2,945	4,373	7,014
Total Comprehensive Income	8,315	9,741	2,466	5,057	7,244
Retained Earnings	6,682	8,366	-1,462	5,057	6,568
Dividend	1,357	1,163	3,295	-	485
Tax on dividend	276	212	633	-	-
Earnings per share (FV Rs.2)	8.45	10.19	3.04	4.51	7.24
Dividend %	70	130	40	-	25
Shareholders' Funds	39,035	47,400	45,897	50,954	57,713
Funds Employed	59,399	73,276	79,046	73,774	84,741
Fixed Assets (Gross)	60,178	68,849	74,664	76,922	78,043
Fixed Assets (Net)	23,602	28,506	32,099	31,326	31,022
Fixed Asset Turnover (times)	3	3	2	2	3
Net Current Assets	17,229	14,122	14,110	21,619	24,016
Working Capital Turnover (times)	5	7	5	3	4
Shareholder Nos	22,141	25,264	23,343	45,403	48,181
Employee Nos	1,557	1,557	1,467	1,436	1,359

Fixed Asset Turnover - Net sales/Net Fixed Assets at year end

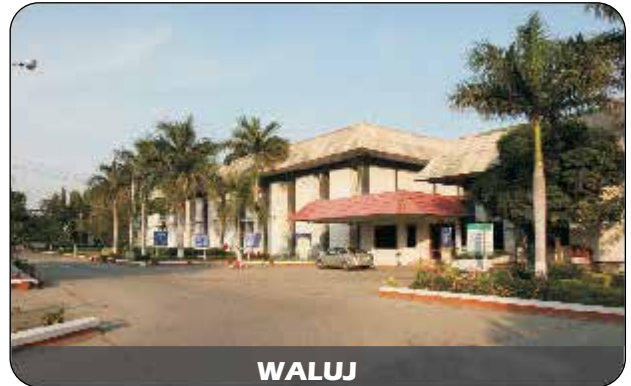
Working capital Turnover - Net sales/Net current assets as at year end

Final Dividend not provided as per INDAS, resulting in Retained Earnings, Dividend amount & %, Tax on dividend not being comparable.

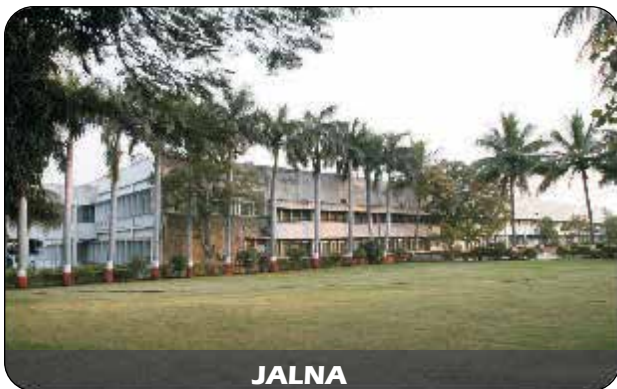
NRB PLANTS



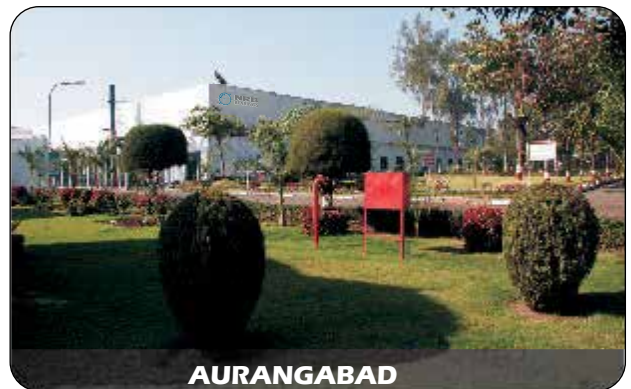
THANE



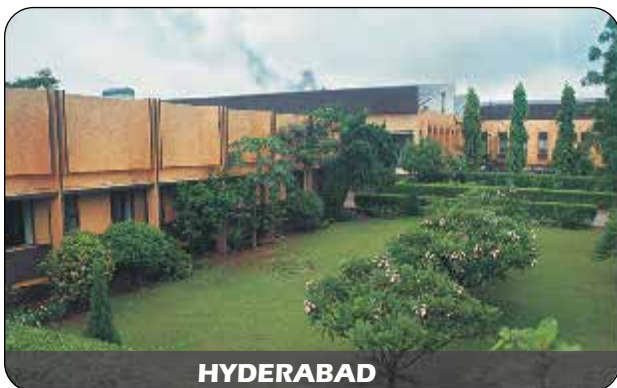
WALUJ



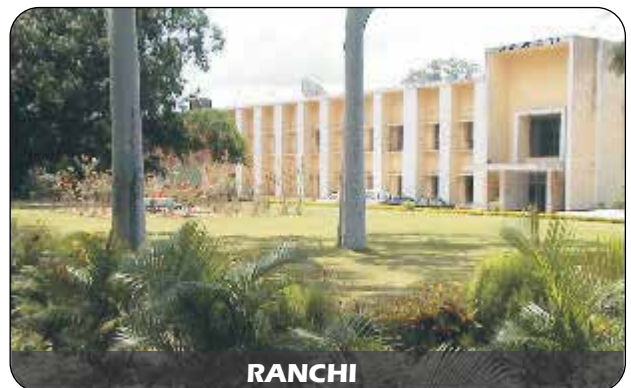
JALNA



AURANGABAD



HYDERABAD



RANCHI



THAILAND



PANTNAGAR