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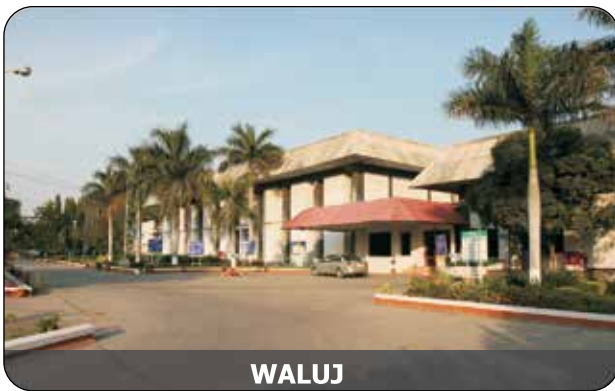
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60<sup>TH</sup>  
**ANNUAL  
REPORT**  
2024-2025

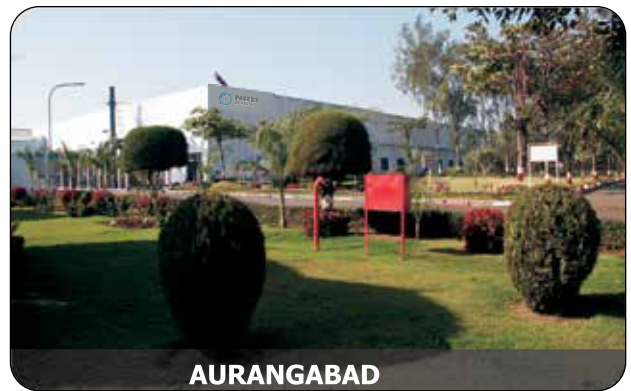
# NRB PLANTS



**THAILAND**



**WALUJ**



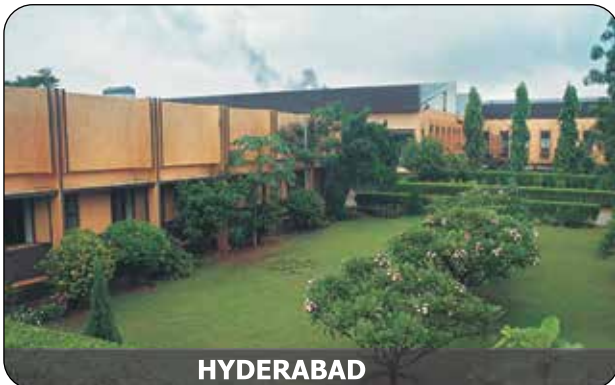
**AURANGABAD**



**JALNA**



**RANCHI**



**HYDERABAD**



**PANTNAGAR**

**NRB BEARINGS LIMITED,**

Dhannur, 15, Sir P. M. Road, Fort, Mumbai - 400 001, Maharashtra, INDIA

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

## Corporate Information

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board of Directors</b>                       | : Ashank Desai - Chairman & Independent Director (DIN:00017767)<br>Harshbeena Zaveri - Vice Chairman & Managing Director (DIN: 00003948)<br>Satish Rangani, Non-Executive Non-Independent Director (DIN: 00209069)<br>Rustom Desai, Independent Director (DIN: 02448175)<br>Jayavardhan Dhar Diwan, Independent Director (DIN: 01565319)<br>(appointed w.e.f. May 27, 2024)<br>Bapsy Dastur, Independent Director (DIN: 09623277)<br>(appointed w.e.f. May 27, 2024)<br>Tashwinder Singh, Independent Director<br>(ceased to be director w.e.f. August 10, 2024) (DIN: 06572282)<br>{appointed as an additional director (Non-executive & Non-independent)<br>w.e.f. August 09, 2025}<br>Vishakha R.M. , Independent Director<br>(ceased to be director w.e.f. August 1, 2024) (DIN: 07108012) |
| <b>Chief Financial Officer</b>                  | : Raman Malhotra                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Company Secretary and Compliance Officer</b> | : Shruti Joshi (upto March 25, 2025)<br>Kishor Talreja (from April 25, 2025)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Bankers</b>                                  | : Hongkong and Shanghai Banking Corporation Limited, Citibank N.A.<br>HDFC Bank Limited, DBS Bank India Limited,<br>Kotak Mahindra Bank Limited, ICICI Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Auditors</b>                                 | : Walker Chandiok & Co LLP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Solicitors</b>                               | : AZB & Partners                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Registered Office</b>                        | : Dhannur, 15, Sir P. M. Road, Fort, Mumbai - 400 001<br><b>CIN: L29130MH1965PLC013251</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Works</b>                                    | : E-40, M.I.D.C. Industrial Area, Chikalthana, Aurangabad - 431 010<br><br>C-6, Additional M.I.D.C. Industrial Area, Jalna, 431 203<br><br>E-72, (I) & (II) M.I.D.C., Waluj, Aurangabad, 431 133<br><br>A-5, Uppal Industrial Estate, Hyderabad, 500 039<br><br>Plot No. 33, Sector - II, SIDCUL IIE Pantnagar,<br>Udhamsingh Nagar, Uttarakhand 263 153                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Engineering Centre</b>                       | : Rupa Renaissance, Plot no.D-33, Unit No. 2601, 1 & 2,<br>Turbe MIDC Road, TTC Industrial Area, Turbe, Navi Mumbai - 400705                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Website</b>                                  | : <a href="http://www.nrbbearings.com">www.nrbbearings.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>E-mail</b>                                   | : <a href="mailto:investorcare@nrb.co.in">investorcare@nrb.co.in</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Registrar &amp; Share Transfer Agent</b>     | : MUFG Intime India Private Limited (Formerly known as<br>Link Intime India Private Limited)<br>Unit: NRB Bearings Limited<br>C 101, 1st Floor, Embassy 247, L.B.S. Marg, Vikhroli (West),<br>Mumbai - 400083<br>Tel Nos: (+91) 810 811 6767 /8484, Fax: 022 6656 8494<br>Email: <a href="mailto:rnt.helpdesk@in.mpms.mufg.com">rnt.helpdesk@in.mpms.mufg.com</a><br>Website : <a href="https://in.mpms.mufg.com/">https://in.mpms.mufg.com/</a>                                                                                                                                                                                                                                                                                                                                               |

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## **NOTICE FOR ANNUAL GENERAL MEETING**

The Members,

### **NRB BEARINGS LIMITED**

NOTICE is hereby given that the 60th Annual General Meeting of the Members of NRB Bearings Limited will be held on Thursday, September 11, 2025 at 3.00 p.m. (IST) through 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 Standalone Financial Statements of the Company for the financial year ended March 31, 2025 and the Audited Consolidated Financial Statements for the financial year ended March 31, 2025, together with the reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend on equity shares for the Financial Year ended March 31, 2025 and to confirm the payment of interim dividend for the Financial Year 2024-25.
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 ratify remuneration of the Cost Auditor**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification or re-enactment thereof for the time being in force (hereinafter referred to as "the Act"), the remuneration of Rs. 1,30,000/- (Rupees One Lakh thirty Thousand only) plus applicable taxes and out of pocket expenses payable to M/s R. Nanabhoy and Co., Cost Accountants (Firm Registration No. 7464) duly approved by the Board of Directors upon recommendation of the Audit Committee as Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2026, be and is hereby ratified and confirmed."

#### **5. To appoint M/s. Upendra Shukla & Associates, as Secretarial Auditor.**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded, to appoint M/s. Upendra Shukla & Associates, practicing Company Secretaries (FRN: S2024MH963100), as Secretarial Auditors of the Company to conduct secretarial audit for the first term of five consecutive years commencing from FY 2025-26 till FY 2029-30 on such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board to avail or obtain from the Secretarial Auditors, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws, at a remuneration to be determined by the Audit committee/ Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

#### **6. To approve re-appointment of Ms. Harshbeena Zaveri (DIN 00003948) as Managing Director of the Company for a period of 5 (five) years with effect from October 1, 2025**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable rules framed under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("**the Act**") and the Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**") and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company and subject to the approval of Central Government and all other approvals, permissions and sanctions as may be necessary, approval of the Members of the Company be and is hereby accorded for the re-appointment of Ms. Harshbeena Zaveri (DIN 00003948) as Managing Director of the Company for a period of 5 (five) years with effect from October 1, 2025 on the terms and conditions contained in the agreement dated August 07, 2025 entered into between the Company and Ms. Harshbeena Zaveri (which agreement is also hereby approved and ratified) which includes, inter-alia, the terms and conditions set out below, with liberty to the Board of Directors ("**Board**", which expression shall include any Committee of the Directors) to alter and vary the terms and conditions of the said re-appointment as it may deem fit.

A. Ms. Harshbeena Zaveri, as the Managing Director shall carry out duties as may be entrusted to her by the Board of Directors subject to the supervision and control of the Board of Directors.

**B. Basic Salary and Allowances together:**

Up to Rs. 6,69,24,120/- per annum payable as per the rules of the Company for FY 2025-26. Thereafter, annual increments (on the basic salary and allowances for the previous financial year) effective 1st April each year will be decided by the Nomination and Remuneration Committee and Board, taking into account the Company's performance and rules of the Company, not exceeding 11% per annum.

**C. Perquisites:**

In addition to the basic salary the perquisites noted below will also be payable, if applicable;

Housing:

- Rent free unfurnished accommodation to be provided upon request of Managing Director, either owned or rented by the Company, charged subject to a ceiling of 60% of the monthly basic salary.
- In case no accommodation is provided by the Company house rent allowance subject to a ceiling of 60% of the monthly basic salary will be paid

The Company will provide gas, electricity, water and furnishings for the Managing Director's accommodation which shall be valued as per the Income Tax rules 1962.

Leave travel assistance: For self and family every year in accordance with Company policy.

Club Fees: Reimbursement of membership fees for clubs.

Reimbursement of Medical Expenses: Reimbursement of all medical expenses for self, spouse and dependent children/parents.

Medical/Accident Insurance: As per rules of the Company

Personal Accident Insurance: As per rules of the Company

Provision of car with driver and telephone(s) at residence will not be considered as perquisites

- D. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income-Tax Act. Gratuity payable will not exceed half a month's salary for each completed year of service.
- E. Any other perquisites as per applicable Company rules and/or which may become applicable in the future and/or any other perquisites as the Nomination and Remuneration Committee and Board may decide from time to time.

Annual increments under each of the head of remuneration effective 1st April each year and inter-changeability amongst the heads of remuneration, will be decided by the Nomination and Remuneration Committee and Board, taking into account the Company's performance and rules of the Company.

**F. Commission:**

Such remuneration by way of commission at the rate of 1.5% of the net profits for each financial year not exceeding of Rs. 1,75,00,000/- per annum for each financial year.

**RESOLVED FURTHER THAT** approval of the Members of the Company be and is hereby accorded for payment of remuneration approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for any financial year during the tenure of her office (i) notwithstanding inadequacy of profits or loss in the relevant financial year; or (ii) even if the above payment or aggregate managerial remuneration of Executive Directors or aggregate managerial remuneration of all directors exceeds the limits as specified in Section 197 of the Act and/or other applicable provisions under the Act.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately preceding financial year as the minimum remuneration for such financial year.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/or revise the remuneration of Ms. Harshbeena Zaveri as Managing Director of the Company within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Board of Directors to give effect to this resolution.

**RESOLVED FURTHER THAT** based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to Regulation 17(6)(e) of the SEBI LODR, Ms. Harshbeena Zaveri shall be entitled to receive the aforesaid remuneration notwithstanding that the annual remuneration payable to Ms. Harshbeena Zaveri may exceed Rs.5,00,00,000/- (Rupees Five Crores only) or 2.5 per cent of the net profits of the Company, whichever is higher, in any financial year during her tenure.

**RESOLVED FURTHER THAT** pursuant to Section 196 and other applicable provisions, if any, of the Act, approval of the Members be and is hereby accorded to the continuation of Ms. Harshbeena Zaveri (DIN 00003948) as the Managing Director of the Company, after attaining the age of 70 years.

**RESOLVED FURTHER THAT** Ms. Harshbeena Zaveri shall not be liable to retire by rotation and the approval of the Members to the appointment of Ms. Harshbeena Zaveri in terms of this resolution shall be deemed to be their approval in terms of Regulation 17(1D) of the SEBI LODR for her continuation as a director not liable to retire by rotation for 5 (five) years upto September 30, 2030.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board of Directors of the Company, the Chief Financial Officer of the Company and the Company Secretary of the Company, be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, expedient, proper or desirable, including filing of necessary forms and application(s) with Central Government or any other government or regulatory authority and to settle all questions, difficulties or doubts that may arise in this regard at any stage, without requiring the Board of Directors to obtain any further consent or approval of the Members of the Company, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**7. To increase the Authorized Share Capital of the Company and make consequent alteration in Clause V of the Memorandum of Association**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 13, 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), rules made thereunder, applicable provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Articles of Association of the Company and provisions of any other applicable laws, or any amendment or modifications or any re-enactment thereof, approval of the Members of the company be and is hereby accorded for increasing the authorised share capital of the Company from Rs 20,00,00,000 ( Rupees Twenty Crore Only) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs. 2 (Rupees Two only) each to Rs. 40,00,00,000 (Rupees Forty crore only) divided into 20,00,00,000 (Twenty crore) Equity Shares of Rs. 2 (Rupees Two only) each.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 13, 61(1)(a) and other applicable provisions, if any, of the Act read with the relevant rules framed thereunder, including any amendments, modifications, variations or re-enactments thereof from time to time and subject to such approvals as may be necessary, the existing Clause V of the Memorandum of Association of the Company relating to the Authorized Share Capital be substituted with the following clause:

The Authorised Share Capital of the Company is Rs.40,00,00,000 (Rupees Forty Crores only) divided into 20,00,00,000 (Twenty Crores only) Equity Shares of Rs.2/- (Rupees Two only) each with the rights, privileges and conditions attaching thereto as are provided in the Articles of Association of the company with power to increase or reduce or repay the capital or any portion thereof at any time and from time to time in accordance with the Articles of the Company and the legislative provisions for the time being in that behalf. The shares in the Capital of the Company for the time being whether original or increased may be divided, consolidated and sub-divided into several classes by any issue of any class, of any value, with such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and with the right to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time be provided by the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company."

**8. To approve appointment of Mr. Tashwinder Singh (DIN: 06572282) as a Non-Executive and Non-Independent Director of the Company with effect from August 09, 2025**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] and the Articles of Association of the Company and based on the approval & recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Mr. Tashwinder Singh (DIN 06572282) who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Act, in the capacity of Non-Executive Non-Independent Director of the Company, liable to retire by rotation, for a period of 3 years, with effect from August 09, 2025 and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation for a period of 3 years, with effect from August 09, 2025."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board (including its committees) be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company."

By order of the Board of Directors  
**For NRB Bearings Limited**

**Kishor Talreja**

Company Secretary & Compliance Officer  
Membership No. F7064

Place: Mumbai  
Date : August 09, 2025

**NRB Bearings Limited**

Registered office: Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400001

CIN: L29130MH1965PLC013251

Tel: 022-22664160, Email: investorcare@nrb.co.in, Website: www.nrbbearings.com

## Notes

1. In compliance with the provisions of the Companies Act, 2013 ("**Act**") read with rules/circulars thereunder and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") read with circulars thereunder, the Annual General Meeting ("**Meeting**") of the Company is being held through Video Conferencing ("**VC**") facility, without the physical presence of the shareholders at a common venue. The registered office of the Company shall be deemed to be the place of the Meeting for the purpose of recording of the minutes of the proceedings of the Meeting.
2. In compliance with provisions of the Act read with rules/circulars thereunder and the provisions of SEBI Listing Regulations read with circulars issued thereunder, the Company is providing to the shareholders the facility to exercise their right to vote at the Meeting by electronic means, i.e. remote e-voting and e-voting during the Meeting (**together referred to as "e-voting"**).
3. The attendance of the shareholders attending the Meeting through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. **Since this Meeting is being held through VC pursuant to the circulars issued by the Ministry of Corporate Affairs ("MCA"), physical attendance of shareholders has been dispensed with. Accordingly, the facility for the appointment of proxies by the shareholders will not be available for the Meeting. Further, the Route Map of Meeting, Proxy Form and Attendance Slip are not annexed hereto. However, Body Corporates / Institutional shareholders are entitled to appoint authorised representatives to attend the Meeting through VC and cast their votes by electronic means.**
5. In compliance with the MCA circulars and SEBI circulars, the Notice of the Meeting along with the Annual Report for FY 2024-25 is being sent, through electronic mode, to those equity shareholders (as on **Friday, August 08, 2025**) whose e-mail addresses are registered with the Registrar and Transfer Agent / Depositories. For shareholders who have not registered their email addresses with the Company / RTA / Depository Participant, a letter containing the weblink, exact navigation path and other details to access the full Annual Report is being sent. The Shareholders whose email is not registered with the RTA, may register the same by Clicking on link: [https://web.in.mprms.mufig.com/EmailReg/Email\\_Register.html](https://web.in.mprms.mufig.com/EmailReg/Email_Register.html). The shareholders may note that the Notice and Annual Report for FY 2024-25 will also be made available on the Company's website [www.nrbbearings.com](http://www.nrbbearings.com), websites of the Stock Exchanges, that is, BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The Notice of the Meeting will also be made available on the website of Central Depository Services (India) Limited ("CDSL") at [www.evotingindia.com](http://www.evotingindia.com), being the agency appointed by the Company for providing VC facility and e-voting facility for the Meeting. Any shareholder desirous of receiving the hard copy of the same may send a request to the Company at [60thagm@nrb.co.in](mailto:60thagm@nrb.co.in).
6. 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.
7. The relevant details with respect to the Director retiring by rotation / seeking appointment / re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") are given in the **Annexure A, B & C** to the Notice.
8. The Board of Directors in their meeting held on October 04, 2024 had declared Interim Dividend of Rs. 2.50 per equity share (face value of Rs. 2 each) i.e. 125% of paid up share capital for FY 2024-25 which was paid during that Financial Year. The Board of Directors in their meeting held on May 14, 2025 had recommended Final Dividend of Rs. 4.30 per equity share (face value of Rs. 2 each) i.e. 215% on the paid up equity share capital for the FY 2024-25 for declaration by the members.
  1. The Register of Members of the Company and Transfer Books thereof will be closed from Friday, September 05, 2025 to Thursday, September 11, 2025 (both days inclusive).
  2. The dividend after declaration, will be paid to those Members whose names appear in the Register of Members of the Company on Thursday, September 04, 2025 (Record Date) and to the Members holding shares in demat form whose names appear in the Register of Members beneficiary position with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Thursday, September 04, 2025. (Record Date)

3. Pursuant to the Income-tax Act, 1961, as amended, dividend income is taxable in the hands of the Members 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, 2025 has been sent separately to the Members.
9. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and other documents will be made available for inspection electronically by the shareholders. Shareholders seeking to inspect such documents can send an email to 60thagm@nrb.co.in.
10. M/s. Upendra Shukla & Associates, practicing Company Secretaries (FRN: S2024MH963100) shall act as Scrutiniser to scrutinize the e-voting process in a fair and transparent manner.
11. The Scrutiniser, after the conclusion of e-voting at the Meeting, will scrutinize the votes cast at the Meeting and votes cast through remote e-voting and make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). The result along with the consolidated Scrutiniser's Report will simultaneously be communicated to the Stock Exchanges and displayed at the Registered Office of the Company.
12. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Thursday, September 11, 2025.
13. The details of unpaid/unclaimed dividends are uploaded on the website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com). The shareholders are requested to note that the dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, along with the underlying shares, will be transferred to the Investor Education and Protection Fund (IEPF). The shareholders whose shares/dividend amounts are lying in IEPF can claim the same from the IEPF Authority by making an application in Form IEPF-5 online on the website <https://www.iepf.gov.in> and by complying with the requisite procedure. To know in detail about the procedure for claiming such dividend/shares, please contact the Company's RTA at [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com) or write a letter to RTA, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Unit: NRB Bearings Limited at C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
14. In terms of SEBI Listing Regulations, transfer of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, has also mandated that listed companies shall, while processing investor service requests pertaining to issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/ exchange of share certificate, endorsement, sub-division / splitting / consolidation of share certificates, transmission, transposition, etc. issue securities only in demat mode. In view of this as also to eliminate all risks associated with physical shares and to get inherent benefits of dematerialization, shareholders holding shares in physical form are advised to avail of the facility of dematerialization
15. The shareholders holding shares in physical mode are requested to register / update KYC details such as PAN (Aadhar linked), Nomination Details, Contact Details (address with PIN, mobile number and email address), Bank Account Details (bank name, branch name, account number and IFS code) and Specimen Signature with the Company's RTA, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Unit: NRB bearings Limited at C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. The relevant forms prescribed by SEBI for furnishing the above details are available on the Company's website at [www.nrbbearings.com](http://www.nrbbearings.com) as well as on RTA's website at <https://in.mpms.mufg.com/>. For any clarifications / queries with respect to the submission of abovementioned forms, the shareholders may contact the RTA at (022) 4918 6000 or by email on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
16. The shareholders holding shares in dematerialized mode, are requested to register / update KYC details such as PAN (Aadhar linked), Nomination Details, Contact Details (address with PIN, mobile number and email address), Bank Account Details (bank name, branch name, account number and IFS code) and Specimen Signature with the relevant Depository Participant (DP).
17. Pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSDPoD/P/CIR/2025/97 dated July 02, 2025, a special window has been opened for re-lodgement of transfer requests for physical shares that were originally lodged prior to April 01, 2019 and were rejected/returned/not attended to due to deficiencies. This window will remain open from July 07, 2025 to January 06, 2026. During this period, eligible shareholders may re-lodge such shares for transfer. Please note that such transfers will be processed only in dematerialized mode only. Shareholders are encouraged to take advantage of this opportunity and reach out to the Company's RTA for further assistance.

18. SEBI vide its Circular dated 31st July, 2023 issued guidelines for shareholders to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal.

Shareholders are requested to first take up their grievance, if any, with RTA of the Company at their email address at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com). Alternatively, the investor may also lodge their grievance/complaint/dispute with the Company at [investorcare@nrb.co.in](mailto:investorcare@nrb.co.in). If the grievance is not redressed satisfactorily, the shareholder may escalate the same through: i) SCORES Portal in accordance with the SCORES guidelines, and ii) if the shareholder is not satisfied with the outcome, dispute resolution can be initiated through the ODR Portal at <https://smartodr.in/login>. It may be noted that the dispute resolution through the ODR Portal can be initiated only if such grievance / complaint / dispute is not pending before any arbitral process, court, tribunal or consumer forum or if the same is non-arbitrable under Indian law. The shareholder can directly initiate dispute resolution through the ODR Portal without having to go through SCORES portal, if the grievance/complaint/dispute lodged with the RTA/Company was not satisfactorily resolved.

19. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Thursday, September 04, 2025 (cut-off date) shall be entitled to avail the facility of remote e-Voting before as well as during the AGM.

A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date should follow the same procedure of e-Voting as mentioned below.

20. **Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:**

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

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

- (i) The voting period begins on Monday, September 08, 2025 at 9:00 a.m. (IST) and ends on Wednesday, September 10, 2025 at 5:00 p.m. (IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 04, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders 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 09.12.2020, 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 shareholders, 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 shareholders.

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders                                          | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Members holding securities in Demat mode with CDSL | <ol style="list-style-type: none"><li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li><li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/Easi">https://web.cdslindia.com/myeasi/Registration/Easi</a> Registration</li><li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</li></ol> |

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Members holding securities in demat mode with NSDL Depository                          | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https:// eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https:// www.evoting.nsdl.com/</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911 |
| 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022- 4886 7000 and 022- 2499 7000                      |

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

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

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

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

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) 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.
- (iv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant **<NRB Bearings Limited>** on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.

- (xi) 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.

There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification

(xii) **Additional Facility for Non – Individual Members and Custodians –For remote voting only.**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- 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; [60thagm@nrb.co.in](mailto:60thagm@nrb.co.in) 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 [60thagm@nrb.co.in](mailto:60thagm@nrb.co.in) . The Members who do not wish to speak during the AGM but have queries may send their queries in advance atleast 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [60thagm@nrb.co.in](mailto:60thagm@nrb.co.in). These queries will be replied to by the company suitably by email.
8. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

10. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

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

1. For Physical Members- please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat Members- Please update your email id & 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](mailto: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](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 21 09911.

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

**Item No. 4:**

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such records are prepared and maintained by the Company. The cost records maintained by the Company in respect of its activities are required to be audited pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors, on the recommendation of the Audit Committee, have approved the appointment and remuneration of M/s R. Nanabhoy & Co., Cost Accountants as Cost Auditors to conduct the Audit of the cost records of the Company for the financial year 2025-26. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders of the Company.

Considering the scope of audit, time and resources to be deployed by the Cost Auditor, the proposed remuneration is fair and reasonable and would not in any way impair the independence and judgment of the Cost Auditor.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid matter.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Shareholders.

**Item No. 5:**

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, on the basis of recommendation of Board of Directors, a listed company is required to appoint or re-appoint an individual as Secretarial Auditor for not more than one term of five consecutive years; or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years,, with the approval of the shareholders in annual general meeting.

In view of the above, on the basis of recommendations of the Audit Committee, the Board of Directors at its meeting held on April 25, 2025 have appointed M/s. Upendra Shukla & Associates, practicing Company Secretaries (FRN: S2024MH963100) as Secretarial Auditor of the Company to conduct secretarial audit for a period of five consecutive years from FY 2025-26 to FY 2029-30. The appointment is subject to approval of the Members of the Company.

While recommending M/s. Upendra Shukla & Associates for appointment, the Audit Committee and the Board considered the past audit experience of the firm particularly in auditing large companies, valued various factors, including their capability to handle a diverse and complex business environment, existing experience in the various business segments, the clientele they serve, and technical expertise.

Pursuant to Regulation 36(5) of SEBI Listing Regulations as amended, the credentials and terms of appointment of M/s. Upendra Shukla & Associates, are as under:

**Profile:**

M/s. Upendra Shukla & Associates, (Firm Registration Number: S2024MH963100), a Secretarial Audit Firm, is a reputed firm of Company Secretaries. Specialization of the firm includes, but not limited to, Secretarial Audit, Corporate laws, Securities law including Corporate Governance, CSR, Capital markets, RBI, etc. Mr. Upendra Shukla, PCS, is having about 35 years' experience in this field. The firm is Peer reviewed and Quality reviewed in terms of the guidelines issued by the ICSI.

**Terms of appointment:**

M/s. Upendra Shukla & Associates, Practicing Company Secretary is proposed to be appointed for the first term of five consecutive years for conducting secretarial audit from FY 2025-26 to FY 2029-30.

The proposed fees payable to M/s. Upendra Shukla & Associates, is Rs.1,10,000 plus GST for the FY 2025-26. The Audit Committee/ Board is proposed to be authorised to revise the secretarial audit fee, from time to time.

The Board of Directors recommends passing of the said resolution, as set out in item 5 of this Notice.

None of the Directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise in the said resolution.

**Item No. 6:**

The tenure of Ms. Harshbeena Zaveri, (DIN 00003948) as Vice Chairman and Managing Director, is set to conclude on September 30, 2025. Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors ("Board") at its meeting held on August 07, 2025, approved the appointment of Ms. Zaveri as Managing Director designated as Vice Chairman & Managing Director for a period of 5 (five) years with effect from October 1, 2025 subject to approval by the members of the company.

Ms. Harshbeena Zaveri, (DIN: 00003948), age 65 years (Date of Birth: 01/03/1960), is a distinguished graduate of Wellesley College, having earned honors as a Scholar (Magna cum Laude) with honors. As on March 31, 2025, Ms. Zaveri holds 1,31,81,323 equity shares (13.60% of the equity share capital) in the Company. Trilochan Singh Sahney Trust 1, promoter shareholder holds 3,38,09,300 (34.88%) equity shares of the Company, wherein Ms. Harshbeena Zaveri is a trustee and beneficiary.

Ms. Zaveri, serves as the Chairman and Non-executive Director of SNL Bearings Limited and as Director on the board of NRB Holdings Limited, both subsidiaries of NRB Bearings Limited (NRB).

Ms. Zaveri has been in the position of Managing Director since 1 October, 2010 and played a pivotal role in the Company's growth, technological advancement and global expansion. Under her leadership NRB set up premier R&D and Innovation centers for next generation friction solutions, enabling- NRB's selection by Forbes as one of the Asia's Best 200 companies under US \$ 1 Billion. Her complete attention on culture building and branding led NRB to be recognized as "Most Preferred Workplace" (Manufacturing) for the 3rd consecutive year and BEST BRAND AWARD at ET Now conclave 2024. Her relentless focus on exports has resulted in NRB received the Star Performer - Award for Export Excellence in 2025 from Engineering Export Promotion Council of India (EEPC).

Ms. Zaveri has consistently been ranked Fortune India's "50 Most Powerful Women" list for over a decade and has been part of other prestigious publications such as Forbes, India Today, and Business India. She has been honored by Economic Times as one of the 'Most Promising Asian Business Leader' and received the Economic Times 'Game Changers of India Award from the Deputy Mayor of London.

Ms. Zaveri was part of the high-level delegation accompanying former President of India, Pranab Mukherjee's mission to Sweden for participating in bilateral discussions. She is on the Governing Council of Indo- French, the Indo- German and American Chamber of Commerce. She is an Executive Committee member of the Automotive Components Manufacturers Association (ACMA), CII Western Region Council and Maharashtra State council.

Mrs. Zaveri is deeply committed to youth empowerment through education and has been invited to speak by prominent Universities, including the Indian Institute of Technology, Mumbai and IIT, Kharagpur, and the Johnson School of Business, Cornell University and IMD.

Ms. Zaveri, is not related to any other director of the Company. She is not debarred or disqualified from being appointed or continuing as Director of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

Note: Since Ms. Zaveri has a non-residential status, her appointment as Vice-Chairman and Managing Director of the Company is subject to the approval of the Central Government, in terms of Schedule V, Part I to the Act.

### Information pursuant to Section II of Part II of Schedule V of the Act:

#### I. General Information:

- Nature of Industry: Automotive Components.
- Date of commencement of commercial production: June 30, 1965
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- Financial performance based on given indicators:

(Rs. In Lakhs)

| Particulars                                      | 2024-25  | 2023-24  |
|--------------------------------------------------|----------|----------|
| Revenue from operations                          | 1,07,752 | 1,02,272 |
| Net Profit After Tax (without exceptional)       | 9,023    | 7,809    |
| Net Profit after Tax (with exceptional)          | 5,868    | 25,047   |
| Profit as per Section 198 of Companies Act, 2013 | 7,985    | 13,951   |

- Foreign investments or collaborations, if any:

Foreign Subsidiary: NRB Holdings Limited at UAE

Foreign Step-down subsidiary Companies: NRB Bearings (Thailand) Limited at Thailand, NRB Bearings Europe GmbH at Germany and NRB Bearings USA Inc at USA

#### II. Information about the appointee:

- Background details: Please refer to paragraph given above
- Past remuneration: For FY 2024-25 Salary and Perquisites Rs. 7,17,84,620/-
- Recognition or Awards:

Ms. Zaveri has been the recipient of many prestigious national and international business awards and was honored by Economic Times as - "Most inspiring leaders of India", "Most Promising Asian Business Leader" and recognized with the "Game Changers of India" Award from the Deputy Mayor of London

Other details of the recognition accorded to her are recorded in the preceding paras.

Under the visionary leadership of Ms. Harshbeena Zaveri, NRB Bearings Limited has consistently garnered prestigious accolades, reaffirming its commitment to quality, innovation, sustainability, and excellence in workplace practices.

#### 2025

- **Star Performer – Other Industrial" Award for Export Excellence 2021-22 by EEPC India** - Awarded at the 40th Export Award Western Region by EEPC India
- **Maruti Suzuki – Best Tier-2 Supplier Control Practices – QA Business Vertical (April 2025):** Recognized for robust quality systems and exemplary compliance standards.

**2024**

- **ET NOW Best Brands Conclave – Best Brand Award by ET Edge (2024):** Celebrated for strong brand equity and innovation-driven growth.
- **Bajaj Auto – Platinum Quality Award (2024 Vendor Convention):** Acknowledged for outstanding quality and supplier performance.
- **Team Marksmen – Most Preferred Workplace in Manufacturing (2024):** Recognized for a progressive and employee-centric work culture.
- **IOD UAE Global Convention – Recognition for Sustainable Growth and Innovation (2024):** Awarded for leadership in responsible business practices.
- **Ashok Leyland – Platinum Award for Zero PPM (FY24):** Honored for flawless quality performance and manufacturing excellence.
- **Maruti Suzuki Gujarat – Zero Defect Quality Performance Award (2023–24):** Recognized for achieving zero-defect delivery standards.
- **RSB Transmissions – Key Partner Award for Excellence in Partnership (2024):** Celebrated for strong collaborative engagement.

**2023**

- **EEPC (Engineering Export Promotion Council of India) – National Export Award (2022–23):** Awarded at the 55th EEPC India National Awards for outstanding performance in engineering goods and service exports and redefining excellence in mobility and manufacturing. The Company was recognized for its contributions to the engineering sector and its role in driving mobility and redefining excellence in manufacturing.
- **Bajaj Auto – Platinum Quality Award (2023):** Reaffirmed quality leadership in the auto component space.
- **Daimler Truck – Supplier Award – Reliable Partner (2023):** Recognized for dependable partnership and delivery excellence.
- **John Deere – Partner Performance Award (2023):** Honoured for high standards in performance and collaboration.
- **ZF – Appreciation for Design & Development of CRB (2023):** Acknowledged for engineering innovation and product development.
- **Mitsubishi Heavy Industries – Best Performance Award (2023):** Celebrated for exceptional performance and reliability.
- **Hyundai – Quality Supplier Certification (2023):** Certified for consistent quality and compliance.
- **Mazda Powertrain Thailand – Continuous Quality Supplier (5 Years) (2023):** Recognized for sustained excellence in quality delivery.

**2022**

- **Bharat Forge – Quality Performance Contribution Award (2022):** Honored for significant contributions to quality improvements.
- **RSB Group – Key Partner Award (2022):** Acknowledged for outstanding strategic partnership.
- Job Profile and suitability: Please refer to paragraph given above
- Remuneration Proposed: As given in item no 6 of the Notice
- Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The proposed remuneration (duly recommended by the Nomination and Remuneration Committee and approved by the Board) is in line with the trends in the industry and is befitting Ms. Harshbeena Zaveri's responsibility, experience and competence.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Except Ms. Harshbeena Zaveri, none of the other Directors, key management personnel and their relatives are interested or concerned with the resolution. Ms. Harshbeena Zaveri holds 1,31,81,323 equity shares (13.60%) as on March 31, 2025 in the Company.

### III. Other Information:

- Reasons of loss or inadequate profits: Not Applicable
- Steps taken or proposed to be taken for improvement: NRB has a consistent record of over 3 decades, as a profitable and dividend paying company.
- Expected increase in productivity and profits in measurable terms: The Company remains positive on the outlook for the near future with its performance- post Covid pandemic - on Revenue growth and Profits as below:

| Year    | Revenue          |             | Profit before tax( excluding exceptional items) |             |
|---------|------------------|-------------|-------------------------------------------------|-------------|
|         | Amount in Crores | %age growth | Amount in Crores                                | %age growth |
| 2022-23 | 1,02,310         | 11.96%      | 12,433                                          | 28.24%      |
| 2023-24 | 1,02,272         | (0.04)%     | 10,784                                          | (13.26)%    |
| 2024-25 | 1,07,752         | 5.36%       | 13,172                                          | 22.14%      |

### IV. Disclosures:

- The disclosures on the remuneration package of each managerial personnel and details of all elements of remuneration package, service contracts and stock option details, as applicable, forms a part of the Corporate Governance Report in the Annual Report for FY 2024-25 and shall form a part of the Corporate Governance Report in the Annual Report going forward.

Ms. Zaveri, being a part of the promoter group, approval is sought for the payment of annual remuneration exceeding Rs, 5,00,00,000/- (Rupees Five crores only) or 2.5% of the net profits calculated as per Section 198 of the Act whichever is higher for every financial year for a period of 5 (five) years with effect from October 1, 2025.

The Board has considered the parameters given under Section 200 of the Act, and the rules made thereunder read with Schedule V to the Act for recommending the above re-appointment and remuneration payable. Accordingly, the following key factors were considered by the NRC / Board while recommending the re-appointment and remuneration of Ms. Zaveri:

- The Company's revenue from operations despite the Covid-19 situation, has increased to Rs. 1,198.6 crore (Domestic – 75% and Export – 25%) for the financial year 2024-25 as compared to Rs. 776.0 crore (Domestic – 79% and Export – 21%) for the financial year 2019-20, **an increase of 54.5%.**
- Profit before Tax (before exceptional items) has increased to Rs. 131.7 crore for the financial year 2024-25 as compared to Rs. 46.8 crore for the financial year 2019-20, **an increase of 181%.**
- Return on equity ratio of the company has improved from 7.01% for FY 2019-20 increased to 9.08% for FY 2024-25, **an improvement of 207 bps.**
- Return on capital employed of the company has improved from 8.58% for FY 2019-20 increased to 15.48% for FY 2024-25, **an improvement of 690 bps.**
- Debt Equity Ratio of the company has improved from 0.72 for the financial year 2019-20 to 0.20 for financial year 2024-25 i.e., **improvement of 260%**

Under her leadership Company has maintained an exemplary CRISIL rating of **AA-(Stable)**

The Nomination & Remuneration Committee and the Board reviewed the contributions of Ms. Harshbeena Zaveri in her role as Vice Chairman & Managing Director over a period of time. They considered several other parameters such as her leadership capabilities, her extensive industry experience in providing strategic and operational direction, and her deep familiarity with Company's current challenges and opportunities Her initiatives in the area of Environment, Social and Governance ("ESG"), chalking and drawing roadmap for attaining carbon neutrality by year 2040, etc have been noted. In addition to overseeing the domestic operations, Ms. Zaveri also spearheads international operations of the Company across Europe, US and new geographies. Ms. Zaveri has guided the Company's growth both organically and inorganically, seizing opportunities in India and across the globe.

Quantum and reasonableness of the compensation is commensurate with the size, spread of operations, scale of the Company and recognizes her contribution in driving exports & high profitability in comparison to peers within the auto components and bearing industry. The overall remuneration of Ms. Zaveri recognizes her performance and the additional responsibilities entrusted on her during this period. Her achievements of exemplary financial ratios & CRISIL rating places NRB on top of the companies that have revenue of similar band as that of NRB.

Her Personal involvement in driving digitization, sustainability & environment, Health & Safety and making NRB an attractive preferred place for young people make NRB an employer & supplier of choice.

Ms. Zaveri will turn 70 years on March 01, 2030. In view of her exceptional credentials and extensive experience, the Board of Directors are of the opinion that Mrs. Zaveri's continued leadership is indispensable and it would be in the best interest of all the stakeholders of the Company that she does continue as Managing Director for the full term of her appointment of 5 (five) years. Hence, her appointment may also be deemed to be within the provisions of Section 196(3) of the Act.

The relevant documents relating to the appointment of Ms. Harshbeena Zaveri, as Vice Chairman & Managing Director will be available for inspection electronically until the last date of voting. Members seeking to inspect such documents may send an e-mail to 60thagm@nrb.co.in.

Ms. Harshbeena Zaveri may be deemed to be interested in the proposed resolution to the extent of her shareholding in the Company and the remuneration she will be entitled to as the Managing Director.

Save and except above, none of the other Directors, key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution, as set out in item 6 of this Notice for approval of the members of the Company as a Special Resolution.

**Item No. 7:**

In order to enable the Company to issue further shares, as and when required, it is proposed to increase the authorized share capital of the Company from Rs 20,00,00,000 (Rupees Twenty Crore Only) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs. 2 (Rupees Two only) each to Rs.40,00,00,000 (Rupees Forty crore only) divided into 20,00,00,000 (Twenty crore) Equity Shares of Rs. 2 (Rupees Two only) each by way of creation of an additional 10,00,00,000 (Ten Crore) Equity Shares of Rupees 2/- (Rupees Two only) each, ranking pari passu in all respect with existing equity shares of the company. As a consequence of increase of authorized share capital of the Company, the existing authorized share capital clause (Clause V) in the Memorandum of Association of the Company is required to be altered accordingly.

The proposed increase of authorized share capital requires the approval of members of the Company in Annual general meeting under Sections 13, 61, 64 and other applicable provisions of the Companies Act, 2013, as well as any other applicable statutory and regulatory approvals.

The Draft amended Memorandum of Association has been placed on the website of the Company - [www.nrbbearings.com](http://www.nrbbearings.com) for Members' Inspection.

The Board recommends the Ordinary resolution as set out at item no. 7 of this notice for the approval of members.

None of the directors or any key managerial personnel or any relative of any of the directors/key managerial personnel of the Company is, in anyway, concerned or interested in the above Resolution except to the extent of their shareholding in the Company

**Item No. 8:**

Mr. Tashwinder Singh (DIN: 06572282) was associated with the Company as an Independent Director for 10 years upto August 10, 2024, during an important growth and transitional period and has deep knowledge of the Company and its product and strategy.

The Nomination and Remuneration Committee, after considering his skills, knowledge, expertise, experience, has unanimously recommended to the Board appointment of Mr. Tashwinder Singh (DIN: 06572282) as an Additional director in the capacity of Non-Executive Non-Independent Director (liable to retire by rotation) for a period of 3 years, with effect from August 09, 2025, subject to approval of members at the ensuing Annual General Meeting.

**Profile:****Summary:**

Natural team-builder and leader with proven abilities across all levels of organizational management. Talented in developing partnerships, overseeing personnel and developing tactical plans to meet strategic goals. Proven change-manager with significant background in Banking, General Management and Private Capital Investing (Alternatives).

**Skills:**

Business Management, Strategic Business Planning, Leadership skills, Execution skills, Mentoring and Talent Management, Problem Solving skills and Relationship skills.

Strong connections in the business community in India with significant capacity to originate and execute transactions in the Alternative Investments space.

**Date of Birth:** 11 March 1970

**Work Experience:** 30 Years

**1. Niyogin Fintech Limited (BSE Listed Company)**

Designation: CEO and MD

Tenor: Oct 2020 till date

Key Responsibilities includes building strategy, managing execution and delivering results. The Company has an NBFC licence and has two subsidiaries – Moneyfront (Focused on wealth) and IserveU Technologies (Focused on 'Banking as a Service'). Managed a team of over 500 people spanning the three-business mentioned above. The business is now listed, has turned profitable and has attracted investments from Investors like Think Capital, MK Ventures, Carminag among other.

**2. KKR (Kohlberg Kravis Roberts)**

Designation: **Managing Director**

Tenor: June 2012 till June 2019

Key responsibilities include Origination/Deal diligence/Underwriting/Investment Management/Portfolio Management for Alternative Investments. Managed team of 5 Originators/Deal leads/3 Underwriters and 2 portfolio managers. The role was industry agnostic, and deals were done in Industrials, Auto components, Speciality Chemicals, Healthcare, Education, Real Estate among others.

Previous Board Representations

1. NRB Bearings (Auto Components) Chairman and Non-Executive Director
2. SBAPL (Industrial Plastics)- Nominee Director
3. Resonance Eduventures (Education) - Nominee Director
4. KKR Capital Markets India Pvt. Ltd. (Financial Services)-Nominee Director
5. KKR India Finance Pvt. Ltd. (Financial Services) - Nominee Director

**3. Citigroup**

Tenor: April 1994-May 2012

**a) Managing Director-Citi Private Bank**

Tenor: April 2010 till May 2012

- Global Market Manager and Business Head for India
- Develop and Implement Business Strategy for the Private Banking Business in India.
- Member of the following committees for Citi India
- Management Committee of Citibank India
- Business Heads Committee resp. for Business Practice
- ALCO Member

**b) Managing Director-Commercial Banking Group**

Tenor: Nov.2004 till March 2010

- Business Head Pan India, Responsible for a Revenue. target of USD 145 Million for 2009 (up from 110 MM in 2008)
- Provide senior level support to manage 250 Mid-Market and over 1500 SME clients.
- Spearhead Business Strategy to show a sustained growth of minimum 35-40% year on year.
- Identify segment needs and execute new initiatives [Middle Market Strategy, Small Ticket Strategy, Risk Defeasance with Export Agencies, Commodity Financing etc.) to increase market share and revenues.
- Manage a team of over 150 sales officers across 23 locations in India.

**c) Sales Head-North India (Commercial Lending)**

Tenor, Oct. 2003 till Nov. 2004

- Managed the North India franchise of the SME business, which encompassed 4 cities, 150 clients and revenues of USD 12MM growing at the rate of 40% p.a.

**d) Head eBusiness Operations (Center of Excellence)-Management Committee of Citigroup Global Services Ltd (Formerly, eServe Ltd.)-ITES Industry.**

Tenor: Feb 2000 till March 2002

- Member of the Management Committee, which formulated policies and procedures for the Company (Business Model HR/ Compensation/ Premises/Promotions etc.)
- Was a part of the company since inception and helped in spearheading growth in the International business from a Full Time Employee (FTE) base of 20 to 2000 and overall FTE base from 250 to 5000.
- Spearheaded the 'derisking' of business strategy by acquiring clients in over 20 countries. Total cost saves achieved globally for Citigroup was in excess of USD 20 Million p.a.
- Achieved an annual saving of 10% in FTE terms year on year for the business while improving quality of output substantially.

**e) Market Manager (US/Europe): Business Development Manager, CGSL.**

Tenor: March 2002 till Oct. 2003

- Managed the transition of over 400 high-end jobs from the US/Ireland into India and created the first 'Center of Excellence for Citigroup in India.

**f) Service Head, CitiService: Service Management**

Tenor: Sept 1998 till Feb 2000

**g) Cash Management: Product Management**

Tenor: Feb. 1997 till Sept 1998

**h) International Trade Services: Operations Management**

Tenor: April 1994 to Feb. 1997

**4. Voltas Ltd.**

Tenor: April 1991 to July 1992

Electrical Business Group:

As a management trainee, worked in the Electrical Projects cell at Voltas. The Group focused on turnkey projects in Power Generation and Distribution.

**Educational Qualifications:**

| <b>Degree Division</b>          | <b>Institute</b>                          | <b>Year</b> |
|---------------------------------|-------------------------------------------|-------------|
| MBA 1 <sup>st</sup>             | Faculty of Mgmt. Studies<br>(Delhi Univ.) | 1992-94     |
| BE (Electrical) 1 <sup>st</sup> | Delhi College of Engg.<br>(Delhi Univ.)   | 1987-91     |

The Company has received all the statutory disclosure/ declarations from Mr. Singh. The relevant details as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") are given in the Annexure C to the Notice.

Mr. Singh is not disqualified from being appointed as a Non-Executive Non-Independent Director in terms of section 164 and other applicable provisions of the Act. and has given his consent to act as a Director. He is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except Mr. Tashwinder Singh (being the appointee), are interested in or concerned financially or otherwise in Resolution No. 8.

The Board recommends the Ordinary resolution as set out at item no. 8 of this notice for the approval of members.

By order of the Board of Directors  
**For NRB Bearings Limited**

**Kishor Talreja**

Company Secretary & Compliance Officer  
Membership No. F7064

Place: Mumbai  
Date : August 09, 2025

**ANNEXURE - A**

Information as required by SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015, and Secretarial Standards on General Meeting are given below:

|                                                                                                      |                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Director                                                                                     | Mr. Satish Rangani                                                                                                                                                                |
| DIN                                                                                                  | 00209069                                                                                                                                                                          |
| Date of Birth                                                                                        | November 13, 1948                                                                                                                                                                 |
| Nationality                                                                                          | Indian                                                                                                                                                                            |
| Date of appointment on Board                                                                         | July 24, 2013                                                                                                                                                                     |
| Brief Resume and Expertise in specific functional areas                                              | Refer to paragraph below                                                                                                                                                          |
| Shareholding in Company as on March 31, 2025                                                         | 9,000 equity shares                                                                                                                                                               |
| List of Directorships held in other public companies                                                 | SNL Bearings Limited<br>NRB bearings Thailand Limited                                                                                                                             |
| Qualification                                                                                        | Qualified Company Secretary and a member ICSI. Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies Bachelors of Commerce from the University Mumbai |
| Terms and Conditions of appointment / reappointment                                                  | Re-appointed in terms of Section 152(6) of the Companies Act, 2013                                                                                                                |
| Names of listed entities from which the person has resigned in the past three years                  | None                                                                                                                                                                              |
| Number of Board meetings attended during the Fy 2024-25                                              | Six (6) Board meetings attended during the FY 2024-25                                                                                                                             |
| Details of remuneration last drawn in 2024-25                                                        | Sitting fees and Commission as recommended by NRC and approved by the Board                                                                                                       |
| Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies | SNL Bearings Limited<br>Stakeholders Relationship Committee, Member<br>Corporate Social Responsibility Committee, Member                                                          |
| Disclosure of relationships with Directors, managers and other key managerial personnels inter se    | None                                                                                                                                                                              |

Mr. Satish Rangani is a qualified Company Secretary and a member of the Institute of Company Secretaries of India. He has completed Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies in 1971, after completion of the Bachelors of Commerce degree from the University of Mumbai.

He has been associated with the Company since 1993 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.

**ANNEXURE - B**

|                                                                                                      |                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Director                                                                                     | Ms. Harshbeena Zaveri                                                                                                                                                                                                                                                     |
| DIN                                                                                                  | 00003948                                                                                                                                                                                                                                                                  |
| Date of Birth                                                                                        | March 1, 1960                                                                                                                                                                                                                                                             |
| Nationality                                                                                          | Indian                                                                                                                                                                                                                                                                    |
| Date of appointment on Board                                                                         | April 1994                                                                                                                                                                                                                                                                |
| Brief Resume and Expertise in specific functional areas                                              | Refer to paragraph below                                                                                                                                                                                                                                                  |
| Shareholding in Company as on March 31, 2025                                                         | Ms. Zaveri holds 1,31,81,323 equity shares (13.60% of the equity share capital) in the Company. Trilochan Singh Sahney Trust 1, promoter shareholder holds 3,38,09,300 (34.88%) equity shares of the Company, wherein Ms. Harshbeena Zaveri is a trustee and beneficiary. |
| List of Directorships held in other public companies                                                 | SNL Bearings Limited<br>NRB Holdings Limited (UAE)                                                                                                                                                                                                                        |
| Qualification                                                                                        | She graduated with freshman distinction and as a Wellesley Scholar (magna cum laude) with honors' from Wellesley College.                                                                                                                                                 |
| Terms and Conditions of appointment / reappointment                                                  | As per details provided in the Resolution and Explanatory statement                                                                                                                                                                                                       |
| Names of listed entities from which the person has resigned in the past three years                  | National Peroxide Limited                                                                                                                                                                                                                                                 |
| Number of Board meetings attended during the FY 2024-25                                              | Six (6) Board meetings attended during the FY 2024-25                                                                                                                                                                                                                     |
| Details of remuneration last drawn in 2024-25                                                        | Refer Corporate Governance Report for the year 2024-2025                                                                                                                                                                                                                  |
| Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies | NRB Bearings Limited-<br>Stakeholders Relationship Committee, Member<br>Audit Committee, Member<br><br>SNL Bearings Limited-<br>Stakeholders Relationship Committee, Member<br>Audit Committee, Member                                                                    |
| Disclosure of relationships with Directors, managers and other key managerial personnels inter se    | None                                                                                                                                                                                                                                                                      |

**Profile:**

Ms. Harshbeena Zaveri has been in the position of Managing Director since 1 October, 2010 and played a pivotal role in the Company's growth, technological advancement and global expansion. Under her leadership NRB set up a premier R&D and Innovation centres for next generation friction solutions, enabling- NRB's selection by Forbes as one of the Asia's Best 200 companies under US \$ 1 Billion. Her complete attention on culture building and branding led NRB to be recognized as "Most Preferred Workplace" (Manufacturing) for the 3rd consecutive year and BEST BRAND AWARD at ET Now conclave 2024. Her relentless focus on exports has resulted in NRB receiving the "Star Performer – Other Industrial" Award for Export Excellence 2021-22 by EEPC India.

Ms. Zaveri has consistently been ranked Fortune India's "50 Most Powerful Women" list for over a decade and has been part of other prestigious publications such as Forbes, India Today, and Business India. She has been honored by Economic Times as one of the 'Most Promising Asian Business Leader' and received the Economic Times 'Game Changers of India Award from the Deputy Major of London.

Ms. Zaveri was part of the high-level delegation accompanying former President of India, Pranab Mukherjee's mission to Sweden for participating in bilateral discussions. She is on the Governing Council of Indo- French, the Indo- German and American Chamber of Commerce. She is an Executive Committee member of the Automotive Components Manufacturers Association (ACMA), CII Western Region Council and Maharashtra State council.

Mrs. Zaveri is deeply committed to youth empowerment through education and has been invited to speak by prominent Universities, including the Indian Institute of Technology, Mumbai and IIT, Kharagpur, and the Johnson School of Business, Cornell University and IMD.

**ANNEXURE - C**

|                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Director                                                                                     | Mr. Tashwinder Harjap Singh                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| DIN                                                                                                  | 06572282                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Date of Birth                                                                                        | March 11, 1970                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Nationality                                                                                          | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Date of appointment on Board                                                                         | August 09, 2025                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Brief Resume and Expertise in specific functional areas                                              | Mr. Tashwinder Singh comes with more than 30 years of leadership experience in both strategic and operational roles with significant background in General Management, Banking, Wealth Management and Private Capital Investing. He was also associated with the Company as an Independent Director for 10 years upto August 10, 2024, during an important growth and transitional period and has deep knowledge of the Company and its product and strategy. |
| Shareholding in Company as on March 31, 2025                                                         | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| List of Directorships held in other public companies                                                 | Niyogin Fiserv Limited, Niyogin Fintech Limited, Standard Industries Limited.                                                                                                                                                                                                                                                                                                                                                                                 |
| Qualification                                                                                        | BE Electrical, MBA (Delhi University)                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Terms and Conditions of appointment / reappointment                                                  | As per details provided in the Resolution and Explanatory statement                                                                                                                                                                                                                                                                                                                                                                                           |
| Names of listed entities from which the person has resigned in the past three years                  | Mr. Tashwinder Singh ceased to be Director of NRB Bearings Ltd. w.e.f. 10th August, 2024 upon completion of his two terms of 5 consecutive years as Independent Director of the Company;                                                                                                                                                                                                                                                                      |
| Number of Board meetings attended during the Fy 2024-25                                              | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Details of remuneration last drawn in 2024-25                                                        | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across public companies | Member of the Audit Committee of Standard Industries Limited                                                                                                                                                                                                                                                                                                                                                                                                  |
| Disclosure of relationships with Directors, managers and other key managerial personnels inter se    | None                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**BOARD'S REPORT**

To  
The Members  
**NRB BEARINGS LIMITED**

Your Directors have pleasure in presenting their 60th Report together with the standalone and consolidated Audited Financial Statements for the year ended March 31, 2025.

**1. Financial Results**

| Particulars                                  | Consolidated            |                         | Standalone              |                         |
|----------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                              | 31.03.2025<br>Rs. Lakhs | 31.03.2024<br>Rs. Lakhs | 31.03.2025<br>Rs. Lakhs | 31.03.2024<br>Rs. Lakhs |
| Revenue from operations (Net)                | 1,19,861                | 1,09,403                | 1,07,752                | 1,02,272                |
| Profit before tax                            | 11,333                  | 31,587                  | 7,983                   | 31,822                  |
| Provision for taxation                       |                         |                         |                         |                         |
| Current tax (net)                            | 3,157                   | 6,628                   | 2,140                   | 6,010                   |
| Deferred tax                                 | (254)                   | 794                     | (223)                   | 765                     |
| Tax pertaining to earlier years              | 198                     | 14                      | 198                     | -                       |
| Exceptional items – Income / Expenditure     | (5,189)                 | 18,743                  | (5,189)                 | 21,038                  |
| Profit before exceptional items and tax      | 16,522                  | 12,844                  | 13,172                  | 10,784                  |
| Profit after taxation                        | 8,232                   | 24,151                  | 5,868                   | 25,047                  |
| Add: Balance brought forward                 | 68,495                  | 49,337                  | 68,314                  | 48,053                  |
| Add: Other Comprehensive Income for the year | 305                     | 215                     | (198)                   | 367                     |
| Appropriation:                               |                         |                         |                         |                         |
| Dividend                                     | (2,423)                 | (4,943)                 | (2,423)                 | (4,943)                 |
| General Reserve                              | 12,725                  | 12,725                  | 12,771                  | 12,771                  |
| Profit & Loss Account                        | 73,939                  | 68,495                  | 71,680                  | 68,314                  |

**2. State of Company's affairs, operations and outlook:**

In line with the economy and industry sentiments, the revenue from operations for your Company increased by approximate 9.56 per cent. The increase was noticed across all segments.

During the year under review, on a consolidated basis your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 1,19,861 lakhs as against Rs. 1,09,403 lakhs for the last fiscal. On consolidated basis, the Company recorded profit (before tax & exceptional item) of Rs. 16,522 lakhs, an increase of 28.64 per cent over Rs. 12,844 lakhs for the last fiscal. The exceptional item for Rs.5,512 lakhs, a one time payout for getting certain premises in the Company's Corporate Office building, vacated and handed over in as-is condition and other undertakings from the occupant, resulted in the Company, reporting a net profit of Rs. 8,232 lakhs, a decrease of 66 per cent over Rs. 24,151 lakhs for the last fiscal.

On a standalone basis, your Company recorded net revenue from operations (net of taxes and incentives) of Rs. 1,07,752 lakhs an increase of 5.36 per cent over Rs. 1,02,272 lakhs of the last fiscal. The profit (before tax & exceptional item) of Rs.13,172 lakhs, an increase of 22.14% over Rs. 10,784 lakhs for the last fiscal and the net profit of Rs. 5,868 lakhs, a decrease of 77 per cent over Rs 25,047 lakhs for the last fiscal as explained above.

The Company's revenue growth and the net operational profit (without exceptional items) were comparable with the growth of other major industry players. Considering the long term growth story of the Indian economy, your Company is confident of improved performance both on revenue and net profits fronts, in the current year.

Amidst a challenging global macroeconomic environment, India continues to demonstrate relative resilience. The country's GDP growth is projected at 7.0% for FY 2023–24, with estimates indicating a moderation to 6.4% in FY 2024–25. At this growth rate, India will continue to be the fastest-growing economy in the world. Automobile contributes nearly 6 per cent of India's GDP and 35 per cent of the manufacturing GDP. Globalizing has opened newer avenues for the transportation industry, especially a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

The Government of India's Automotive Mission Plan (AMP) has come a long way in ensuring growth for the sector. Indian automobile industry is expected to achieve a turnover of USD 300 billion for the year 2026 and as per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach USD 80 billion during FY 25-26. The Indian auto-components industry has become the third largest in the world in 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.

During the year under review, a Family Settlement Agreement (FSA) was entered into between members of the NRB and NIBL Groups, pursuant to which both Groups will operate independently, without mutual restrictions on their respective growth strategies. While the Company was not a party to the agreement, certain Board members contributed to the resolution of specific conditions precedent outlined therein. These developments are expected to benefit the Company.

The Management places on record its appreciation for such contribution in closing the outstanding issues, against a one -time payment shown as exceptional item for the quarter and year ended March 31, 2025.

The Company is uniquely positioned in the high precision friction solutions industry ,with its enviable position based on technology leadership, quality and innovative design, lower cost of production, low leverage and strong de-risked customer relationships, giving the Company a unique competitive advantage in an uncertain world.

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

- Focus on precision component categories, like new generation of light weight bearings that could provide higher margins,
- Potential Growth Market – expansion of product range and penetration at Company's large Key Global Customers, that span ICE/Hybrid EV and Agnostic (technology – driven common platforms that would not change in this transition
- Expanding our portfolio to serve adjacent industries.
- Use its low leverage -D/E of under 0.20 to drive into the future
- Re-focusing capabilities and resources into market opportunities where the Company has low penetration (Aftermarket, Industrial Mobility, Defence, etc)
- Thrust into OEM-driven Industrial Mobility Segments,
- Cost optimization strategy including focus on solar, logistics, process and material optimization
- The Company is working with Europe's largest application oriented research organization in order to become the industry leader on cutting edge laser and additive technologies.

### **3. Dividend**

During the year under review, the Board of Directors in their meeting held on October 04, 2024 declared an interim dividend of Rs.2.50 per Equity Share (face value of Rs. 2/- per Equity Share) (i.e.125%) to the eligible equity shareholders of the Company.

Further, the Board of Directors in their meeting held on May 14, 2025 have also recommended a final dividend of Rs. 4.30 per Equity Share (face value of Rs.2/- per Equity Share) (i.e. 215%) for the Financial Year 2025. Your Company has transferred the unpaid/unclaimed dividend (interim and final) to the Unclaimed Dividend Accounts of the respective financial years and the details of the same are uploaded on website of the Company at [www.nrbbearings.com](http://www.nrbbearings.com)

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

**4. Transfer to Reserves:**

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

**5. Share Capital**

The paid-up Equity Share Capital as on March 31, 2025 was Rs. 1,938 Lakhs (96,922,600 equity shares of face value Rs2 each fully paid up). During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

**6. 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, 2025 to which the financial statements relate and the date of this Report.

**7. Key Development subsequent to year ended on March 31, 2025: Capacity Expansion**

The Board of Directors of your Company at its meeting held on April 25, 2025, granted approval for a capital investment of an amount upto INR 200 crores for upgradation and enhancement of capacity at R & D centre, Jalna, Chikalthana, Walunj and Hyderabad plant. This capacity addition is to our existing product lines including Taper Roller Bearings, Ball Bearings, Wide Inner Ring Bearings, Spherical roller Bearings, Cylindrical roller bearings, Needle roller bearings and Thrust Bearings and would lead to capacity enhancement of 15% to 25% higher volume for various product families depending on product mix, as this would be based on Customer's demand.

This strategic expansion complements the company's strong presence across current-generation models and reinforces its position as a key supplier of high-precision bearing solutions for leading European automotive manufacturers.

**8. Finance**

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

**a. Public Deposits**

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

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

- As on March 31, 2025, the outstanding principal amount for the loan given to NRB Holdings Limited, wholly owned subsidiary of the Company was USD 6.02 million and there was interest outstanding of USD 0.38 million as on March 31, 2025.

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.

**9. Directors and Key Managerial Personnel**

During the year under review, Ms. Shruti Joshi ceased to be Company Secretary & Compliance Officer of the Company with effect from March 25, 2025.

Mr. Kishor Talreja has been appointed as Company Secretary & Compliance Officer, effective April 25, 2025.

The Board of Directors, at its meeting held on August 07, 2025, approved the re-appointment of Ms. Harshbeena Zaveri as the Vice Chairman & Managing Director of the Company with effect from October 01, 2025, for a period of 5 years, subject to approval of shareholders & other necessary approvals.

The Board of Directors, at its meeting held on August 09, 2025, approved the appointment of Mr. Tashwinder Singh (DIN: 06572282) as an additional Director in the capacity of Non-Executive Non-Independent Director (liable to retire by rotation) for a period of 3 years, with effect from August 09, 2025, subject to approval of shareholders.

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. Raman Malhotra – Chief Financial Officer
- Ms. Shruti Joshi – Company Secretary (upto March 25, 2025)

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

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

#### **Board Evaluation**

The Board has carried out an annual performance evaluation of its own performance and that of its Committees and the Directors individually. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The process endorsed the confidence of the Directors in the ethical standards of the Company and its strategies for growth. In the coming year, the Board intends to enhance focus on exploring new drivers for continuing growth.

The Independent Directors have also met separately on March 17, 2025

#### **Remuneration Policy**

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

#### **Meetings**

During the year 6 (Six) Board Meetings were convened and held (details in Corporate Governance Report) and the gap between any 2 (two) consecutive meetings did not exceed 120 days. The date for the next meeting is fixed in advance at the previous meeting both for board and committee meetings.

### **10. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report for the year under review, as required in terms of Listing Regulations, forms part of this Report as '**Annexure A**'.

### **11. Subsidiaries**

As at March 31, 2025, the Company has 2 (two) subsidiaries viz. SNL Bearings Limited and NRB Holdings Limited. As at March 31, 2025, NRB Bearings, USA Inc, NRB Bearings Europe GmbH and NRB Bearings (Thailand) Limited, are wholly owned subsidiaries of NRB Holdings Limited and step-down subsidiaries of the Company.

SNL Bearings Limited (SNL), in which your Company holds 73.45 percent equity, has reported profit after tax of Rs. 1,086 lakhs (previous year Rs. 782.00 lakhs), higher by 39 per cent. Revenue from Operations during the year at Rs. 5119 lakhs is higher by 7 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 improving utilization of existing capacities /scaling up manufacturing capacities for new products in demand.

NRB Holdings Limited (NHL), a wholly owned subsidiary, was incorporated on October 14, 2021, in Dubai, United Arab Emirates for the growth of the global business. During the financial year ended March 31, 2025, NHL recorded a revenue of USD 1,207,321 (Rs. 1,021 lakhs) and the resultant loss after tax was USD 339,463 (Rs. 287 lakhs).

As a part of comprehensive international strategy of the Company, NRB Bearings Europe GmbH, NRB Bearings USA Inc. and NRB Bearings (Thailand) Limited, which were set up to support increasing exports to Europe, North America/ Mexico and ASEAN region respectively, were acquired by NHL. The companies provide marketing and customer support services. The financial results for the year are:

NRB GmbH - Revenue EURO 16,463,064 (Rs. 14,938.56 lakhs), PAT EURO 527,325 (Rs. 478.4 lakhs)

NRB Thai - Revenue THB 565,108,144 (Rs. 13,802.77 lakhs), PAT THB 53,110,030 (Rs. 1297.81 lakhs)

NRB US - Revenue USD 6,688,020 (Rs. 5,658.33 lakhs), PAT USD 502,104 (Rs. 424.80 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 subsidiaries have been given in **Annexure B** (AOC-1) forming part of this statement.

During the year under review, NRB Bearings Europe GmbH and NRB Bearings (Thailand) Limited, step down subsidiary companies, become material subsidiaries of the Company in terms of SEBI (LODR) Regulations, 2015. The Company adopted a policy for determining 'material subsidiaries' of the Company. The policy is available at the website of the Company at <https://www.nrbbearings.com/investorrelations.htm>

## **12. Business Risk Management**

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

## **13. 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.

## **14. 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 C** forming part of this report.

## **15. 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.

During the year, the Company finalized wage settlements with the workmen's unions at the Waluj and Chikalthane plants for a period of three years, valid until 2027 and 2028, respectively. These settlements include increased payments linked to higher production volumes, adjusted for rework. The productivity-linked wage agreements, combined with focused efforts to reduce rejection rates, are expected to enhance capacity utilization at the existing facilities.

The Company's people-centric approach is demonstrated through strong teamwork and the execution of various initiatives involving employees and their families, aimed at fostering and reinforcing organizational values. Regular training programs are conducted to enhance knowledge of bearings and engineering principles, modern manufacturing practices, as well as attitudinal and behavioral competencies.

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. The policy available on the website of the Company at <https://www.nrbbearings.com/investorrelations.htm>

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

## **16. 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 controls and safety behavior is well demonstrated by our employees while working on the shop floor by using personal protective equipment as required with provided necessary safety behavioral training.

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; ISO 50001:2018 – Energy Management system.

Company's core value and commitment towards Sustainability, Carbon reduction footprint plan defined ( Carbon Neutral by 2040) and initiated strategic approach for going towards renewable Energy by Aug-25 and defined ESG KPI within organization and started Involving Value partners. Initiated Life cycle assessment (LCA) on the product and Carbon

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

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

1. "Safety first and always first" is accorded the highest priority in the Company.
2. The Safety Week celebration to create safety awareness among employees, activities and competitions such as safety posters as well as slogans conducted Environment day celebrations to create awareness for environment and natural resource conservation by tree plantation in premises and awareness sessions.
3. ETP upgradation for separating the ETP and STP effluents and disposing to the CETP for the safe disposal of treated effluent. Also, Invested and installed Zero Liquid discharge equipment.
4. Water conservation through re-use of waste water and rain water harvesting at plants–capacity to harvest up to 3.06 crore liters rain water every year to increase ground water levels. Also, conduct water audit to arrive for water Balancing and water saving action.
5. Initiated Carbon sequester Analysis in two of the plant to arrive to carbon sequester 347 tCo2 . Shannon Wiener Bio Diversity index 2.9-3.2( Benach mark5).
6. Energy conservation activities includes replacement of energy efficient equipment's / lights to reduce the electrical consumption.
7. Conducted awareness program on food waste from external NGOs.
8. Annual Health Check-up for employees.
9. Special initiatives have been taken up such as theme based walk, leading and lagging indicators, mock drills, up-gradation and revamping of fire hydrants/protection systems, safety training to employees 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".
10. On time testing of stack emission, water testing, ambient and work zone air testing, earth pit testing, testing of all safety and environmental equipment calibration, ultrasonic and hydraulic test of air receiver tank, pressure vessel testing, manual and electrical stacker testing, safety harness testing and calibration.
11. Strict policy for non-consumption of tobacco and intoxicating materials to protect the mental and physical health of employees. Regular awareness programs like "Vyasan Mukti" and "Yoga Classes" conducted to educate employees to get rid of evils of intoxication and stressful work life and embrace good health and work-life balance.

## 17. 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, vocational training including students, teachers, and education officers. Goonj's "School to School" initiative also engaged parents in school improvements and urban youth in mindful giving, aligning with key SDGs to advance educational equity and well-being. The Company has continued its support to the **Ashoka University** which is devoted to transforming Indian higher education based on the principles of multidisciplinary education delivered by exceptional faculty members and providing ivy-league quality education at an affordable price. The liberal education helps develop intellect, nurture critical thinking and provides specialization with a broader foundation of knowledge. The Company extended support to **Aseema Charitable Trust** which provides quality, value-based education to children from marginalized communities. **Aseema** operates three municipal schools in Mumbai for tribal children, fostering inclusive and holistic development. The Company supported competency-based education transformation in rural government schools through **Gyan Prakash Foundation**. The Company contributed through The **Akanksha Foundation** for its School Project at Abhyudaya Nagar, Mumbai, benefitting students from marginalized communities. The initiative supported quality education, socio-emotional learning, and community engagement, helping transform public education for underprivileged children. The Company has been the chief supporter to **IIT-Bombay** for its Racing Car Project and has been associated with the project since the last 8 (eight) years.

In addition to above, the Company also met the key persons associated with NGOs seeking support from the Company and after reviewing their activities made CSR contributions to 321 Education Foundation, Aesthesis Foundation, Aarambh Society, Indian Cancer Society, Rotary club of Mahim, Rotary club of Bombay Charities Trust, Aai Janhit Bahuuddeshiy sevabhavi sanstha, Shri Radhika Seva Trust.

The above initiatives reflect the Company's integrated approach to nation-building and social equity. The Annual Report on CSR activities, in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed herewith as **Annexure D**.

During the year under review, the Company has spent an amount of Rs. 227.50 Lakhs on CSR projects.

## 18. Corporate Governance

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

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

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

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

All pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company along with criteria for such payments and disclosures on remuneration of Directors along with their shareholding are disclosed in Annual Return for the financial year 2024-25.

There are no relationships between the Directors of the Company.

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

## **19. 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, 2025 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.

## **20. 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 E**.

## **21. Auditors**

### **Statutory Auditors**

M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration no. 001076N/N500013) were appointed as statutory auditors of the Company for a second term of 5 (five) consecutive years at the Annual General Meeting held on September 29, 2023.

### **Auditors' Report**

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. The Notes to the financial statements referred in the Auditors' Report are self-explanatory and do not call for any further comments.

### **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 Auditor**

M/s. Upendra Shukla & Associates, practicing Company Secretaries (FRN: S2024MH963100), were appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company for the year 2024-25. Their Secretarial Audit Report, in prescribed Form No. MR-3, is annexed to this Report as **Annexure F** and does not contain any qualification, observation, reservation or adverse remark.

In line with the newly introduced requirements under the Listing Regulations, the Board has recommended the appointment of M/s. Upendra Shukla & Associates as the Secretarial Auditor of the Company for conducting Secretarial Audit for a period of five consecutive years, commencing from 2025-26 to 2029-30, for approval of the Shareholders.

### **Annual Secretarial Compliance Report**

The Company has undertaken an audit for the financial year 2024-25 for the compliances in respect of all applicable Regulations, Circulars and Guidelines issued by the Securities and Exchange Board of India. The Annual Secretarial Compliance Report, as required under Regulation 24A of the Listing Regulations, has been obtained from Mr. Upendra Shukla, Practicing Company Secretary and Secretarial Auditor of the Company.

### **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.

### **Details in respect of Frauds Reported by Auditors**

During the year under review, there have not been any instances of fraud and accordingly, the Statutory Auditor, Secretarial Auditor and Cost Auditor have not reported any frauds either to the Audit Committee or to the Board under Section 143(12) of the Act.

## **22. Annual Return**

The Annual Return for the financial year 2024-25 as per provisions of the Act and Rules thereto, is available on the Company's website at <https://www.nrbbearings.com/investorrelations.htm>

## **23. 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. The report is annexed as **Annexure G**

## **24. 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.

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

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2024-25.

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

The provision regarding difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable to the Company during the financial year 2024-25.

**27. 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.

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

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up 6 (six) Internal Committees (IC) to redress complaints. During the year under review 0 (zero) complaint was received.

**29. Acknowledgement**

The Board of Directors, place on record their deep appreciation for the contribution made by Mr. Tashwinder Singh (ex-Chairman & Independent Director) and Ms. Vishakha R M (Independent Director) during their association with the Company over the years.

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**

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

## **ANNEXURE A**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **Industry Structure and Development**

The Company operates in the ball and roller bearings segment, primarily serving the mobility industry. Indian Original Equipment Manufacturers (OEMs) and Tier I customers account for approximately 65% to 70% of the demand, while the remaining supply is distributed between the Aftermarket (12% to 15%) and Exports (20% to 25%). 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 motorcycles, 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

The Indian mobility industry presents significant growth potential, driven by the country's vast geographic reach, large population, and comparatively low market penetration. India's robust economic performance in recent years, characterized by a growth rate exceeding 7%, reinforces its status as the fastest-growing major economy. The Reserve Bank of India (RBI) has pegged the annual growth rate of the Indian economy at 6.4% for FY25. The strength in domestic demand is driven by private consumption and investment, supported by government reforms and initiatives implemented over the past decade. Investments in both physical and digital infrastructure, along with measures to boost manufacturing, have bolstered the supply side, providing a significant boost to economic activity in the country. India is poised to become the world's fourth-largest economy this year. This growth is supported by several key factors, including record GST collections, sustained GDP growth exceeding 8% over the past three quarters, stable inflation levels, and double-digit expansion in sectors such as steel, cement, and automobile manufacturing. Additionally, the adoption of the Indian Rupee for trade with 27 countries further highlights the country's growing economic influence. India is also a global leader in digital public infrastructure, with e-transactions accounting for 46% of all global digital payments. Strong domestic demand for consumption and investment, along with the Government's continued emphasis on capital expenditure were among the key drivers of the GDP during FY 2024-25.

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India's population being young. Moreover, the growing interest of companies in exploring the rural markets has further aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles. India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. This sector's share of the national GDP increased from 2.77% in 1992-1993 to around 7% presently. It employs about 19 million people directly and indirectly.

#### **Vehicle Production (Nos.) during FY23-24 & 24-25**

| Category            | 2023-24     | 2024-25     | Growth % |
|---------------------|-------------|-------------|----------|
| Passenger Vehicles  | 49,01,840   | 50,61,164   | 3.3%     |
| Commercial Vehicles | 10,67,504   | 10,32,645   | -3.3%    |
| Three Wheelers      | 9,96,159    | 10,50,020   | 5.4%     |
| Two Wheelers        | 2,14,68,527 | 2,38,83,857 | 11.3%    |
| Quadricycle         | 5,006       | 6,488       | 29.6%    |
| Grand Total         | 2,84,34,742 | 3,10,34,174 | 9.1%     |

Source : ACMA

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. Historically, the automobile OEMs were concentrated in the developed nations and so were 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. Strong international demand and resurgence in the local original equipment and aftermarket segments are the growth drivers:

- **Robust Demand**

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

- **Export Opportunities**

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

- **Policy Support**

100 per cent FDI allowed and no restrictions on import-export. Government support under the PLI Scheme in automobile and auto components has an approved financial outlay over a five years period of Rs. 57,042 crores

- **Competitive Advantage**

A cost effective manufacturing base which keeps cost lower by 10 -25 per cent relative to operations in Europe and Latin America. Its proximity to key automotive markets such as ASEAN, Europe, Japan and Korea is also an enabling factor. GST rates are being adjusted from time to time to spur demand.

Your Company is uniquely positioned in the high precision friction solutions industry ,with its enviable position based on technology leadership, quality and innovative design, lower cost of production, low leverage and strong de-risked customer relationships. In addition to 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.

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

- Focus on precision component categories, like new generation of light weight bearings that could provide higher margins,
- Potential Growth Market – expansion of product range and penetration at Company’s large Key Global Customers, that span ICE/Hybrid EV and Agnostic (technology – driven common platforms that would not change in this transition
- Expansion of portfolio to serve adjacent industries.
- Use its low leverage -D/E of under 0.20- to drive into the future
- Re-focusing capabilities and resources into market opportunities where the Company has low penetration (Aftermarket, Industrial Mobility, Defence, etc)
- Thrust into OEM-driven Industrial Mobility Segments,
- Cost optimization strategy including focus on solar, logistics, process and material optimization

The Company is working with Europe’s largest application oriented research organization in order to become the industry leader on cutting edge laser and additive technologies

## **Financials**

During the year under review Revenue from operations, net of levies, has increased by 5.36 per cent to Rs. 1,07,752 lakhs from Rs. 1,02,272 lakhs in 2024-25. Domestic sales increased by 6.19 per cent to Rs. 82,362 lakhs from Rs. 77,560 lakhs and exports have increased by 2.74 per cent to Rs. 25,390 lakhs from Rs. 24,712 lakhs in 2024-25

The table below sets forth the key expense items as a percentage of income for 2024-25 and 2023-24.

(Rs. in Lakhs)

|                                              | % of Turnover  |        |                |        |
|----------------------------------------------|----------------|--------|----------------|--------|
|                                              | March 31, 2025 |        | March 31, 2024 |        |
|                                              | Rs. in lakhs   | %      | Rs. in lakhs   | %      |
| Revenue from operations                      | 1,07,752       | 100.00 | 1,02,272       | 100.00 |
| Other income                                 | 2,739          | -      | 2,439          | -      |
| Expenditure:                                 |                |        |                |        |
| - Material (Including change in stock)       | 49,377         | 45.82  | 47,982         | 46.92  |
| - Employee Cost                              | 13,616         | 12.64  | 12,380         | 12.10  |
| - Manufacturing and Other expenses (Net)     | 29,470         | 27.35  | 27,754         | 27.14  |
| Total Expenditure                            | 92,462         | 85.81  | 88,116         | 86.16  |
| Profit before Depreciation, Interest and Tax | 18,030         | 16.73  | 16,595         | 16.23  |
| Depreciation                                 | 4,011          | 3.72   | 3,747          | 3.66   |
| Finance costs                                | 846            | 0.79   | 2,064          | 2.02   |
| Profit before Exceptional Items and Tax      | 13,172         | 12.22  | 10,784         | 10.54  |
| Exceptional Item                             | (5,189)        | (4.82) | 21,038         | 20.57  |

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

| Ratio                                                 | FY 24-25 | FY 23-24 | Change (%) | Explanation where change is more than 25%                                                                                                                                                                                     |
|-------------------------------------------------------|----------|----------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Debtors Turnover Ratio                                | 4.07     | 3.72     | 10%        | -                                                                                                                                                                                                                             |
| Inventory Turnover Ratio                              | 2.29     | 2.13     | 7%         | -                                                                                                                                                                                                                             |
| Current Ratio (in times)                              | 3.31     | 3.00     | 10%        | -                                                                                                                                                                                                                             |
| Debt equity Ratio (in times)                          | 0.08     | 0.15     | (46%)      | The Company has repaid its debt.                                                                                                                                                                                              |
| Debt service coverage ratio (in times)                | 14.78    | 4.56     | 224%       | Lower overall debt and financial charges.                                                                                                                                                                                     |
| Net Profit Margin %                                   | 5.45%    | 24.49%   | (78%)      | The Company has incurred one time exceptional exp.                                                                                                                                                                            |
| Return on equity ratio (%)                            | 6.80%    | 33.66%   | (80%)      | The Company has incurred one- time exceptional expense                                                                                                                                                                        |
| Net capital turnover ratio (in times)                 | 2.25     | 2.12     | 6%         | -                                                                                                                                                                                                                             |
| Net Profit ratio (in %)                               | 5.45%    | 24.49%   | (78%)      | The Company has incurred exceptional loss                                                                                                                                                                                     |
| Return on investment (before exceptional item) (in %) | 11.94%   | 9.50%    | 26%        | The Company has incurred one time exceptional expense in FY24-25 and one time exceptional gain in FY23-24 which skews the ratio.<br>The ROI ,based on operational results excl. exceptional items in both years has improved. |

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

(Rs. In Lakhs)

|                                           | 2024-25 | 2023-24 |
|-------------------------------------------|---------|---------|
| EBIT                                      | 14,018  | 12,848  |
| Less: Adjusted Tax                        | 2,144   | 2,882   |
| NOPAT (Net Operating Profit less tax)     | 11,874  | 9,966   |
| Equity                                    | 87,898  | 84,651  |
| Debt                                      | 7,081   | 12,675  |
| Total Invested Capital                    | 94,979  | 97,326  |
| Post Tax Cost of Debt %                   | 6.25    | 7.29    |
| Cost of Equity %                          | 11.01   | 9.91    |
| Weighted Average Cost of Capital % (WACC) | 8.63    | 8.63    |
| Weighted Average Cost of Capital (WACC)   | 8,198   | 8,402   |
| EVA (NOPAT – WACC)                        | 3,677   | 1,564   |

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 @ 6.65 % p.a. plus equity premium adjusted for Company's beta variant at 1.

### Segment wise Performance

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

### Outlook

The global economic outlook anticipates a slowdown in growth, with projections indicating a decline from 3.2% in 2024 to 2.9% in 2025. This deceleration is attributed to factors such as uncertainties in trade policies and potential disruptions arising from geopolitical tensions. Despite persistent headwinds, including ongoing conflicts in Europe and the Middle East, the global economy is implementing measures aimed at mitigating recessionary risks. As inflation moderated, major central banks, including those in the US and Europe, began calibrated rate cuts while maintaining prudent oversight. The path ahead could still be turbulent shaped by these factors and slowing demand. Regionally, the tectonic shift has already started. China has risen as a disruptive force, challenging traditional auto leaders, Europe and the US, who wary of their dependence on Chinese components and the impact on local industries, have responded with increased trade barriers and scrutiny.

India's economic growth rate is projected stronger than many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand. The government's strong infrastructure push, logistics development, and industrial corridor development will contribute significantly to raising industrial competitiveness and boosting future growth. Improving labor market conditions and consumer confidence will drive growth in private consumption. The recent deceleration in EV demand could complicate the industry's near -term trajectory. However, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market. Indian automobile industry is expected to achieve a turnover of USD 300 billion during FY 2026, contributing nearly 6% of India's GDP and 35% of the manufacturing GDP. The EV market is expected to grow at CAGR of 49 per cent between 2022-2030 and is expected to hit 10 mn annual sales by 2030, creating additional 50 mn direct and indirect jobs during these years.

The Company and its subsidiaries with agility have consistently invested in innovative process technologies and customized machinery to support both low-volume, specialized products and high-volume production. This strategic approach has established NRB as a preferred global supplier of electric vehicle components and EV-agnostic friction solutions. NRB is leading the way by supplying its global customers in 45 counties and is now a key supplier in advanced mobility applications that will revolutionize and propel the Indian auto component industry forward both domestically and internationally. NRB's focus and embracing of future technologies along with re-inventing and altering its capabilities has led to supplying the world's foremost EVs, in Europe, America and Japan and Korea.

For the automotive and industrial sectors, the Budget included several policy measures aimed at fostering growth, boosting competitiveness and addressing sector-specific challenges.

- **Incentives for Electric Vehicles:** Continued push towards EV adoption through incentives such as tax rebates, subsidies and lower GST rates on electric vehicles. Additionally, investments in EV infrastructure like charging stations are taking shape.
- **Personal Income Tax:** In a significant effort to ease the tax burden on the middle class, substantial tax cuts have been proposed for personal income tax in FY26. This change could result in an increase in disposable income for each taxpayer and could play a crucial role in driving demand for two-wheelers, three-wheelers and entry level cars in the near future.
- **Focus on manufacturing sector and infrastructure investments:** The budget emphasises the development of high-employment industries to promote growth and boost domestic production. Substantial investments in infrastructure support industrial growth including the development of transportation networks and energy supply systems, all expected to enhance the efficiency and competitiveness of India's manufacturing.

India's growth trajectory, though slightly moderated from FY24, remains on a steady growth path. India is expected to have grown 6.4% in FY25 and for FY26, the RBI expects the country to grow between 6.3% to 6.8% following expansion in private capital expenditure. As the world's third-largest vehicle market, India's automotive sector continues to be a crucial economic driver. While India witnessed strong growth in two-wheeler sales, particularly in the EV segment, other sectors faced varying challenges – from high inventory in passenger vehicles to declining commercial vehicle sales and regional variations in the tractor segment. However, your company was able to achieve growth through its focus on winning new businesses.

The industrial landscape in India is expanding rapidly propelled by rising infrastructure development and industrialization. The need for high- performance, precisely built bearings is increasing as a result of Industry 4.0 and smart manufacturing. The industry is also witnessing a shift towards environmentally sustainable solutions. Favorable government regulations and a drive to lower carbon emissions are helping the renewable energy sector grow. All these developments are transforming India into a pivotal hub for manufacturing and industrial development.

The Company's revenue growth and the net operational profit (without exceptional items) were comparable with the growth of other major industry players. Considering the long term growth story of the Indian economy, your Company is confident of improved performance both on revenue and net profits fronts, in the current year.

## **Opportunities and Threats**

### **Opportunities**

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

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

To complement the company's strong presence across current-generation models and reinforce its position as a key supplier of high-precision bearing solutions for leading global European automotive manufacturers, the Board of Directors at its meeting held on April 25, 2025, approved capital investments of INR 200 crores for upgradation and enhancement of capacities across the manufacturing facilities and at R & D centre. This capacity addition is to our existing product lines including Taper Roller Bearings, Ball Bearings, Wide Inner Ring Bearings, Spherical roller Bearings, Cylindrical roller bearings, Needle roller bearings and Thrust Bearings and would lead to capacity enhancement of 15% to 25% higher volumes

## **Challenges/Threats**

Despite the positive momentum, the EV market in India faces several challenges. High initial cost of EVs, limited range and concerns about battery life and recyclability are barriers to widespread adoption. Additionally, the charging infrastructure, though expanding, still requires significant investment to meet the demands of a growing EV fleet. On the supply side, domestic manufacturing of batteries and EV components is crucial for reducing costs and enhancing supply chain resilience. In the coming years, as technology matures and economies of scale are achieved, the EV market in India is likely to see accelerated growth, playing a pivotal role in the country's energy transition and environmental goals.

Despite the growth, the sector faces challenges related to counterfeit parts, vehicle scrapping policy, intense Competition from low-cost imported bearings, fluctuating raw material prices and the need for skilled labour. Addressing these issues is vital for sustainable growth and consumer trust. But overall, the automotive aftermarket in India is poised for growth, driven by a dynamic mix of technology, consumer preferences and economic factors.

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 adding uncertainty to an already dynamic situation of rapidly changing customer preferences and the constant need to upgrade.

- **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.

- **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. With the implementation of BS- VI standards, there has already been a spike in demand for components like catalytic convertors, electronic fuel injection systems, oxygen sensors and intelligent battery sensors, with supply issues.

- **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.

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

## **Risks and concerns**

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

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

The Board/Committee also approves the risk policies and associated practices of the Company, and also reviews and approves risk related disclosures. Otherwise in a normal situation, the operating team is responsible for all operational risks, and 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.

The following broad categories of risks have been considered:

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

- Technology: Rapid strides in technology like EVs and autonomous driving.
- Counterparty: Risks arising from our association with entities for conducting business. These include customers, vendors and their respective industries.
- Resources: Risks arising from sub-optimal utilization of key organization resources such as capital and infrastructure e.g. risks further broken up into equipment risk and people risk. With insurance covers in place for the equipment, the management of people risks is 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, the Risk Management Committee has been driving the effectiveness of the Enterprise Wide Risk Management framework by early identification and risk assessment, formation of cross functional teams working in close collaboration and converting the crises into opportunities so that valuable resources are conserved and the Company's profitability kept on track.

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

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

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

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

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

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**

The Company continues to foster constructive and collaborative relationships with the workmen's unions across all plants. During the year, successful wage settlements following the fire incident were concluded with the unions at the Waluj and Chikalthane facilities, covering three-year periods until 2027 and 2028, respectively. These agreements incorporate productivity-linked wage increments tied to higher production volumes, adjusted for rework. This performance-driven approach, combined with focused initiatives to reduce rejection rates, is expected to significantly enhance capacity utilization at the existing plants.

The primary focus of IR during the current year will continue to be on engaging, motivating and improving the productivity while ensuring improved productivity and product quality at the plants without any interim work disruptions, so that overall workforce requirements are controlled to an optimal level. Our people approach encourages teamwork by way of Cross Functional Teams (CFTs) as it helps build managerial and technical capabilities to align with career aspirations, and encourages interaction with peers from diverse backgrounds and helps spread the values of togetherness, positive thinking and mutual respect.

Process reengineering, automation and digitization are a big focus area for your Company. Many activities have been digitized especially in processes like sales, purchases, production, inventory/stores, assets, payroll etc. The main intention behind automation is to enhance efficiency, safety and better impression on global customers about capabilities so new business possibilities arise while re-assuring workmen that the outcome will not result in job losses, while process reengineering helps in continuing improvement in operations.

System of Performance Evaluation and Employee Development (SPEED), 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 1,316 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  
(DIN: 00003948)

**Satish Rangani**

Non-Executive Director  
(DIN: 00209069)

Place: Mumbai

Date: August 09, 2025

**ANNEXURE B**
**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**

| <b>Sr. No</b> | <b>Name of the subsidiary</b>                                                                                                | <b>NRB Bearings (Thailand) Limited (step down subsidiary)</b> | <b>NRB Bearings Europe GmbH (step down subsidiary)</b> | <b>NRB Bearings, USA Inc (step down subsidiary)</b> | <b>SNL Bearings Limited (Amt. in Lakhs) - Subsidiary</b> | <b>NRB Holdings Limited - Wholly Owned Subsidiary</b> |
|---------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| 1.            | The date since the subsidiary was acquired /incorporated                                                                     | March 31,2007                                                 | June 27,2014                                           | August 26, 2019                                     | June 1, 2000                                             | October 14, 2021                                      |
| 2.            | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                      | N.A.                                                          | N.A.                                                   | N.A.                                                | N.A.                                                     | N.A.                                                  |
| 3.            | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | THB USD (33.9359 THB)                                         | EURO (92.0174)                                         | USD (85.4387)                                       | INR                                                      | USD (85.4387)                                         |
| 4.            | Share capital                                                                                                                | THB 147 million                                               | EURO 25,000                                            | USD 20,000                                          | INR 361                                                  | USD 35,00,000                                         |
| 5.            | Reserves & surplus                                                                                                           | THB 46.74 Million                                             | EUR 1,000,923                                          | USD 950,999                                         | INR 6423                                                 | USD (1,327,504)                                       |
| 6.            | Total assets                                                                                                                 | THB 668.20 Million                                            | EUR 13,053,678                                         | USD 4,261,869                                       | INR 7503                                                 | USD 8,615,507                                         |
| 7.            | Total Liabilities                                                                                                            | THB 474.80 Million                                            | EUR 12,027,755                                         | USD 3,290,870                                       | INR 719                                                  | USD 6,443,011                                         |
| 8.            | Investments                                                                                                                  |                                                               |                                                        |                                                     | INR 3448                                                 |                                                       |
| 9.            | Turnover                                                                                                                     | THB 565.11 Million                                            | EUR 16,463,064                                         | USD 6,688,020                                       | INR 5119                                                 | USD 1,207,321                                         |
| 10.           | Profit /(Loss) before taxation                                                                                               | THB 63.92 Million                                             | EUR 764,564                                            | USD 727,687                                         | INR 1414                                                 | USD (339,463)                                         |
| 11.           | Provision for taxation                                                                                                       | THB 10.81 Million                                             | EUR 237,339                                            | USD 225,583                                         | INR 328                                                  | -                                                     |
| 12.           | Profit /(Loss) after taxation                                                                                                | THB 53.11 Million                                             | EUR 527,225                                            | USD 502,104                                         | INR 1086                                                 | USD (339,463)                                         |
| 13.           | Proposed Dividend                                                                                                            |                                                               |                                                        |                                                     | Rs. 8                                                    |                                                       |
| 14.           | Extent of shareholding (in percentage)                                                                                       | 100                                                           | 100                                                    | 100                                                 | 73.45                                                    | 100                                                   |
| 15.           | Country                                                                                                                      | Thailand                                                      | Germany                                                | USA                                                 | India                                                    | UAE                                                   |

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

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

**Notes:**

- i. None of the Subsidiaries / Associates of the Company is yet to commence its operations.
- ii. None of the subsidiaries / Associates of the Company has been liquidated or sold during the year.

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

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

## **ANNEXURE C**

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

#### **A. Conservation of Energy**

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

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

##### **1. Waluj Plant**

At Waluj, several targeted initiatives contributed to a total energy saving of **2,43,822 KWH**, resulting in a **cost saving of Rs. 35.20 Lakhs** during the year.

- A 19 KW rooftop solar power plant was installed, primarily supplying energy for streetlights and internal compensation, resulting in a saving of 527 KWH and Rs. 0.05 Lakhs.
- The conversion of air-cooled DX units to water-cooled systems using spare capacity of the TRAIN chiller significantly reduced electrical usage, saving 1,57,363 KWH and Rs. 15.64 Lakhs.
- A contract demand optimization exercise brought down the connected load from 3100 KVA to 2700 KVA, leading to a cost saving of Rs. 10.95 Lakhs.
- Daylight sensors were installed in several areas, such as Safed Furnace and Turned Cage, which shut off lighting during sufficient natural light, saving 3,043 KWH and Rs. 0.30 Lakhs.
- A major energy reduction was achieved by replacing pneumatic air guns with 12V DC motor-based mechanisms on seven lines, which saved 74,293 KWH and Rs. 7.43 Lakhs.
- Conventional motors were replaced with energy-efficient motors in several grinding machines, saving 6,844 KWH and Rs. 0.68 Lakhs.
- A Variable Frequency Drive (VFD) was installed on the Modler centralized coolant tank pump, saving 1,752 KWH and Rs. 0.18 Lakhs.

##### **2. Jalna Plant**

The Jalna plant implemented several upgrades and operational changes, resulting in a total energy saving of **26,759.58 KWH** and a cost saving of **Rs. 2.49 Lakhs**.

- The pneumatic FAD system was replaced with a motor-based mechanism in the 100T press and NTB washer, saving 4,328.69 KWH and Rs. 0.38 Lakhs.
- Installation of four BLDC energy-efficient fans reduced consumption by 266.24 KWH, with a saving of Rs. 0.026 Lakhs.
- LED lighting replacements in the training hall and street lighting saved 286.64 KWH and Rs. 0.025 Lakhs.
- Application of energy-saving paint in the rotary furnace during relining helped save 2,500 KWH and Rs. 0.23 Lakhs.
- Optimization of machine operations in coolant pumps and demagnetizers contributed to a saving of 19,378 KWH and Rs. 1.84 Lakhs.

### 3. Chikalthana Plant

At Chikalthana, a total of **1,17,166 KWH** of electricity was saved, translating to **Rs. 9.80 Lakhs** in cost reduction.

- Cycle time reduction in the HB-26 machine led to a saving of 62,719 KWH and Rs. 5.24 Lakhs.
- Installation of VFDs on descaling barrels helped save 4,928 KWH and Rs. 0.42 Lakhs.
- Replacement of 60 HP motors with 50 HP IE3 energy-efficient motors on machines such as HB-19 and 2.5M blowers saved 7,724 KWH and Rs. 0.65 Lakhs.
- By arresting air leakages and interconnecting pneumatic lines, compressor efficiency improved, saving 41,710 KWH and Rs. 3.49 Lakhs.
- Motion sensors were installed in office areas, achieving a marginal but meaningful saving of 45 KWH and Rs. 0.004 Lakhs.

### 4. Hyderabad Plant

At the Hyderabad unit, total savings amounted to 48,783 KWH and ₹ 4.39 lacs.

- Mechanical pick-and-place units were introduced in place of compressed air-based component ejection systems, resulting in savings of 15,000 KWH and ₹ 1.35 lacs.
- PLC modifications in the phosphating plant and lathe machines enabled timed shutoff during idle periods, saving 18,000 KWH and ₹ 1.62 lacs.
- PLC panel upgrades (PLC control panels wherein sequence of operations precisely controlled and power to motor goes off in case machine is idle > 5 mins) across departments helped reduce idle-time power consumption, yielding a saving of 3,533 KWH and ₹ 0.318 lacs.
- Timers were provided on polishing barrel machines, saving 1,350 KWH and ₹ 0.1215 lacs.
- Installation of thyristor modules and PID controllers in the furnace optimized heating, saving 10,000 KWH and ₹ 0.90 lacs.
- A VFD was installed on the Rigimax-16T press, contributing an additional 900 KWH saved and ₹ 0.081 lacs.

### 5. Pantnagar Plant

Pantnagar's energy saving initiatives resulted in 30,986 KWH saved and ₹ 0.84 lacs in monetary savings.

- A foot-switch mechanism was introduced to control pneumatic usage, saving 29,640 KWH and ₹ 0.76 lacs.
- 40 CFL tube lights were replaced with 18W LED lights, saving 1,346.25 KWH and ₹ 0.08 lacs.

### Engineering Centre, Turbhe

The Engineering Centre in FY 2024–25, achieved ₹ 3.48 lacs in energy cost savings.

- A 30 KVAR thyristor panel (Statcom) was installed to improve the power factor. The team also implemented contract demand optimization, reducing the fixed electricity charges by ₹ 3.47 lacs.
- IOT energy meters were installed across 16 machines to monitor real-time energy usage, enabling future efficiency improvements.

**Across all plants and Engineering Centre, the Company achieved a total energy saving of 4,67,516.58 KWH, resulting in a cost saving of ₹ 56.20 lacs.**

**B. The capital investment on energy conservation equipment- Rs. 21.35 Lakhs.**

**C. Technology Absorption**

(i) The efforts made towards technology absorption:

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

- The Company has continued its sustained focus on technology development of light weight, fuel efficient, reduced noise and ceramic bearings with enhanced product performance. The development is primarily motivated by the Company's desire to be in EV and internal combustion engine vehicles with more efficient bearing products for high speeds, high loads, low friction, improved durability and NVH performance. The company has successfully demonstrated friction reduction and precision improvement for IC engine bearings.
- There is a continuing programme to enhance the Company's range of products and allied parts to meet the future needs of the evolving market by providing a strong proposition for its customers and aiming to be a global player in the mobility business by providing multiple solutions for customer requirements. As part of this business programme, its engineering and technology development centers have carried out improvements as detailed below:
- Light weighting of big end bearings with noise reduction. The Company has been successful in demonstrating friction reduction by 40 percent in big end bearings and achieving 3% improvement in fuel economy. Company has reached out customers to showcase this capability and become the preferred solution provider. The capability is a gamechanger technology not only for IC engines but also for EVs, hybrids for automatic transmissions
- Hybrid bearing with ceramic balls for EV applications requiring electric discharge insulation, lower inertia, lower friction, high temp capability. The Company is now ready to offer these bearings for EV motors. An additional version of the insulation protection through ceramic coated outer ring is developed and tested by company. Company has received the nomination for product development.
- In continuation of company's efforts to develop one-way clutch bearing, this year company has increased its one-way clutch portfolio and added solid race one-way clutch designs also. Company is now focusing on reaching out to OEMs to introduce the new product line.
- The Company identified physical testing needs which only tell about the end result but does not talk 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.
- Digitization of design process continues to be continual improvement program. Company has been successful in implementing the seamless application study and design of the product coupled with CAE analysis for core products like cages, CRBs, unitized thrust bearings, Tapered thrust bearings. Company has been quite successful in demonstrating and earning appreciation from customers for the digitization of design process.

(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.
- 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
- Range Expansion
- Productivity and quality improvement
- Virtual simulations of product and process to increase first time right product development

**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
- Precision transmission and engine components
- REACH compliance

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

- a) The details of technology imported: N.A.
- b) The year of import: N.A.
- c) Whether the technology has been fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv) The expenditure incurred on Research and Development- During the year an amount of Rs. 2,425 Lakhs incurred on revenue and capital account for Research and Development expenses.

**D. Foreign exchange earnings and outgo**

Foreign exchange earnings Rs. 25,390 Lakhs

Foreign exchange outgo Rs. 21,061 Lakhs

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

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

**ANNEXURE D****Annual Report on Corporate Social Responsibility (CSR) activities**

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

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

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

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

2. Composition of CSR Committee:

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

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

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

4. Details of executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. a) Average Net Profit of the Company as per sub-section (5) of section 135: Rs. 11,369.90 Lakhs
- b) Two percent of average Net Profit of the Company as per sub-section (5) of section 135: Rs. 227.40 Lakhs
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
- d) Amount required to be set off for the financial year, if any: Rs. 3.19 Lakhs
- e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 224.21 Lakhs

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). - 227.50

| (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      | 50.00                                       | No                                         | Ashoka University                                    | CSR00000712             |
| 2      | Promotion of education                                        | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 19.00                                       | No                                         | IIT Bombay                                           | CSR00007536             |
| 3      | Promoting education & employment, enhancing vocational skills | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 20.00                                       | No                                         | Aseema Charitable Trust                              | CSR00004000             |
| 4      | Promoting education & vocational training projects            | Yes                                                         | Yes                   | Maharashtra, Telangana, Karnataka | Mumbai, Hyderabad, Bangalore | 15.00                                       | No                                         | 321 Education Foundation                             | CSR00000739             |
| 5      | Vocational development projects                               | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 10.00                                       | No                                         | The Apprenticeship Project                           | CSR00001497             |
| 6      | Healthcare projects                                           | Yes                                                         | Yes                   | Maharashtra                       | Aurangabad                   | 1.00                                        | No                                         | Aesthesis Foundation                                 | CSR00006769             |
| 7      | Healthcare projects                                           | Yes                                                         | Yes                   | Maharashtra                       | Aurangabad                   | 1.00                                        | No                                         | Aarambh society                                      | CSR00003004             |
| 8      | Promotion of education                                        | Yes                                                         | Yes                   | Maharashtra                       | Jalna                        | 20.00                                       | No                                         | Gyan Prakash Foundation                              | CSR00006310             |
| 9      | Healthcare projects                                           | Yes                                                         | No                    | PAN India                         | PAN India                    | 30.00                                       | No                                         | Goonj                                                | CSR00000291             |
| 10     | Healthcare                                                    | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 10.00                                       | No                                         | Indian Cancer Society                                | CSR00000792             |
| 11     | Social Business Projects                                      | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 1.50                                        | No                                         | Rotary Club of Mahim                                 |                         |
| 12     | Social Business Projects                                      | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 10.00                                       | No                                         | Rotary Club of Bombay Charities Trust No. 3          | CSR00004479             |
| 13     | Promotion of education                                        | Yes                                                         | Yes                   | Maharashtra                       | Mumbai                       | 25.00                                       | No                                         | Akanksha Foundation                                  | CSR00001286             |
| 14     | Promotion of Girl child education                             | Yes                                                         | No                    | Maharashtra                       | Georai                       | 5                                           | No                                         | Aai Janhit Bahuud-deshiy Sevabhavi Sanstha           | CSR00008566             |
| 15     | Empowerment of Rural Women                                    | Yes                                                         | Yes                   | Maharashtra                       | Chhatrapati Sambhaji-nagar   | 10                                          | No                                         | Shri Radhika Seva Trust                              | CSR00008656             |

b) Amount spent in Administrative Overheads. : Nil

- c) Amount spent on Impact Assessment, if applicable.: Not Applicable
- d) Total amount spent for the Financial Year [(a)+(b)+(c)].: Rs. 227.50 Lakhs
- e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (Rs. In lacs) | Amount Unspent (in Rs.)                                                                 |                   |                                                                                                                      |         |                   |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------|---------|-------------------|
|                                                          | Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135. |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. |         |                   |
|                                                          | Amount.                                                                                 | Date of transfer. | Name of the Fund                                                                                                     | Amount. | Date of transfer. |
| 227.50                                                   | Nil                                                                                     | Not Applicable    | Not Applicable                                                                                                       | Nil     | Not Applicable    |

- f) Excess amount for set-off if any

| Sr. No. | Particular                                                                                                  | Amount (Rs. in Lakhs) |
|---------|-------------------------------------------------------------------------------------------------------------|-----------------------|
| (1)     | (2)                                                                                                         | (3)                   |
| (i)     | Two percent of average net profit of the company as per sub-section (5) of section 135                      | 227.40                |
| (ii)    | Total amount spent for the Financial Year                                                                   | 227.50                |
| (iii)   | Excess amount spent for the Financial Year [(ii)-(i)]                                                       | 0.10                  |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | 0.00                  |
| (v)     | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                     | 0.10                  |

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

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

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

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

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

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

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

For and on behalf of the Board of Directors

**NRB Bearings Limited**

Place: Mumbai

Date: August 09, 2025

**Harshbeena Zaveri**

Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**

Non-Executive Director  
(DIN: 00209069)

**ANNEXURE E**  
**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 arm's length transactions under third proviso thereto**

- |                                                                                                                           |                                                                         |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| <b>1. Details of contracts or arrangements or transactions not at arm's length basis</b>                                  | <b>N.A.</b>                                                             |
| (a) Name(s) of the related party and nature of relationship:                                                              | N.A.                                                                    |
| (b) Nature of contracts/arrangements/transactions:                                                                        | N.A.                                                                    |
| (c) Duration of the contracts / arrangements / transactions:                                                              | N.A.                                                                    |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any:                           | N.A.                                                                    |
| (e) Justification for entering into such contracts or arrangements or transactions:                                       | N.A.                                                                    |
| (f) Date(s) of approval by the Board:                                                                                     | N.A.                                                                    |
| (g) Amount paid as advances, if any:                                                                                      | N.A.                                                                    |
| (h) Date on which the special resolution was passed in general meeting<br>as required under first proviso to section 188: | N.A.                                                                    |
| <b>2. Details of material contracts or arrangement or transactions at arm's length basis</b>                              |                                                                         |
| <b>(a) Name(s) of the related party and nature of relationship:</b>                                                       |                                                                         |
| i) NRB Holdings Limited                                                                                                   | - Subsidiary Company                                                    |
| ii) SNL Bearings Limited                                                                                                  | - Subsidiary Company                                                    |
| iii) NRB Bearings (Thailand) Limited                                                                                      | - Step-down Subsidiary Company                                          |
| iv) NRB Bearings Europe GmbH                                                                                              | - Step-down Subsidiary Company                                          |
| v) NRB Bearings, USA Inc                                                                                                  | - Step-down Subsidiary Company                                          |
| vi) First Technologies BV                                                                                                 | - Body Corporate in which relative of Director is a<br>Member /Director |
| vii) First Engineering Technologies<br>Private Limited                                                                    | - Private Company in which a Director is a Director                     |
| viii) SZWW General Trading<br>Private Limited                                                                             | - Private Company in which a Director is a Director                     |
| ix) New Indo Trading                                                                                                      | - Firm in which Director is a Partner                                   |
| x) Trilochan Singh Sahney Trust 1                                                                                         | - Trust in which Key Managerial Personnel has<br>significant influence  |
| xi) Ms. Hanwantbir Kaur Sahney                                                                                            | - Rent Income                                                           |
| xii) Ms. Harshbeena Zaveri                                                                                                | - VC & MD Key Managerial Personnel                                      |
| Mr. Satish Rangani                                                                                                        | - Non-Executive Non-Independent Director                                |
| Mr. Tashwinder Singh                                                                                                      | - Independent Director (upto August 10, 2024)                           |
| Ms. Vishakha R. M.                                                                                                        | - Independent Director (upto August 01, 2024)                           |
| Mr. Ashank Desai                                                                                                          | - Independent Director                                                  |
| Mr. Rustom Desai                                                                                                          | - Independent Director                                                  |

|                                                |   |                                         |
|------------------------------------------------|---|-----------------------------------------|
| Mr. Jayavardhan Dhar Diwan                     | - | Independent Director                    |
| Ms. Bapsy Dastur                               | - | Independent Director                    |
| Mr. Raman Malhotra                             | - | Chief Financial Officer                 |
| Ms. Shruti Joshi                               | - | Company Secretary (upto March 25, 2025) |
| 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<br>Purchase of Raw Materials Components<br>Sale of Property, Plant & Equipment<br>Inter Corporate Deposit repayment received<br>Income on Inter Corporate Deposit<br>Reimbursement of Expenses |
| ii) NRB Bearings Europe GmbH                         | - | Sales Promotion Expenses<br>Reimbursement of Expenses<br>Sale of Finished Goods                                                                                                                                       |
| iii) NRB Holdings Limited                            | - | Investment in equity shares<br>Inter Corporate Deposit disbursed<br>Interest Income on Inter Corporate Deposit                                                                                                        |
| iv) SNL Bearings Limited                             | - | Sale of Finished Goods<br>Purchase of Raw Materials/ Components<br>Sale of Property, Plant & Equipment<br>Dividend Income                                                                                             |
| v) NRB Bearings, USA Inc                             | - | Sales Promotion Expenses<br>Advance received for Sales Promotion Expenses<br>Sale of Finished Goods                                                                                                                   |
| vi) NRB Industrial Bearings Limited                  | - | Rent Income<br>Consideration paid for Intercompany Agreement                                                                                                                                                          |
| vii) First Technologies BV                           | - | Consultancy fees                                                                                                                                                                                                      |
| viii) First Engineering Technologies Private Limited | - | Purchase of Raw Materials/Components                                                                                                                                                                                  |
| ix) New Indo Trading                                 | - | Service Charges                                                                                                                                                                                                       |
| x) Trilochan Singh Sahney Trust 1                    | - | Dividend                                                                                                                                                                                                              |
| xi) Ms. Harshbeena Zaveri                            | - | Remuneration, commission and dividend                                                                                                                                                                                 |
| xii) Mr. Satish Rangani                              | - | Sitting fees, commission and dividend                                                                                                                                                                                 |
| Mr. Tashwinder Singh                                 | - | Sitting fees and commission                                                                                                                                                                                           |
| Mr. Ashank Desai                                     | - | Sitting fees and commission                                                                                                                                                                                           |
| Mr. Rustom Desai                                     | - | Sitting fees and commission                                                                                                                                                                                           |
| Mr. Jayavardhan Dhar Diwan                           | - | Sitting fees and commission                                                                                                                                                                                           |

|                                               |   |                               |
|-----------------------------------------------|---|-------------------------------|
| Ms. Bapsy Dastur                              | - | Sitting fees and commission   |
| Ms. Vishakha R. M.                            | - | Sitting fees and commission   |
| Mr. Raman Malhotra                            | - | 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<br>- Guarantee extended during the year<br>- Guarantee commission receivable                                                                            | As per Purchase Orders placed for their requirements of Raw Materials, Components and Finished Products. |
| 2.      | NRB Bearings Europe GmbH                                                                                                                                                                                                                                   | - Sale of Finished Goods<br>- Business Support Activities (Sale of - Service & Business Development)<br>- Guarantee extended during the year<br>- Guarantee commission receivable | As per terms and conditions of inter-company agreement                                                   |
| 3.      | NRB Holdings Limited                                                                                                                                                                                                                                       | - Investments in equity shares<br>- 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<br>- Business Support Activities (Sale of Service & Business Development)                                                                                | - As per terms and conditions of inter- company agreement<br>- At Par                                    |
| 6.      | First Technologies BV                                                                                                                                                                                                                                      | Legal and professional 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<br>Ms. Harshbeena Zaveri , Vice Chairman & Managing Director,<br>Mr. Satish Rangani, Non-Executive Director<br>Others (Independent Directors)<br>Mr. Raman Malhotra, Chief Financial Officer<br>Ms. Shruti Joshi, Company Secretary | Remuneration, Commission and Sitting Fees<br><br>Dividend                                                                                                                         | As per terms and conditions on appointment / re-appointment<br><br>As declared by Company                |
| 12.     | NRB Industrial Bearings Limited                                                                                                                                                                                                                            | - Rent income<br>- Consideration paid for Intercompany Agreement                                                                                                                  | - As per terms and conditions of inter- company agreement                                                |

**2) Value of the transactions with the related parties:** As mentioned below:

**(Rupees in lacs)**

| <b>Name of related party</b>                                                                | <b>Nature of transaction</b>                           | <b>31 March 2025</b> |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------|
| SNL Bearings Limited                                                                        | Sale of finished goods                                 | 133                  |
|                                                                                             | Sale of property, plant and equipment                  | 23                   |
|                                                                                             | Purchase of raw materials                              | 1,614                |
|                                                                                             | Reimbursement of expenses from the Company             | 59                   |
|                                                                                             | Dividend received on equity shares                     | 186                  |
| NRB Bearings (Thailand) Limited (#)                                                         | Sale of finished goods                                 | 502                  |
|                                                                                             | Sale of property, plant and equipment                  | 12                   |
|                                                                                             | Purchase of raw materials                              | 8,512                |
|                                                                                             | Reimbursement of expenses from the Company             | 24                   |
|                                                                                             | Guarantee extended during the year                     | 4,272                |
|                                                                                             | Guarantee commission receivable                        | 72                   |
| NRB Industrial Bearings Limited                                                             | Rent income                                            | 73                   |
|                                                                                             | Consideration paid for Intercompany Agreement          | 5,512                |
| NRB Holdings Limited                                                                        | Inter corporate deposit repaid                         | 2,450                |
|                                                                                             | Interest income on inter corporate deposits            | 625                  |
| NRB Bearings Europe GmbH                                                                    | Sale of finished goods                                 | 12,438               |
|                                                                                             | Guarantee extended during the year                     | 3,681                |
|                                                                                             | Guarantee commission receivable                        | 1                    |
| NRB Bearings USA Inc                                                                        | Sale of finished goods                                 | 3,888                |
| First Engineering Technologies Private Limited                                              | Purchase of raw materials/components                   | 3                    |
| First Technology BV                                                                         | Legal and professional fees                            | 346                  |
| New Indo Trading Company                                                                    | Service charges                                        | 4                    |
| (Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name) | Dividend paid (including interim dividend)             | 845                  |
| Ms. Harshbeena Zaveri                                                                       | Remuneration and commission                            | 335                  |
|                                                                                             | Dividend paid                                          | 301                  |
| Mr. S. C. Rangani                                                                           | Sitting fees and commission                            | 9                    |
| Mr. D. S. Sahney                                                                            | Dividend paid                                          | 21                   |
| Mr. Raman Malhotra                                                                          | Remuneration                                           | 62                   |
| Ms. Shruti Joshi                                                                            | Remuneration                                           | 90                   |
| Other KMPs (Directors)                                                                      | Sitting fees and commission to non-executive directors | 52                   |
| Ms. Hanwantbir Kaur Sahney                                                                  | Rent Income                                            | 4                    |

(\*) Amount less than 1 Lac.

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

- i) May 27, 2024
- ii) August 12, 2024
- iii) November 07, 2024
- iv) February 07, 2025

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

Nil

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

 Place: Mumbai  
 Date: August 09, 2025

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

**Satish Rangani**  
 Non-Executive Director  
 DIN: 00209069

**ANNEXURE F**  
**Form no.: MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st March, 2025**

[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, 2025 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, 2025 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 does not have Foreign Director Investment and External Commercial Borrowing.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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, 2018;
- 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. The Company has proper system to comply with the applicable laws.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules Regulations, Guidelines, Standards, etc. mentioned above.

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. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

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

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

UDIN: F002727G000345401

Peer Review Certificate No. 1882/2022

Place: Mumbai

Date: 30/05/2025

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

## **ANNEXURE A**

To,  
The Members,  
NRB Bearings Limited,

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

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

Place: Mumbai  
Date: 30/05/2025

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

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

- a. The ratio of the remuneration of each Executive Director/KMP to the median remuneration of the employees of the Company for FY 2024-25

| Name of Directors                                        | Remuneration<br>(Rs. In Lakhs) | Median<br>Remuneration<br>(Rs. In Lakhs) | Ratio |
|----------------------------------------------------------|--------------------------------|------------------------------------------|-------|
| Ms. Harshbeena Zaveri, Vice Chairman & Managing Director | 334.94                         | 5.84                                     | 57.35 |
| Mr. Raman Malhotra (CFO)                                 | 62.32                          | 5.84                                     | 10.67 |
| Ms. Shruti Joshi (CS)                                    | 94.90                          | 5.84                                     | 16.25 |

- b. The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in FY 2024-25:

| Name of Executive Directors / KMP                           | Percentage increase in remuneration<br>in the Financial year. |
|-------------------------------------------------------------|---------------------------------------------------------------|
| Ms. Harshbeena Zaveri, Vice Chairperson & Managing Director | (10.90) Percent                                               |
| Mr. Raman Malhotra (CFO)**                                  | 0 Percent                                                     |
| Ms. Shruti Joshi (CS)*                                      | 11.62 Percent                                                 |

\*\*Mr. Raman Malhotra joined on February 15, 2024

\*Ms. Shruti Joshi resigned wef March 25, 2025

- 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 8.27 per cent during financial year 2024-25. (Rs 5,40,000 /- p.a. to Rs 5,84,653 /- p.a.).
- d. The Company has 1316 number of permanent employees on the rolls of the company as on March 31, 2025.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel and its comparison with the percentile decrease in the managerial remuneration and justification thereof.  
The increment given to each individual employee is based on the employee's performance and contribution to the Company's growth and also benchmarked against industry standard.
- f. Average percentile increase in the salaries of employees other than Managerial Personnel is 7.10 per cent while decrease in the Managerial Remuneration is (27.27) per cent.
- g. The remuneration is as per the remuneration policy of the Company.

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

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

## **CORPORATE GOVERNANCE REPORT**

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2025, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### **COMPANY'S PHILOSOPHY**

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

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

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

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

### **GOVERNANCE STRUCTURE**

The Corporate Governance structure is as follows:

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

### **THE BOARD OF DIRECTORS**

#### **Composition and category of Directors**

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

As on March 31, 2025, the Company's Board consists of 6 (six) Directors. The Board comprises of 1 (one) Executive Director and 5 (five) Non-Executive Directors out of which 4 (four) are Independent Directors. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. None of the Directors, are related to each other.

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

As per Regulation 17A of the Listing Regulations, none of the Directors is on the Board of more than 7 (Seven) listed entities and 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, 2025 are given below:

**Directorship / Committee Membership as on March 31, 2025**

| Name                                        | Date of Appointment | Category of Director                   | Directorships in other Indian Public Limited Companies (excluding NRB Bearings Limited) | No. of Board Committees in which Chairman / Member (excluding NRB Bearings Limited) |        | Attendance at Last AGM held on September 20, 2024 | Shareholding in NRB Bearings Limited (No. of shares) |
|---------------------------------------------|---------------------|----------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------|---------------------------------------------------|------------------------------------------------------|
|                                             |                     |                                        |                                                                                         | Chairman                                                                            | Member |                                                   |                                                      |
| Ms. Harshbeena Zaveri<br>DIN: 00003948      | 01/10/2020*         | Vice Chairman, MD and Promoter         | 1                                                                                       | 0                                                                                   | 2      | Yes                                               | 1,31,81,323 (13.60%)                                 |
| Mr. Satish Rangani<br>DIN: 00209069         | 24/01/2024          | Non-Executive Non-Independent Director | 1                                                                                       | 0                                                                                   | 1      | Yes                                               | 9,000 (0.01%)                                        |
| Mr. Jayavardhan Dhar Diwan<br>DIN: 01565319 | 27/05/2024          | Non-Executive Independent Director     | 1                                                                                       | 0                                                                                   | 2      | Yes                                               | Nil                                                  |
| Mr. Ashank Desai<br>DIN: 00017767           | 30/03/2016          | Non-Executive Independent Director     | 1                                                                                       | 0                                                                                   | 1      | Yes                                               | Nil                                                  |
| Mr. Rustom Desai<br>DIN: 02448175           | 23/01/2017          | Non-Executive Independent Director     | 0                                                                                       | 0                                                                                   | 0      | Yes                                               | Nil                                                  |
| Ms. Bapsy Faroukh Dastur<br>DIN: 09623277   | 27/05/2024          | Non-Executive Independent Director     | 0                                                                                       | 0                                                                                   | 0      | Yes                                               | Nil                                                  |

Notes:

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

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

**Other Directorships held by Directors:**

| Sr. No | Name of Directors          | Details of other Directorships*                                                                               | Details of Committee Memberships                                                                                                                                                                                                                                         |
|--------|----------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Ms. Harshbeena Zaveri      | <ul style="list-style-type: none"> <li>SNL Bearings Limited- Non-Executive Chairman &amp; Director</li> </ul> | SNL Bearings Limited: <ul style="list-style-type: none"> <li>Audit Committee-Member</li> <li>Stakeholders Relationship Committee- Member</li> <li>Corporate Social Responsibility Committee-Chairperson</li> <li>Nomination and Remuneration Committee-Member</li> </ul> |
| 2      | Mr. Satish Rangani         | <ul style="list-style-type: none"> <li>SNL Bearings Limited- Non-Executive Director</li> </ul>                | SNL Bearings Limited: <ul style="list-style-type: none"> <li>Stakeholder Relationship Committee-Member</li> <li>Corporate Social Responsibility Committee-Member</li> </ul>                                                                                              |
| 3.     | Mr. Rustom Desai           | Nil                                                                                                           | Nil                                                                                                                                                                                                                                                                      |
| 4.     | Mr. Ashank Desai           | <ul style="list-style-type: none"> <li>Mastek Limited- Non-Executive-Non-Independent Director</li> </ul>      | Mastek Limited: <ul style="list-style-type: none"> <li>Audit Committee-Member</li> <li>Risk Management &amp; Governance Committee-Chairperson</li> <li>Corporate Social Responsibility Committee-Member</li> </ul>                                                       |
| 5.     | Mr. Jayavardhan Dhar Diwan | <ul style="list-style-type: none"> <li>Pradeep Metals Limited-Director</li> </ul>                             | Pradeep Metals Limited: <ul style="list-style-type: none"> <li>Audit Committee-Member</li> <li>Stakeholders Relationship Committee-Member</li> <li>Nomination &amp; Remuneration Committee - Chairman</li> </ul>                                                         |
| 6.     | Ms. Bapsy Faroukh Dastur   | Nil                                                                                                           | Nil                                                                                                                                                                                                                                                                      |

\* Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.

**Independent Directors**

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

**Number of Independent Directorships**

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

**Board Meetings**

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

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

During the financial year 2024-25 the Board of Directors met 6 (Six) times i.e., on May 27, 2024, June 26, 2024, August 12, 2024, October 04, 2024, November 07, 2024 and February 07, 2025. The maximum gap between any two consecutive meetings was less than 120 (one hundred and twenty) days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India

**Attendance of Directors at the Board Meetings:**

| Sr. No. | Name of Director           | No. of Board Meetings attended |
|---------|----------------------------|--------------------------------|
| 1.      | Ms. Harshbeena Zaveri      | 6                              |
| 2.      | Mr. Jayavardhan Dhar Diwan | 6                              |
| 3.      | Mr. Satish Rangani         | 6                              |
| 4.      | Mr. Tashwinder Singh*      | 2                              |
| 5.      | Mr. Ashank Desai           | 5                              |
| 6.      | Mr. Rustom Desai           | 6                              |
| 7.      | Ms. Bapsy Faroukh Dastur   | 6                              |
| 8.      | Ms. Vishakha R.M**         | 2                              |

\* Mr. Tashwinder Singh retired as Director effective from 10th August, 2024 upon completion of his two terms of 5 consecutive years as Independent Director of the Company; and

\*\* Ms. Vishakha R.M. tendered her resignation from the Company effective from 1st August, 2024

**Information placed before the Board**

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

**Post Meeting Mechanism**

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

**Board Support**

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

**FAMILIARISATION PROGRAMME FOR DIRECTORS**

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

**GOVERNANCE CODES****Code of Conduct**

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

## Conflict of Interests

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

## Insider Trading Code

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

## COMMITTEES OF THE BOARD

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

### (A) AUDIT COMMITTEE

#### Composition

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

#### Meetings and Attendance

The Audit Committee met 6 (six) times during the financial year 2024-25. The maximum gap between two meetings was not more than 120 (one hundred and twenty) days. The Committee met on April 30, 2024, May 27, 2024, August 12, 2024, November 07, 2024, February 07, 2025 and March 18, 2025. 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 20, 2024.

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. Jayavardhan Dhar Diwan | Chairman | Independent Director                                   | 4                        |
| 2.      | Ms. Harshbeena Zaveri      | Member   | Executive Director (Vice Chairman & Managing Director) | 6                        |
| 3.      | Ms. Bapsy Faroukh Dastur   | Member   | Independent Director                                   | 4                        |
| 4.      | Mr. Tashwinder Singh*      | Chairman | Independent Director                                   | 2                        |
| 5.      | Ms. Vishakha R.M**         | Member   | Independent Director                                   | 2                        |

\* Mr. Tashwinder Singh retired as Director effective from 10th August, 2024 upon completion of his two terms of 5 consecutive years as Independent Director of the Company; and

\*\* Ms. Vishakha R.M.Singh tendered her resignation from the Company effective from 1st August, 2024.

**Terms of Reference**

The terms of reference of the Committee inter-alia includes the following:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. To recommend to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
- iii. To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. To review with the management, the annual financial statements, auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions and
  - g. Modified Opinions in the draft audit report, if any.
- v. To review with the management, the quarterly financial statements before submission to the Board for approval.
- vi. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. To review and monitor the auditor's independence and performance and effectiveness of audit process.
- viii. To approve or make any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the Company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv. To discuss with internal auditors any significant findings and follow up there on.
- xv. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- xvi. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- xviii. To review the functioning of the Whistle Blower Mechanism.
- xix. To grant omnibus approval for related party transactions proposed to be entered into by the Company subject to conditions as prescribed in the Act.

- xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxii. To call for comments of the auditors about internal control systems, the scope at audit, including observations of the auditors and review of financial statements before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company.
- xxiii. To investigate into any matter in relation to the items specified in section 177(4) of the Act or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
- xxiv. Reviewing the utilization of loans and/or advances from / investment by the holding company in subsidiary exceeding Rupees 100 crores or 10% of asset size of subsidiary, whichever is lower including existing loans / advances / investments.
- xxv. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

**Review of information by Audit Committee:**

The Audit Committee mandatorily reviews the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses;
- iv. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
- v. Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

It may be clarified that the power, role and review of the Audit Committee includes matters specified under Part C of Schedule II of Listing Regulations as amended from time to time and as applicable to the Company.

**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, 2025.

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

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

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

**Internal Controls and Governance Processes**

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

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

The Nomination and Remuneration Committee comprises of 3 (three) Independent Directors, Mr. Rustom Jamshed Desai, Ms. Bapsy Faroukh Dastur and Mr. Jayavardhan Dhar Diwan, 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 5 (five) times during the year on April 30, 2024, May 27, 2024, November 07, 2024, December 23, 2024 and March 15, 2025. 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.      | Mr. Rustom Jamshed Desai   | Chairman | Independent Director | 4                        |
| 2.      | Ms. Bapsy Faroukh Dastur   | Member   | Independent Director | 3                        |
| 3.      | Mr. Jayavardhan Dhar Diwan | Member   | Independent Director | 3                        |
| 4.      | Mr. Tashwinder Singh*      | Member   | Independent Director | 2                        |
| 5.      | Ms. Vishakha R.M.**        | Chairman | Independent Director | 2                        |

\* Mr. Tashwinder Singh retired as Director effective from 10th August, 2024 upon completion of his two terms of 5 consecutive years as Independent Director of the Company; and

\*\* Ms. Vishakha R.M.tendered her resignation from the Company effective from 1st August, 2024.

**Terms of Reference**

The terms of reference of the Committee inter-alia includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of the Board of Directors, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

## 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 and Risk Management Committee meeting and Rs. 20,000/- for each meeting paid for CSR Committee meeting and Stakeholders Relationship Committee meeting.

In addition, the non-executive Directors are entitled to commission as determined by the Board of Directors / Nomination and Remuneration Committee, payable for FY 2024-25.

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

| Name of Director/KMP       | Sitting fees<br>FY 2024-25 | Commission on<br>profits<br>FY 2024-25 | Salary and<br>Perquisites FY<br>2024-25 | Total       |
|----------------------------|----------------------------|----------------------------------------|-----------------------------------------|-------------|
| Ms. Harshbeena Zaveri      | -                          | 58,68,000                              | 27,626,394                              | 3,34,94,394 |
| Mr. Tashwinder Singh*      | 2,60,000                   | 4,00,000                               | -                                       | 6,60,000    |
| Mr. Satish Rangani         | 3,30,000                   | 6,00,000                               | -                                       | 9,30,000    |
| Mr. Ashank Desai           | 2,50,000                   | 6,00,000                               | -                                       | 8,50,000    |
| Mr. Rustom Desai           | 3,60,000                   | 6,00,000                               | -                                       | 9,60,000    |
| Ms. Vishakha R.M.**        | 2,60,000                   | 2,00,000                               | -                                       | 4,60,000    |
| Mr. Jayavardhan Dhar Diwan | 5,10,000                   | 6,00,000                               | -                                       | 11,10,000   |
| Ms. Bapsy Dastur           | 5,30,000                   | 6,00,000                               | -                                       | 11,30,000   |
| Mr. Raman Malhotra         | -                          | -                                      | 62,32,074                               | 62,32,074   |
| Ms. Shruti Joshi#          | -                          | -                                      | 94,90,015                               | 94,90,015   |

\*Mr. Tashwinder Singh and \*\*Ms. Vishakha R.M. ceased to be Directors of the Company w.e.f. August 10, 2024 and August 01, 2024 respectively and hence remuneration has been paid to them, for part of the financial year.

#Ms. Shruti Joshi resigned as Company Secretary & Compliance officer wef March 25, 2025

#### Note :

- Ms. Harshbeena Zaveri, Vice Chairman & Managing Director of the Company, was re-appointed as the Executive Director of NRB Holdings Limited (NRB Holdings), a wholly owned subsidiary of the Company w.e.f. November 1, 2023. During the year under review, Ms. Harshbeena Zaveri, received part of remuneration from NRB Holdings amounting to Rs. 4,70,69,493/- The remuneration drawn by Ms. Zaveri was divided between the Company and NRB Holdings Limited, based on the parameters fixed by the Board.
- Commission payable for FY 2024-25 to the Directors was approved at the meeting of the Board of Directors held on May 14, 2025.
- Other than as disclosed above, there is no pecuniary relationship or transaction between the Company and the Non-Executive Directors.
- The notice period for Ms. Harshbeena Zaveri is 6 months and there is no separate provision for payment of severance fees.
- Currently the Company has not implemented any share-based employees benefit scheme, therefore the executive director is not given benefit under such share-based employees benefit scheme.
- Change in senior management personnel: During the year under review, Ms. Shruti Joshi resigned as Company Secretary & Compliance officer w.e.f. March 25, 2025. Mr. Kishor Talreja has been appointed as Company Secretary & Compliance officer w.e.f. April 25, 2025

## **Board Evaluation**

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The evaluation process is focused on various aspects of the functioning of the Board and Committees such as composition of the Board, improving board effectiveness, performance of board Committees, board knowledge sessions and time allocation for strategic issues, etc. During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. Evaluation of the performance of individual directors on parameters such as attendance, contribution and independent judgment was also carried out during the year. The Board noted that the evaluation process showed that the Board was rated as "Good" reflecting the overall engagement and effectiveness of the Board and the Committees.

## **Performance evaluation of Independent Directors**

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

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

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

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

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

- **Leadership experience**

Experience in leading large well-governed organizations with understanding of organizational 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 | JDD | AD | RD | BFD |
|-----------------------------------------------|-----|-----|-----|----|----|-----|
| Leadership experience                         | ✓   | ✓   | ✓   | ✓  | ✓  | ✓   |
| Experience in guiding business strategy       | ✓   | ✓   | ✓   | ✓  | ✓  | ✓   |
| Finance and Accounting expertise              | -   | ✓   | ✓   | -  | -  | ✓   |
| Technological expertise                       | ✓   | -   | -   | ✓  | ✓  | -   |
| Corporate governance and regulatory landscape | ✓   | ✓   | ✓   | -  | -  | ✓   |

HSZ: Harshbeena Zaveri, SCR: Satish Rangani, JDD: Jayavardhan Dhar Diwan, RD: Rustom Desai, AD: Ashank Desai, BFD: Bapsy Faroukh Dastur

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Composition and Attendance

The Stakeholders' Relationship Committee comprises of 3 (three) directors. Mr. Ashank Desai, Independent Director is the Chairman of this Committee. During the year under review the Committee met once on February 07, 2025. The table below highlights the composition and attendance of the members of the Committee. The requisite quorum was present at the meeting.

| Sr. No. | Name of the Directors    | Position | Category                                                  | No. of Meetings attended |
|---------|--------------------------|----------|-----------------------------------------------------------|--------------------------|
| 1       | Mr. Ashank Desai         | Chairman | Independent Director                                      | 1                        |
| 2       | Ms. Harshbeena Zaveri    | Member   | Executive Director<br>(Vice Chairman & Managing Director) | 1                        |
| 3       | Ms. Bapsy Faroukh Dastur | Member   | Independent Director                                      | 1                        |

#### Terms of Reference

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

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

The members of the Company are serviced by the RTA. As required under the Listing Regulations, the Company has appointed Ms. Shruti Joshi, Company Secretary as Compliance Officer to monitor the share transfer process and liaison with the regulatory authorities. Ms. Shruti Joshi resigned as Company Secretary & Compliance officer wef March 25, 2025. Further, Mr. Kishor Talreja has been appointed as Company Secretary & Compliance Officer of the Company wef April 25, 2025.

#### Details Of Shareholders' Complaints Received, Resolved and Pending Share Transfers

The total number of complaints received and resolved during the year ended March 31, 2025 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                          | 2                    |
| 3       | No. of Investors Complaints resolved and disposed of during the year          | 2                    |
| 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, 2025. The number of pending share transfers and pending requests for dematerialization as on March 31, 2025 were Nil. Members'/investors' queries and other correspondence are normally attended to within 7 (seven) working days except constrained by disputes or legal impediments. No investor grievances remained unattended /pending for more than 30 (thirty) days as on March 31, 2025.

#### **(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 include 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. 227.50 lakhs on various CSR activities and projects for FY 2024-25.

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

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

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

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

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

The CSR Committee met once during the year on March 18, 2025. The requisite quorum was present at the meeting. The table below provides the attendance of the members at the CSR Committee meeting:

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

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

The Committee is constituted for assisting the Board in its oversight of the effectiveness of the Enterprise-Wise Risk Management Framework. The composition, quorum, power, role and scope are in accordance with Regulation 21 of the Listing Regulations. Ms. Bapsy Faroukh Dastur, Independent Director is the Chairman of the Committee. Satish Chellaram Rangani, Non-Executive Director, Mr. Jayavardhan Dhar Diwan, Independent Director, Ms. Harshbeena Zaveri, Vice Chairman & Managing Director and Mr. Raman Malhotra the Chief Financial Officer are the other members of the Committee.

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

The Committee met 2 (two) times during FY 2024-25 on July 26, 2024 and November 07, 2024. The maximum gap between two meetings was not more than 210 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. Bapsy Faroukh Dastur     | Chairman | Independent Director                                   | 2                        |
| 2.      | Ms. Harshbeena Zaveri        | Member   | Executive Director (Vice Chairman & Managing Director) | 2                        |
| 3.      | Mr. Jayavardhan Dhar Diwan   | Member   | Independent Director                                   | 2                        |
| 4.      | Mr. Raman Malhotra           | Member   | Chief Financial Officer                                | 2                        |
| 5.      | Mr. Satish Chellaram Rangani | Member   | Non-Executive Director                                 | 2                        |
| 6.      | Mr. Tashwinder Singh*        | Member   | Independent Director                                   | 1                        |
| 7.      | Ms. Vishakha R.M.**          | Chairman | Independent Director                                   | 1                        |

\*Mr. Tashwinder Singh and \*\*Ms. Vishakha R.M. ceased to be Directors of the Company w.e.f. August 10, 2024 and August 01, 2024 respectively

### Terms of reference

**The terms of reference of the Committee inter-alia includes the following:**

- i. 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 may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- ii. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iv. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- v. Reviewing periodically the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- vi. Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vii. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any); and
- vii. Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

### INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 17, 2025, 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 2024-25. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with IND AS. A statement of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and approval. During the year there were no transactions with Related Parties, which were not in the normal course of business, not at arm's length or exceeding the threshold limits prescribed under the Companies Act, 2013.

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

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

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

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

**d. Disclosure of certain types of agreement binding listed entities**

During the year under review, there were no disclosure required to be made under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations. However, during the year under review, a Family Settlement Agreement (the Company was not a party to such agreement) was entered into between members of the NRB Group and NIBL Group pursuant to which both groups will operate independently their respective growth strategies.

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

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

**f. 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.

**g. 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.

**h. 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.

**i. Details of Utilization of funds**

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

**j. 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.

**k. 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.

**l. Fees paid to Statutory Auditors**

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

**m. Details of material subsidiaries and its statutory auditors**

| Material Subsidiary             | Incorporation details of subsidiary     | Statutory Auditors                                                       |
|---------------------------------|-----------------------------------------|--------------------------------------------------------------------------|
| NRB Bearings Europe GmbH        | Date: June 24, 2014<br>Place: Germany   | Not Applicable*                                                          |
| NRB Bearings (Thailand) Limited | Date: March 31, 2007<br>Place: Thailand | Name:<br>Adisorn & Associates Ltd.<br>Date of appointment: July 23, 2024 |

Both the above subsidiaries qualify as material subsidiaries based on annual sales (turnover) for FY 2024-25, being in excess of 10% of consolidated turnover of the Company.

\* As per German Commercial Code, NRB Bearings Europe GmbH being small company are exempted from audit requirements

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

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

Internal Committees (IC) have been set up at all offices and plants of the Company as set out in the Act to receive, investigate and redress complaints, if any. During the year under review 0 (zero) complaint was received.

**o. Adoption of Mandatory and Discretionary requirements:**

The Company has complied with all mandatory requirement of the Listing Regulations and has adopted the following discretionary requirements.

**i. Audit qualifications:**

The Company is in the regime of unmodified opinion on financial statements.

**ii. Reporting of Internal Auditors:**

The Internal Auditors reports directly to the Audit Committee.

**p. 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.

**q. Subsidiaries**

The Company adopted a policy for determining 'material subsidiaries' of the Company. The policy is available at the website of the Company at <https://www.nrbbearings.com/investorrelations.htm>

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

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

## MEMBER INFORMATION

### GENERAL BODY MEETING

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

| AGM              | Financial Year | Date and Time                    | Venue                                                                                                                                            | Details of Special Resolution Passed |
|------------------|----------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| 59 <sup>th</sup> | 2023-24        | September 20, 2024 at 11.30 a.m. | Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs | Nil                                  |
| 58 <sup>th</sup> | 2022-23        | September 29, 2023 at 3:30 p.m.  | Video Conferencing /Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs               | Nil                                  |
| 57 <sup>th</sup> | 2019-20        | September 15, 2020 at 3:30 p.m.  | Video Conferencing /Other Audio Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs               | Nil                                  |

### POSTAL BALLOT

During the year under review 2 (two) special resolution was passed through postal ballot

1. Special Resolution for Appointment of Ms. Bapsy Dastur (DIN: 09623277), as an Independent Director of the Company.
2. Special Resolution for Appointment of Mr. Jayavardhan Dhar Diwan (DIN: 01565319), as an Independent Director of the Company.

Upendra C. Shukla, Practicing Company Secretary was appointed as the Scrutinizer for conducting the postal ballot process in fair and transparent manner. Upon completion of the scrutiny of Ballot Forms and electronic responses, the Scrutinizer had submitted his report to the Vice Chairman & Managing Director of the Company. The results of the Postal Ballot were declared on Tuesday, August 20, 2024. The said result along with the Scrutinizer's Report was displayed on the website of the Company, i.e., [www.nrbbearings.com](http://www.nrbbearings.com) and intimated to the Stock Exchanges where the shares of the Company are listed. The resolution was approved with requisite majority.

#### Details of voting pattern for the postal ballot for Special Resolution:

| Resolution                                                                                                                   | Voted in favour of the resolution                    |                                   |                                       | Voted against the resolution                         |                                   |                                       |
|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------|---------------------------------------|------------------------------------------------------|-----------------------------------|---------------------------------------|
|                                                                                                                              | No. of members voted through e-voting/ postal ballot | No. of votes cast (No. of shares) | Percentage of total no. of votes cast | No. of members voted through e-voting/ postal ballot | No. of votes cast (No. of shares) | Percentage of total no. of votes cast |
| Special Resolution for Appointment of Ms. Bapsy Dastur (DIN: 09623277), as an Independent Director of the Company.           | 464                                                  | 7,65,63,687                       | 99.95                                 | 26                                                   | 35,055                            | 0.05                                  |
| Special Resolution for Appointment of Mr. Jayavardhan Dhar Diwan (DIN: 01565319), as an Independent Director of the Company. | 458                                                  | 7,64,20,563                       | 99.77                                 | 32                                                   | 1,78,164                          | 0.23                                  |

**Procedure for Postal Ballot**

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

**ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2024-25**

|                                 |                                                                                                                                                                                           |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Day and Date                    | Thursday, September 11, 2025                                                                                                                                                              |
| Time                            | 3:00 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 For Dividend | Friday, September 5, 2025 to Thursday, September 11, 2025 (both days inclusive)                                                                                                           |
| Date of Record Date             | Thursday, September 4, 2025                                                                                                                                                               |
| Dividend Payment                | Dividend, if declared would be paid within 30 days of approval.                                                                                                                           |

**Tentative Calendar for Financial Year ending March 31, 2026**

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 2025      |
| 2.      | Second Quarter & Half Yearly Results      | October/November 2025 |
| 3.      | Third Quarter & Nine-months ended Results | January/February 2026 |
| 4.      | Fourth Quarter & Annual Results           | April/May 2026        |

**Dividend**

During the year under review, the Board of Directors in their meeting held on October 04, 2024 declared an interim dividend of Rs.2.50 per Equity Share (face value of Rs. 2/- per Equity Share) to the eligible equity shareholders of the Company.

Further, the Board of Directors at their meeting held on May 14, 2025, have also recommended a final dividend of Rs. 4.30 per Equity Share (face value of Rs.2/- per Equity Share) for the Financial Year 2025.

### Dividend History for the last 7 (seven) financial years

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

| Sr. No. | Financial year                                             | Date of Declaration of Dividend        | Amount declared per share |
|---------|------------------------------------------------------------|----------------------------------------|---------------------------|
| 1       | 2017-18: Interim Dividend<br>2017-18: Final Dividend       | March 20, 2018<br>August 9, 2018       | 1.40<br>1.20              |
| 2       | 2018-19: Final Dividend                                    | August 9, 2019                         | 2.60                      |
| 3       | 2019-20: Interim Dividend,<br>considered as Final Dividend | February 11, 2020                      | 0.80                      |
| 4       | 2020-21: Final Dividend                                    | September 24, 2021                     | 0.50                      |
| 5       | 2021-22: Final Dividend                                    | September 15, 2022                     | 2.00                      |
| 6       | 2022-23: Final Dividend                                    | September 29, 2023                     | 1.00                      |
| 7       | 2023-24: Interim Dividend,<br>considered as Final Dividend | May 30, 2023                           | 4.10                      |
| 8       | 2024-25:<br>Interim Dividend<br>Final Dividend             | October 04, 2024<br>September 11, 2025 | 2.50<br>4.30              |

### Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund, a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.nrbbearings.com](http://www.nrbbearings.com).

### Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend remains unpaid or unclaimed by a Member for a period of 7 (seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the demat account of IEPFA can be claimed back by the Members from IEPFA by following the procedure prescribed under the aforesaid rules.

Therefore, it is in the interest of Members to regularly claim the dividends declared by the Company

### Details of Unclaimed Dividend as on March 31, 2025 and due dates for transfer are as follows:

| Sr. No. | Financial year             | Date of Declaration of Dividend | Unclaimed Amount (Rs.) | Due Date for transfer to IEPF Account |
|---------|----------------------------|---------------------------------|------------------------|---------------------------------------|
| 1       | 2017-18 (Interim Dividend) | March 20, 2018                  | 346,438.40             | April 25, 2025                        |
| 2       | 2017-18 (Final Dividend)   | August 9, 2018                  | 3,86,031.60            | September 14, 2025                    |
| 3       | 2018-19 (Final Dividend)   | August 9, 2019                  | 5,70,832.60            | September 14, 2026                    |
| 4       | 2019-20 (Interim Dividend) | February 11, 2020               | 1,81,620.00            | March 18, 2027                        |
| 5       | 2020-21 (Final Dividend)   | September 24, 2021              | 1,17,060.91            | October 30, 2028                      |
| 6       | 2021-22 (Final Dividend)   | September 15, 2022              | 3,38,739.63            | October 21, 2029                      |
| 7       | 2022-23 (Final Dividend)   | September 29, 2023              | 93,684.63              | November 4, 2030                      |
| 8       | 2023-24 (Interim Dividend) | May 30, 2024                    | 4,82,851.19            | June 4, 2031                          |
| 9       | 2024-25 (Interim Dividend) | October 04, 2024                | 6,30,803               | November 11, 2031                     |

**Note:** During the year under review, interim dividend declared for FY 2016-17 has been transferred to IEPF on April 05, 2024. Further, Interim Dividend declared for FY. 2017-18 has been transferred to IEPF on May 21, 2025

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, 2025:**

| No. of Equity Shares | 2025                 |                    |                    |                 | 2024                 |                    |                    |                 |
|----------------------|----------------------|--------------------|--------------------|-----------------|----------------------|--------------------|--------------------|-----------------|
|                      | 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             | 70,357               | 91.47              | 58,24,552          | 6.01            | 48,602               | 90.28              | 40,11,290          | 4.14            |
| 501- 1000            | 3,446                | 4.48               | 27,52,964          | 2.84            | 2,712                | 5.03               | 21,92,988          | 2.26            |
| 1001-2000            | 1,690                | 2.20               | 25,51,562          | 2.63            | 1,368                | 2.54               | 20,69,515          | 2.13            |
| 2001- 3000           | 577                  | 0.75               | 14,72,944          | 1.52            | 457                  | 0.84               | 11,72,966          | 1.21            |
| 3001- 4000           | 270                  | 0.35               | 9,59,582           | 0.99            | 193                  | 0.35               | 6,86,146           | 0.70            |
| 4001- 5000           | 172                  | 0.22               | 8,09,295           | 0.83            | 121                  | 0.22               | 5,71,054           | 0.58            |
| 5001- 10000          | 214                  | 0.28               | 15,14,919          | 1.56            | 190                  | 0.35               | 13,91,474          | 1.43            |
| 10001 & above        | 189                  | 0.24               | 8,10,36,782        | 83.61           | 186                  | 0.34               | 8,48,27,167        | 87.52           |
| <b>TOTAL</b>         | <b>76,915</b>        | <b>100.00</b>      | <b>9,69,22,600</b> | <b>100.00</b>   | <b>53,829</b>        | <b>100.00</b>      | <b>9,69,22,600</b> | <b>100.00</b>   |

**Shareholding Pattern as on March 31, 2025:**

| Category                                         | No. of shares held | % of Issued Share Capital |
|--------------------------------------------------|--------------------|---------------------------|
| Promoters                                        | 4,96,20,857        | 51.20                     |
| Mutual Funds and UTI                             | 1,38,97,605        | 14.34                     |
| Foreign Portfolio Investors                      | 1,32,29,386        | 13.65                     |
| Insurance Companies                              | 0                  | 0.00                      |
| Bodies Corporate                                 | 4,92,985           | 0.51                      |
| Alternate Investment Funds                       | 2,11,200           | 0.22                      |
| Non-Resident Indians                             | 17,39,393          | 1.79                      |
| Investor Education and Protection Fund Authority | 1,07,554           | 0.11                      |
| Central Government Corporations, Banks/NBFCs     | 0                  | 0.00                      |
| Foreign Nationals                                | 0                  | 0.00                      |
| Public/Individuals                               | 1,76,23,620        | 18.18                     |
| <b>TOTAL</b>                                     | <b>9,69,22,600</b> | <b>100.00</b>             |

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the Depositories. 99.75 per cent of the equity shares of the Company have been dematerialized (NSDL 85.45 percent and CDSL 14.30 percent) as on March 31, 2025.

**Dematerialization of Shares**

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

Demat account should be opened with a Depository Participant (DP).

- Members should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is M/s MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited).
- RTA will process the DRF and confirm or reject the request to DP/ depositories.
- Upon confirmation of request, the Member will get credit of the equivalent number of shares in his demat account maintained with the DP.

### Reconciliation of Share Capital Audit Report

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

### Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards, issued by the Institute of Company Secretaries of India.

**The Company's shares are listed on the following Stock Exchanges and the listing fees have been paid to the Exchanges:**

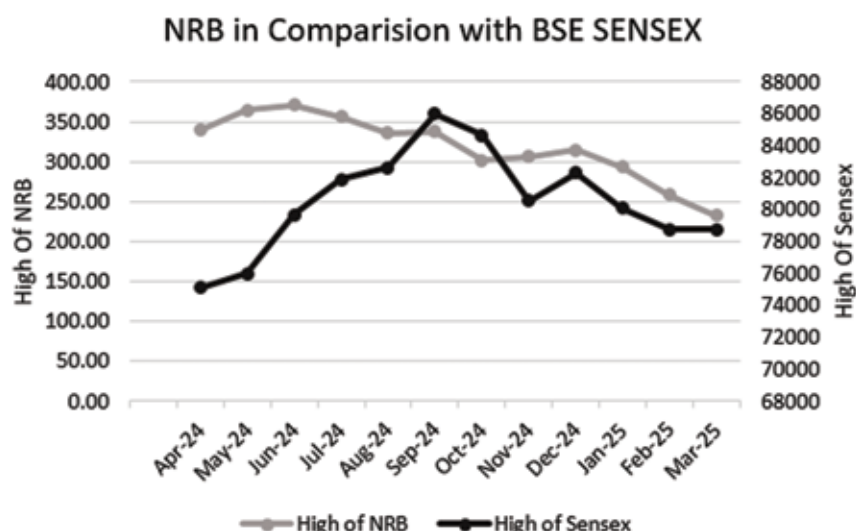
| Stock Exchange                                                                                                                                 | Stock Code |
|------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| BSE Limited P.J. Towers, Dalal Street, Mumbai – 400 023                                                                                        | 530367     |
| National Stock Exchange of India Limited<br>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 INE349A01021

Listing fees for the year 2024-25 have been paid to the Stock Exchange- BSE Limited and National Stock Exchange of India Limited.

### Share Price Data

| 2024-25        | BSE Limited |         |          | National Stock Exchange of India Limited |         |                 |
|----------------|-------------|---------|----------|------------------------------------------|---------|-----------------|
| Month          | High (Rs)   | Low(Rs) | Volume   | High (Rs)                                | Low(Rs) | Volume (in lac) |
| April 2024     | 339.50      | 272.20  | 7,79,966 | 339.50                                   | 271.05  | 80.28           |
| May 2024       | 364.00      | 300.15  | 7,57,617 | 364.90                                   | 300.60  | 74.76           |
| June 2024      | 370.50      | 280.00  | 8,05,339 | 371.00                                   | 277.80  | 92.45           |
| July 2024      | 356.25      | 305.00  | 2,90,616 | 356.70                                   | 310.10  | 32.98           |
| August 2024    | 335.75      | 297.50  | 2,40,121 | 335.60                                   | 297.10  | 21.84           |
| September 2024 | 337.20      | 298.15  | 2,69,919 | 332.95                                   | 298.35  | 36.72           |
| October 2024   | 301.70      | 242.80  | 2,94,299 | 302.60                                   | 242.60  | 34.24           |
| November 2024  | 306.50      | 258.75  | 2,95,164 | 306.55                                   | 258.30  | 59.25           |
| December 2024  | 314.70      | 275.95  | 4,25,579 | 314.60                                   | 275.80  | 56.71           |
| January 2025   | 293.25      | 239.00  | 3,51,785 | 293.90                                   | 240.00  | 25.37           |
| February 2025  | 258.50      | 201.15  | 3,02,925 | 258.90                                   | 201.10  | 35.05           |
| March 2025     | 233.00      | 191.45  | 3,84,807 | 225.59                                   | 191.45  | 36.32           |

**NRB Bearings Equity Share performance.**

During the year under review there was no suspension imposed by SEBI or stock exchanges for trading in securities of the Company.

**MEANS OF COMMUNICATION TO MEMBERS**

- (i) The Un-audited quarterly/ half yearly results are announced within 45 (forty-five) days of the close of the quarter. The audited annual results are announced within 60 (sixty) days from the closure of the financial year as per the requirement of the Listing Regulations.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in Free Press Journal a national English newspaper and in Navshakti a local language (Marathi) newspaper, within forty-eight hours of approval thereof.
- (iii) The Company's financial results and official press releases are displayed on the Company's website - [www.nrbbearings.com](http://www.nrbbearings.com).
- (iv) Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- (v) Management Discussion and Analysis report forms part of the Annual Report, which is sent to the Members of the Company.
- (vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges are filed electronically.
- (vii) A separate dedicated section under "Investor Relations", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/public.
- (viii) SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a member can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the Member. The Company and Member can seek and provide clarifications online through SEBI.
- (ix) The Company has designated the email id [investorcare@nrb.co.in](mailto:investorcare@nrb.co.in) exclusively for investor relations, and the same is prominently displayed on the Company's website [www.nrbbearings.com](http://www.nrbbearings.com).

**Share Transfer System**

In terms of Regulation 40(9) of the Listing Regulations, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to convert their holdings to dematerialized form.

**Nomination**

Members holding physical shares can nominate a person for the shares held by them. Requisite nomination forms shall be circulated by the Company to the Members upon request. The Members are advised to avail of this facility.

**Electronic Clearing Service**

The Securities and Exchange Board of India has made it mandatory for all companies to use the Bank account details furnished by the Depositories for depositing dividends. While opening accounts with depository participants (DPs), Members are required to give the details of their bank accounts which will be used by the Company for printing on dividend warrants for remittance of dividend. However, Members who wish to receive dividend in an account other than the one specified while opening the depository account may notify their DP about any change in bank account details.

**Service of documents through electronic mode**

As servicing of documents to Shareholders, including Notice of Annual General Meeting, Balance Sheet, Statement of Profit and Loss, etc. is permitted through electronic mail, the Company will send the Annual Report and other documents in electronic form to those Shareholders whose e-mail addresses are registered with the Company's Registrar & Transfer Agent or made available by the Depositories.

The Company shall also send a Letter containing weblink of the Company's website, where the Notice and Annual Report are available, to those shareholders whose e-mail addresses are not registered, in terms of Regulation 36(1)(b) of the SEBI Listing Regulations.

**Credit Rating**

As on March 31, 2025, the Company has been rated CRISIL AA-/Stable for Long term rating and CRISIL A1+ for short term.

**Address for Correspondence:**

| <b>Compliance Officer</b>                                                                           | <b>MUFG Intime India Private Limited<br/>(Formerly known as Link Intime India Private Limited)<br/>(Registrar and Share Transfer Agent)</b>                                                                                                                                                  | <b>Address of the Company</b>                                                                                                   |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Mr. Kishor Talreja, Company Secretary<br>Phone: 022-22664160/4998<br>E-mail: investorcare@nrb.co.in | Unit: NRB Bearings Limited<br>C-101, 1st Floor, Embassy 247, LBS. Marg,<br>Vikhroli (West), MUMBAI – 400083<br>Tel Nos: (0) 810 811 8484<br>Fax: 022-6656 8494<br>Email id : rnt.helpdesk@in.mpms.mufig.com<br>Website : <a href="https://in.mpms.mufig.com/">https://in.mpms.mufig.com/</a> | NRB Bearings Limited,<br>Dhannur, 15, Sir P. M. Road,<br>Fort, Mumbai – 400001<br>Phone: 022-22664160/4998<br>Fax :022-22660412 |

**Plant Locations:**

The Company has the following manufacturing locations:

|             |                                                                                                                |
|-------------|----------------------------------------------------------------------------------------------------------------|
| Aurangabad  | E-40, MIDC Industrial Area, Chikalthana, Aurangabad 431 006.                                                   |
| Jalna       | C-6, MIDC Additional Industrial Area, Jalna 431 213                                                            |
| Waluj       | E-72 (1), MIDC, Waluj, Taluka Gangapur, Aurangabad 431 136                                                     |
| Hyderabad   | A-5, Uppal Industrial Estate, Hyderabad 500 039                                                                |
| Uttarakhand | Plot No 33, Sector – 11, Mint Road, Tata Vendor Park Sidcul,<br>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**

Place: Mumbai  
Date: August 09, 2025

**Harshbeena Zaveri**  
Vice Chairman & Managing Director  
(DIN: 00003948)

**Satish Rangani**  
Non-Executive Director  
(DIN: 00209069)

## **CEO/CFO CERTIFICATION**

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

- a. We have reviewed the financial statements and the cash flow statement for the year 2024-25 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations
- b. To the best of our knowledge and belief there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operations of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and;
  - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

### **For NRB Bearings Limited**

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

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

Place: Mumbai

Date : May 14, 2025

### **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, 2025.

### **For NRB Bearings Limited**

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

Place: Mumbai

Date : May 14, 2025

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**[pursuant to Regulation 34(3) and Schedule V Para C sub-clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members of  
NRB Bearings Limited,  
Dhannur, 15, Sir P.M. Road,  
Fort, Mumbai - 400 001.

I have examined the relevant registers, records, books, form, returns and disclosures received from the Directors of NRB Bearings Limited, (CIN L29130MH1965PLC013251), having Registered Office at Dhannur, 15, Sir P.M. Road, Fort, Mumbai - 400 001 (the Company), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2025 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<br>(DIN: 00003948) | Managing Director                          | 01/10/2015                               |
| 2)     | Mr. Satish Chellaram Rangani<br>(DIN: 00209069) | Non Executive,<br>Non-Independent Director | 24/07/2013                               |
| 3)     | Mr. Ashank Datta Desai<br>(DIN: 00017767)       | Non Executive,<br>Independent Director     | 30/03/2016                               |
| 4)     | Mr. Rustom Jamshed Desai<br>(DIN: 02448175)     | Non Executive,<br>Independent Director     | 23/01/2017                               |
| 5)     | Ms. Bapsy Faroukh Dastur<br>(DIN: 09623277)     | Non Executive,<br>Independent Director     | 27/05/2024                               |
| 6)     | Mr. Jayavardhan Dhar Diwan<br>(DIN: 01565319)   | Non Executive,<br>Independent Director     | 27/05/2024                               |

**Note:** Ensuring the eligibility for appointment/continuing as Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification of documents/ information available to me. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

UDIN: F002727G000510861  
Peer Review Certificate No. 1882/2022  
Place: Mumbai  
Date: 30/05/2025

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

## **INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

### **The Members of NRB Bearings Ltd.**

1. The Corporate Governance Report prepared by NRB Bearings Limited (hereinafter 'the Company'), contains the details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation 2 of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the listing regulations) ('applicable criteria') for the year ended 31<sup>st</sup> March, 2025 as required by the Company for annual submission to the stock exchange.

### **Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management alongwith the Board of Directors are also responsible for ensuring that the Company complies with the conditions of corporate governance as stipulated in the listing regulations, issued by the Securities and Exchange Board of India.

### **Auditor's Responsibility**

4. Pursuant to the requirements of the listing regulations, my responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the listing regulations.
5. I conducted my examination of the Corporate Governance Report in accordance with the Guidance Notes on Certification of Corporate Governance issued by the Institute of Company Secretaries of India ('ICSI').
6. The procedures selected depend on the Auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i) Read and understood the information prepared by the Company and included in its Corporate Governance Report.
  - ii) Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met through-out the reporting period.
  - iii) Obtained and read the Register of Directors as on 31st March, 2025 and verified that atleast one Independent Woman Director was on the Board of Directors through out the year.
  - iv) Obtained and read the minutes of the following committee meetings/ other meetings held during the period 1st April, 2024 to 31st March, 2025:
    - a) Board of Directors;
    - b) Audit Committee;
    - c) Annual General Meeting (AGM)
    - d) Nomination and Remuneration Committee
    - e) Stakeholders' Relationship Committee
    - f) Corporate Social Responsibility Committee
    - g) Risk Management Committee.
  - v) Obtained necessary declaration of Directors of the Company.
  - vi) Obtained and read policy adopted by the Company for related party transactions.
  - vii) Performed necessary inquiries with the management and also obtained necessary specific representation from management.

**Opinion**

7. Based on the procedures performed by me as referred in paragraph 6 above and according to the information and explanation given to me, I am of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the listing regulations as applicable for the year ended 31st March, 2025 referred to paragraph 4 above.

**Other matters and Restriction on Use**

8. This report is neither an assurance as to the future viability of the Company nor the efficiency for effectiveness with which the management has conducted the affairs of the Company.
9. This report is solely for the purpose of enabling the Company to comply with its obligations under the listing regulations with reference to compliance with relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose.

UDIN: F002727G000980220  
Peer Review Certificate No.1882/2022  
Place: Mumbai  
Date: 11/08/2025

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

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

| I.  | Details of the listed entity                                                                                                                                                                                                                                         |                                                                                               |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity -                                                                                                                                                                                                               | L29130MH1965PLC013251                                                                         |
| 2.  | Name of the Listed Entity                                                                                                                                                                                                                                            | NRB Bearings Limited                                                                          |
| 3.  | Year of incorporation                                                                                                                                                                                                                                                | June 30, 1965                                                                                 |
| 4.  | Registered office address                                                                                                                                                                                                                                            | Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001                                              |
| 5.  | Corporate address                                                                                                                                                                                                                                                    | Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001                                              |
| 6.  | E-mail                                                                                                                                                                                                                                                               | investorcare@nrb.co.in                                                                        |
| 7.  | Telephone                                                                                                                                                                                                                                                            | +91 22 22664570, 22664160, 22664998                                                           |
| 8.  | Website                                                                                                                                                                                                                                                              | www.nrbbearings.com                                                                           |
| 9.  | Financial year for which reporting is being done                                                                                                                                                                                                                     | April 1, 2024 - March 31, 2025                                                                |
| 10. | Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                                | National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)                          |
| 11. | Paid-up Capital (INR)                                                                                                                                                                                                                                                | 1,938 Lakhs                                                                                   |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                     | Mr. Kishor Talreja<br>Tel: 022 22664570<br>Email: Kishor.talreja@nrb.co.in                    |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Disclosures made in this report are on a standalone basis and pertain to NRB Bearings Limited |
| 14. | Name of assurance provider                                                                                                                                                                                                                                           | -                                                                                             |
| 15. | Type of assurance obtained                                                                                                                                                                                                                                           | -                                                                                             |

| II. | Products/services                                                                   |                              |                                  |                                 |
|-----|-------------------------------------------------------------------------------------|------------------------------|----------------------------------|---------------------------------|
| 16. | Details of business activities (accounting for 90% of the turnover):                |                              |                                  |                                 |
|     | S. No.                                                                              | Description of Main Activity | Description of Business Activity | % of Turnover of the entity     |
|     | 1                                                                                   | Manufacturing                | Automotive Components Bearings   | 100%                            |
| 17. | Products/Services sold by the entity (accounting for 90% of the entity's Turnover): |                              |                                  |                                 |
|     | S. No.                                                                              | Product/Service              | NIC Code                         | % of total Turnover contributed |
|     | 1                                                                                   | Needle roller bushes & cages | 2913                             | 66                              |
|     | 2                                                                                   | Ball & roller bearings       | 2913                             | 24                              |
|     | 3                                                                                   | Automobile components        | 2913                             | 10                              |

| III. Operations |                                                                                        |                  |                   |       |
|-----------------|----------------------------------------------------------------------------------------|------------------|-------------------|-------|
| 18.             | Number of locations where plants and/or operations/offices of the entity are situated: |                  |                   |       |
|                 | Location                                                                               | Number of plants | Number of offices | Total |
|                 | National                                                                               | 5                | 7                 | 12    |
|                 | International                                                                          | 0                | 0                 | 0     |

|     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |           |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 19. | Markets served by the entity:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |
| a.  | Number of locations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |
|     | Locations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Number    |
|     | National (No. of States)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Pan India |
|     | International (No. of Countries)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 45        |
| b.  | What is the contribution of exports as a percentage of the total turnover of the entity?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |           |
|     | 24%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |
| c.  | A brief on type of customers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |
|     | <p>We serve a wide and diverse customer base across India, with a primary focus on the automotive sector. A significant portion of our demand approximately 65–70% comes from Original Equipment Manufacturers (OEMs) and Tier-1 suppliers. Additionally, 12–15% of our business is driven by the Aftermarket segment, while 20–25% of our products are exported. Notably, our exports are largely directed towards OEMs and Tier-1 customers, reflecting our strong global partnerships and quality standards.</p> <p>In addition to the Aftermarket, our vehicle manufacturing clients can be broadly categorized into the following segments:</p> <ul style="list-style-type: none"><li>• 2/3 wheelers, encompassing motorcycles, scooters, mopeds, passenger and goods auto rickshaws, and industrial four-stroke engines.</li><li>• Passenger vehicles, ranging from small cars and hatchbacks to luxury models and utility vehicles.</li><li>• Commercial vehicles, including light commercial vehicles (LCVs), medium-commercial vehicles (MCVs), heavy commercial vehicles (HCVs), and buses.</li><li>• Farm equipment and off-highway vehicles, including forklifts, trucks, and construction equipment.</li><li>• Railway locomotives</li><li>• Defense vehicles, such as gun carriers and tanks</li><li>• Aircraft and aerospace applications</li></ul> |           |

| IV. | Employees                                            |                          |           |         |         |         |         |
|-----|------------------------------------------------------|--------------------------|-----------|---------|---------|---------|---------|
| 20. | Details as at the end of Financial Year: 2024-25     |                          |           |         |         |         |         |
| a.  | Employees and workers (including differently abled): |                          |           |         |         |         |         |
|     | S. No.                                               | Particulars              | Total (A) | Male    |         | Female  |         |
|     |                                                      |                          |           | No. (B) | % (B/A) | No. (C) | % (C/A) |
|     | EMPLOYEES                                            |                          |           |         |         |         |         |
|     | 1.                                                   | Permanent (D)            | 442       | 410     | 92.8%   | 32      | 7.2%    |
|     | 2.                                                   | Other than Permanent (E) | 52        | 44      | 84.6%   | 8       | 15.4%   |
|     | 3.                                                   | Total employees (D + E)  | 494       | 454     | 91.9%   | 40      | 8.1%    |
|     | WORKERS                                              |                          |           |         |         |         |         |
|     | 4.                                                   | Permanent (F)            | 839       | 821     | 97.9%   | 18      | 2.1%    |
|     | 5.                                                   | Other than Permanent (G) | 2220      | 1980    | 89.2%   | 240     | 10.8%   |
|     | 6.                                                   | Total workers (F + G)    | 3059      | 2801    | 91.6%   | 258     | 8.4%    |

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

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

| <b>21. Participation/Inclusion/Representation of women</b> |                           |                  |                                      |                  |
|------------------------------------------------------------|---------------------------|------------------|--------------------------------------|------------------|
|                                                            |                           | <b>Total (A)</b> | <b>No. and percentage of Females</b> |                  |
|                                                            |                           |                  | <b>No. (B)</b>                       | <b>% (B / A)</b> |
|                                                            | Board of Directors        | 06               | 02                                   | 33.33%           |
|                                                            | Key Management Personnel* | 02               | 01                                   | 50%              |

\*Ms. Shruti Joshi (Company Secretary/KMP) resigned w.e.f. 25th March 2025.

| <b>22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)</b> |                            |                                                     |               |              |                                                      |               |              |                                                                        |               |              |
|-----------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------------|---------------|--------------|------------------------------------------------------|---------------|--------------|------------------------------------------------------------------------|---------------|--------------|
|                                                                                                     |                            | <b>FY 2024-25<br/>(Turnover rate in current FY)</b> |               |              | <b>FY 2023-24<br/>(Turnover rate in previous FY)</b> |               |              | <b>FY 2022-23 (Turnover rate in the year prior to the previous FY)</b> |               |              |
|                                                                                                     |                            | <b>Male</b>                                         | <b>Female</b> | <b>Total</b> | <b>Male</b>                                          | <b>Female</b> | <b>Total</b> | <b>Male</b>                                                            | <b>Female</b> | <b>Total</b> |
|                                                                                                     | <b>Permanent Employees</b> | 14.58%                                              | 23.88%        | 15.27%       | 18.08%                                               | 20.9%         | 18.28%       | 18.82%                                                                 | 34.38%        | 19.91%       |
|                                                                                                     | <b>Permanent Workers</b>   | 5.52%                                               | 0%            | 5.40%        | 4.69%                                                | 0%            | 4.59%        | 4.33%                                                                  | 0%            | 4.24%        |

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

| VI. | CSR Details                                                                       |                |
|-----|-----------------------------------------------------------------------------------|----------------|
| 24. | (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) | Yes            |
|     | (ii) Turnover (in Rs.) For the FY:- 2024-25                                       | 10,577,848,784 |
|     | (iii) Net worth (in Rs.) For the FY:- 2024-25                                     | 8,789,846,266  |

| VII.                                              | Transparency and Disclosures Compliances                                                                                                                                                                                                                                                                                                   |                                            |                                                              |                                       |                                            |                                                              |   |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------------------------------------|--------------------------------------------|--------------------------------------------------------------|---|
| 5.                                                | Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:                                                                                                                                                                                                          |                                            |                                                              |                                       |                                            |                                                              |   |
| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)                                                                                                                                                                                                                               | Current Financial Year (FY 2024-25)        |                                                              |                                       | Previous Financial Year (FY 2023-24)       |                                                              |   |
|                                                   |                                                                                                                                                                                                                                                                                                                                            | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks                               | Number of complaints filed during the year | Number of complaints pending resolution at close of the year |   |
| <b>Communities</b>                                | Human Resource partners at each location are responsible for resolving community-related grievances.                                                                                                                                                                                                                                       | 0                                          | 0                                                            | -                                     | 0                                          | 0                                                            | - |
| <b>Investors (other than shareholders)</b>        | Investors can register their grievances on investorcare@nrb.co.in                                                                                                                                                                                                                                                                          | 0                                          | 0                                                            | -                                     | 0                                          | 0                                                            | - |
| <b>Shareholders</b>                               | Shareholders can register their grievances on investorcare@nrb.co.in or rnt.helpdesk@in.mpms.mufg.com                                                                                                                                                                                                                                      | 02                                         | 0                                                            | All were resolved                     | 0                                          | 0                                                            | - |
| <b>Employees and workers</b>                      | A strong whistleblower policy with non-retaliation clause is available to all our stakeholders. Our whistleblower policy is available at <a href="https://www.nrbbearings.com/resources/investorrelations/NRB_WHISTLE_BLOWER_POLICY.pdf">https:// www. nrbbearings. com/ resources/ investorrelations/ NRB_WHISTLE_ BLOWER_POLICY. pdf</a> | 0                                          | 0                                                            | -                                     | 0                                          | 0                                                            | - |
| <b>Customers</b>                                  | Customers can reach out with the queries or complaints related to our products or services through email. <a href="https://www.nrbbearings.com/contact.htm">https://www. nrbbearings. com/ contact. htm</a>                                                                                                                                | 148                                        | 0                                                            | No trouble was found in 41 complaints | 160                                        |                                                              | - |

|  |                             |                                                                                                                                                                                                                    |   |   |   |   |   |   |
|--|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|
|  | <b>Value Chain Partners</b> | Value chain partners can reach out with the queries or complaints related to our products or services through email. <a href="https://www.nrbbearings.com/contact.htm">https://www.nrbbearings.com/contact.htm</a> | 0 | 0 | - | 0 | 0 | - |
|--|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|

| <b>26. Overview of the entity's material responsible business conduct issues :</b>                                                                                                                                                                                                                                                          |                                  |                                                   |                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format</b> |                                  |                                                   |                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                       |
| <b>S. No.</b>                                                                                                                                                                                                                                                                                                                               | <b>Material issue identified</b> | <b>Indicate whether risk or opportunity (R/O)</b> | <b>Rationale for identifying the risk / opportunity</b>                                                                                                                                                                                                                                                                                                                                              | <b>In case of risk, approach to adapt or mitigate</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>                                                                                                                                                                                 |
| 1                                                                                                                                                                                                                                                                                                                                           | Business Continuity              | Risk/ Opportunity                                 | The growing demand for two-wheelers, along with the phasing out of certain vehicle models, is expected to significantly impact existing business models, product portfolios, and overall cost structures. Companies will need to adapt swiftly to these shifts to remain competitive and meet evolving market expectations. Changing consumer preferences are reshaping India's automotive industry. | As part of our strategic response to evolving consumer demands, we have initiated several key measures. These include ongoing process improvements and targeted investments in new product development. We are actively automating our manufacturing processes to enhance efficiency and accelerate the rollout of innovative products. Additionally, we are expanding into new geographies and entering emerging market segments to remain competitive and aligned with the latest technological advancements.                                                                                                                                                                                                             | The development of new models incorporating the latest technologies and aligned with evolving customer preferences will help attract new customers while retaining the existing base. This strategic approach is expected to drive revenue growth and strengthen our market presence. |
| 2                                                                                                                                                                                                                                                                                                                                           | Climate change Management        | Risk                                              | The growing urgency of climate change poses significant risks, potentially disrupting both the supply side by confining productive capacity and the demand side by dampening consumption and investment activity.                                                                                                                                                                                    | We actively monitor and work to reduce our greenhouse gas (GHG) emissions across all operations. This includes both direct emissions from our facilities and indirect emissions from purchased energy. Through continuous tracking and targeted interventions, we aim to enhance our environmental performance and contribute meaningfully to sustainability efforts. In alignment with our long-standing values of sustainability and social responsibility, NRB has committed to achieving carbon neutrality by 2040. As part of these initiatives, a comprehensive carbon sequestration and biodiversity assessment was undertaken at the Chikalthana and Waluj plants located in Chhatrapati Sambhajnagar, Maharashtra. | Complying with increasingly stringent environmental regulations has led to a rise in operating costs. These additional expenses stem from investments in cleaner technologies, enhanced waste management systems, and energy-efficient processes.                                     |

|   |                                             |      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                            |
|---|---------------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| 3 | Information Security and Privacy Protection | Risk | <p>With today's increasingly digital manufacturing environment, cybersecurity threats pose serious risks that can have far-reaching consequences across operational, financial, and reputational dimensions.</p> <p><b>Safety and Security Hazards:</b> Attacks on digital safety systems or automated controls may jeopardize the well-being of employees and the integrity of equipment, creating potential safety hazards on the shop floor.</p> <p><b>Operational Disruptions:</b> Cyberattacks targeting production systems can lead to significant downtime, halting manufacturing processes and delaying deliveries. Such disruptions not only affect output but also result in substantial financial losses due to idle resources and missed deadlines.</p> <p><b>Data Security Breaches:</b> Unauthorized access to sensitive information including intellectual property, proprietary designs, and customer data can compromise competitive advantage and erode stakeholder trust.</p> | <p>We recognize the growing complexity and importance of cybersecurity in safeguarding our operations, data, and stakeholder trust. To address these challenges, we have implemented a comprehensive, enterprise-wide information security framework that is regularly reviewed by our senior leadership and governance committees.</p> <p>Key components of our cybersecurity program include:</p> <p>Deployment of advanced tools for <b>cyber threat prevention, detection, and response</b>, aligned with industry best practices</p> <p>Mandatory information security training for all employees, covering topics such as phishing awareness, insider threat identification, and secure data handling</p> <p>Procurement of cyber liability insurance to mitigate financial exposure from both internal and external threats</p> <p><b>Regular reporting to the Audit Committee</b> on cybersecurity trends, threat landscapes, and updates to our information security protocols.</p> | <p>Negative incidents can undermine the company's reputation in the industry, leading to potential financial setbacks.</p> |
|---|---------------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|

|   |                                |      |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                             |
|---|--------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4 | Occupational health and safety | Risk | <p>Protecting the health and safety of employees, contract workers, and surrounding communities is essential for maintaining regulatory compliance and social license to operate—especially in environments with process-related risks. Every safety incident not only affects individual well-being and morale but also carries reputational consequences that can impact the company's standing and trust within the industry.</p> | <p>We have implemented a comprehensive set of Environmental Health and Safety (EHS) policies aimed at safeguarding our workforce and promoting a culture of well-being. These policies are designed to ensure safe working conditions, provide support systems, and foster a proactive approach to employee health and safety.</p> <p><b>Workplace Well-being:</b><br/>Our focus is on creating an environment that supports physical and mental health through structured policies and responsive support mechanisms.</p> <p><b>Training and Awareness:</b><br/>EHS training is an integral part of our onboarding process and is reinforced through ongoing coaching. This ensures that safety protocols are well understood and consistently applied across all levels of the organisation.</p> <p><b>Employee Engagement:</b> We actively involve our employees in safety risk assessments. Their operational insights and firsthand experience are critical in identifying potential hazards and developing effective mitigation strategies.</p> <p>Through these initiatives, we aim to build a resilient and safety-conscious workforce that contributes to both individual well-being and organisational excellence</p> | <p>Workplace incidents can significantly affect employee morale and damage the company's reputation, often resulting in adverse financial consequences.</p> |
|---|--------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |   |                          |                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                     |
|--|---|--------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 5 | Sustainable Supply Chain | Risk/<br>Opportunity | <p>The production, transportation, storage, and handling of materials within our operations and across our supply chain contribute to environmental challenges, including greenhouse gas (GHG) emissions. Additionally, the manufacturing of bearing components by our suppliers involves significant consumption of raw materials, oils, and energy, which further intensifies the environmental footprint. Our Company remains committed to identifying and mitigating these impacts through process optimisation, material efficiency, and collaboration with environmentally conscious partners.</p> <p>Adopting environmentally and socially responsible supply chain practices is essential for ensuring long-term business viability and maintaining our social license to operate. Furthermore, reducing Scope 3 emissions not only contributes to climate goals but also enhances our reputation as a responsible and forward-thinking organisation.</p> | <p>To enhance sustainability across our supply chain, NRB Bearings is actively working with value chain partners to promote environmentally and socially responsible practices.</p> <p>We encourage our suppliers to adopt clean energy and prioritize partnerships with those working toward carbon neutrality. Through regular ESG training and assessments, we help value chain partners align with our sustainability goals and close performance gaps.</p> | <p>A well-managed supply chain aligned with ESG principles can reduce environmental footprint, enhance transparency, improve supplier relationships, and strengthen brand reputation ultimately contributing to long-term business resilience and profitability</p> |
|--|---|--------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |   |                                                             |      |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                    |
|--|---|-------------------------------------------------------------|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 6 | Water Management (Water Consumption and Effluent Discharge) | Risk | <p>Water plays a vital role in various industrial processes, making its sustainable use essential. However, excessive consumption and contamination are emerging as significant challenges, threatening long-term water availability and ecosystem health.</p> | <p>At NRB Bearings, we place strong emphasis on managing environmental factors such as energy, water, soil, and air quality. Our Sustainability, EHS, and plant operations teams work collaboratively to identify potential environmental risks and implement proactive measures to mitigate them.</p> <p>As part of these efforts, we have initiated a comprehensive water audit at our Chikalthana plant. This audit assesses water usage from intake to discharge, identifies inefficiencies such as leaks and overuse, evaluates treatment systems, and recommends strategies to reduce consumption and enhance efficiency. It also supports the establishment of robust monitoring mechanisms to ensure sustainable water management. This integrated approach helps us maintain compliance, reduce impact, and support long-term ecological balance.</p> | <p>Inefficient water management can lead to resource depletion, environmental degradation, and increased operational costs. Overuse and contamination of water sources not only strain local ecosystems but also expose companies to regulatory penalties, reputational damage, and potential disruptions in production due to water scarcity.</p> |
|--|---|-------------------------------------------------------------|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

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

| Disclosure Questions                   |                                                                                                                    | P1                                                                                                                                   | P2                                                   | P3                                                   | P4                                                      | P5                                                                                                   | P6                                           | P7                                               | P8                                                                                               | P9                                                                                                 |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Policy and management processes</b> |                                                                                                                    |                                                                                                                                      |                                                      |                                                      |                                                         |                                                                                                      |                                              |                                                  |                                                                                                  |                                                                                                    |
| 1.                                     | <b>A. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b> | Yes                                                                                                                                  | Yes                                                  | Yes                                                  | Yes                                                     | Yes                                                                                                  | Yes                                          | Yes                                              | Yes                                                                                              | Yes                                                                                                |
|                                        | <b>B. Has the policy been approved by the Board? (Yes/No)</b>                                                      | No                                                                                                                                   | No                                                   | No                                                   | No                                                      | No                                                                                                   | No                                           | No                                               | No                                                                                               | No                                                                                                 |
|                                        | <b>C. Web Link of the Policies, if available</b>                                                                   | Code of Conduct For Directors and Sr. Management (www.nrbbearings.com)<br>Anti-bribery-&-Corruption-policy.pdf (www.nrbbearings.com) | Product-Stewardship-Policy.pdf (www.nrbbearings.com) | Employee-Well-being-Policy.pdf (www.nrbbearings.com) | Stakeholder-Engagement-Policy.pdf (www.nrbbearings.com) | Human-Rights-Policy.pdf (www.nrbbearings.com)<br>Non-Discrimination-Policy.pdf (www.nrbbearings.com) | Environment-Policy.pdf (www.nrbbearings.com) | Public-Advocacy-Policy.pdf (www.nrbbearings.com) | NRB-CSR-Policy-Final.pdf (www.nrbbearings.com)<br>Supplier Code of Conduct (www.nrbbearings.com) | Data-Privacy-Policy.pdf (www.nrbbearings.com)<br>Consumer-Welfare-Policy.pdf (www.nrbbearings.com) |
| 2.                                     | <b>Whether the entity has translated the policy into procedures. (Yes / No)</b>                                    | No                                                                                                                                   | No                                                   | No                                                   | No                                                      | No                                                                                                   | No                                           | No                                               | No                                                                                               | No                                                                                                 |
| 3.                                     | <b>Do the enlisted policies extend to your value chain partners? (Yes/No)</b>                                      | Yes                                                                                                                                  | Yes                                                  | Yes                                                  | Yes                                                     | Yes                                                                                                  | Yes                                          | Yes                                              | Yes                                                                                              | Yes                                                                                                |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                  |    |    |    |    |    |    |    |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| 4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b> | At NRB Bearings Limited, we comply with all mandatory applicable geographical specific Acts, Regulations and Guidelines while formulating policies and procedures. Our locations are also certified for EMS ISO 14001 and OHS ISO 45001. Our products are certified with BIS, IATF16949 and are REACH compliant. |    |    |    |    |    |    |    |    |
| 5.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>                                                                                                                                                                   | No                                                                                                                                                                                                                                                                                                               | No | No | No | No | No | No | No | No |
| 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>                                                                                                                              | No                                                                                                                                                                                                                                                                                                               | No | No | No | No | No | No | No | No |
| <b>Governance, leadership, and oversight</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                  |    |    |    |    |    |    |    |    |
| 7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)</b>                                   |                                                                                                                                                                                                                                                                                                                  |    |    |    |    |    |    |    |    |
| With over five decades of presence in the Indian market, we have firmly established ourselves as pioneers in bearing technology. Guided by our vision and mission, we are committed to fostering a culture of innovation and driving value creation across our business, value chain, and overall stakeholder ecosystem. Sustainability is deeply embedded in our core business model, supporting our continuous pursuit of transformative improvements. With a growing emphasis on minimising our environmental footprint, we focus on optimal resource utilisation and actively promote circular economy principles. Our employees form a vital pillar of our operations. We are dedicated to providing a safe, healthy, and empowering workplace that nurtures a sense of ownership and accountability. Our relationships with value chain partners and customers are built on trust, with a shared commitment to delivering and receiving best-in-class products at optimal cost. We also maintain a strong presence within our communities, championing inclusive growth through impactful CSR initiatives. Looking ahead, we remain focused on industry leadership, guided by ethical business practices and our unwavering commitment to sustainability and responsible conduct. |                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                  |    |    |    |    |    |    |    |    |
| 8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>                                                                                                                                  | Ms. Harshbeena Zaveri, Vice Chairman & Managing Director                                                                                                                                                                                                                                                         |    |    |    |    |    |    |    |    |
| 9.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>                                                                                    | Yes- the Risk Management Committee of the Board monitors, assesses and reviews Sustainability-related decision-making aspects along with other enterprise-level strategic and business risks.                                                                                                                    |    |    |    |    |    |    |    |    |

|                                                         |                                                    |                                                                                                                                             |           |           |           |           |           |           |           |           |                                                                                 |           |           |           |           |           |           |           |           |
|---------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>10.</b>                                              | <b>Details of Review of NGRBCs by the Company:</b> |                                                                                                                                             |           |           |           |           |           |           |           |           |                                                                                 |           |           |           |           |           |           |           |           |
| <b>Subject for Review</b>                               |                                                    | <b>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>                                     |           |           |           |           |           |           |           |           | <b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b> |           |           |           |           |           |           |           |           |
|                                                         |                                                    | <b>P1</b>                                                                                                                                   | <b>P2</b> | <b>P3</b> | <b>P4</b> | <b>P5</b> | <b>P6</b> | <b>P7</b> | <b>P8</b> | <b>P9</b> | <b>P1</b>                                                                       | <b>P2</b> | <b>P3</b> | <b>P4</b> | <b>P5</b> | <b>P6</b> | <b>P7</b> | <b>P8</b> | <b>P9</b> |
| Performance against above policies and follow up action |                                                    | Yes- Board members, Department heads and the leadership team examine the Company's Business Responsibility policies regularly or as needed. |           |           |           |           |           |           |           |           | Annually or on a need-to basis                                                  |           |           |           |           |           |           |           |           |

|                                                                                                                                                                              | P1                                                                 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances                                                              | Yes- We comply with all applicable laws of the land we operate in. |    |    |    |    |    |    |    |    |
| <b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b> | P1                                                                 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|                                                                                                                                                                              | No                                                                 | No | No | No | No | No | No | No | No |

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

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

### SECTION C: Principle wise performance

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

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year**

| Segment                                  | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact                                                                     | %age of persons in respective category covered by the awareness programmes |
|------------------------------------------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>Board of Directors</b>                | 04                                                     | Principle 1 (Topics included finance and operations)                                                                            | 100%                                                                       |
| <b>Key Management Personnel</b>          | 04                                                     | Principle 1 (Topics included finance and operations)                                                                            | 100%                                                                       |
| <b>Employees other than BoD and KMPs</b> | 05                                                     | First-aid and Life saving techniques, POSH Training, Fire Fighting Training, Risk & Crisis Management, Cyber Security Awareness | 100%                                                                       |
| <b>Workers</b>                           | 05                                                     | First-aid and Life saving techniques, POSH Training, Fire Fighting Training, Risk & Crisis Management, Cyber Security Awareness | 100%                                                                       |

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

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

| Monetary        |                 |                                                                     |                 |                                                                                                                                                                                                                                                                                                                                         |                                        |
|-----------------|-----------------|---------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
|                 | NGBRC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case                                                                                                                                                                                                                                                                                                                       | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine    | Principle 1     | Income Tax                                                          | 5,000,670       | The Assessing Officer has enhanced the Annual Lettable Value of the property given on rent by Rs. 9,45,417 and added to the total income. The Assessing Officer has also added an amount of Rs. 2,01,00,257 as long-term capital gains on account of transfer of assets. It is against these additions that the said penalty is levied. | Yes                                    |
| Settlement      | -               | -                                                                   | 0               | -                                                                                                                                                                                                                                                                                                                                       | -                                      |
| Compounding Fee | -               | -                                                                   | 0               | -                                                                                                                                                                                                                                                                                                                                       | -                                      |
| Non-Monetary    |                 |                                                                     |                 |                                                                                                                                                                                                                                                                                                                                         |                                        |
|                 | NGBRC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case                                                                                                                                                                                                                                                                                                                       | Has an appeal been preferred? (Yes/No) |
| Imprisonment    | -               | -                                                                   | 0               | -                                                                                                                                                                                                                                                                                                                                       | -                                      |
| Punishment      | -               | -                                                                   | 0               | -                                                                                                                                                                                                                                                                                                                                       | -                                      |

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

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

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

Yes, we have a robust Anti-Bribery and Anti-Corruption Policy that covers key areas such as gifts, political contributions, and charitable donations. Additionally, our Code of Conduct and Ethics ensures compliance with all relevant laws and regulations, including anti-bribery provisions. These policies apply to all employees and workers.

The policy is available at Antibribery-&-Corruption-policy.pdf (nrbbearings.com)

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

|           | <b>FY 2024-25<br/>(Current Financial year)</b> | <b>FY 2023-24<br/>(Previous Financial year)</b> |
|-----------|------------------------------------------------|-------------------------------------------------|
| Directors | 0                                              | 0                                               |
| KMPs      | 0                                              | 0                                               |
| Employees | 0                                              | 0                                               |
| Workers   | 0                                              | 0                                               |

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

|                                                                                                     | <b>FY 2024-25</b> |                | <b>FY 2023-24</b> |                |
|-----------------------------------------------------------------------------------------------------|-------------------|----------------|-------------------|----------------|
|                                                                                                     | <b>Number</b>     | <b>Remarks</b> | <b>Number</b>     | <b>Remarks</b> |
| <b>Number of complaints received in relation to issues of Conflict of Interest of the Directors</b> | 0                 | -              | 0                 | -              |
| <b>Number of complaints received in relation to issues of Conflict of Interest of the KMPs</b>      | 0                 | -              | 0                 | -              |

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

Not Applicable since there have been no cases of corruption and conflicts of interest during the FY 2024-25.

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

|                                    | <b>FY 2024-25<br/>(Current Financial Year)</b> | <b>FY 2023-24<br/>(Previous Financial Year)</b> |
|------------------------------------|------------------------------------------------|-------------------------------------------------|
| Number of days of accounts payable | 60 days                                        | 57 days                                         |

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

| <b>Parameter</b>           | <b>Metrics</b>                                                                      | <b>FY 2024-25<br/>(Current Financial Year)</b> | <b>FY 2023-24<br/>(Previous Financial Year)</b> |
|----------------------------|-------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------|
| Concentration of purchases | a. Purchases from trading houses as a % of total purchases                          | 7.86%                                          | 10%                                             |
|                            | b. Number of trading houses where purchases are made from                           | 147                                            | 50                                              |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 86.74%                                         | 8%                                              |

|                        |                                                                                         |        |        |
|------------------------|-----------------------------------------------------------------------------------------|--------|--------|
| Concentration of sales | a. Sales to dealers/ distributors as % of total sales                                   | 10.54% | 11.22% |
|                        | b. Number of dealers / distributors to whom sales are made                              | 139    | 130    |
|                        | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | 69%    | 68%    |
| Share of RPTs in       | Purchases (Purchases with related parties/ Total Purchases)                             | 20.87% | 18.23% |
|                        | Sales (Sales to related parties/ Total Sales)                                           | 16.03% | 14.71% |
|                        | Loans & Advances (Loans & Advances given to related parties/ Total Loans & Advances)    | 52.88% | 68.55% |
|                        | Investments (Investments in related parties/ Total Investments)                         | 82%    | 68.51% |

Note: The financial figures for the financial year ended March 31, 2024 have been depicted in percentage to maintain consistency in the report.

#### Leadership Indicators

##### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|-------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Nil                                       | Nil                                            | Nil                                                                                                                |

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

Yes, to uphold transparency and integrity, the **Code of Conduct for Directors and Senior Management** provides clear directives to prevent conflicts of interest. Any potential conflict—whether through transactions or personal interests—must be promptly disclosed to the Company for appropriate evaluation and action. Directors are also required to submit an annual declaration of their positions on Boards and Committees of other companies, including any Chairmanships, and to report any changes throughout the year. In all decision-making processes, Board members are expected to act impartially and avoid situations that could compromise their objectivity.

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

##### Essential Indicators

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

|       | FY 2024-25 | FY 2023-24 | Details of improvements in environmental and social impacts |
|-------|------------|------------|-------------------------------------------------------------|
| R&D   | 0%         | 5%         | -                                                           |
| Capex | 0%         | 5%         | -                                                           |

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

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

**A)** Yes. Our Company has procedures and policies in place for sustainable sourcing. Our Supplier Code of Conduct lays down the Company's strategy for sustainable sourcing. All suppliers are expected to adhere to the supplier Code of Conduct. Further, supplier assessments are conducted periodically based on defined parameters identified in the supplier assessment checklist. The checklist includes indicators such as consent to operate, safety measures, certifications, material test reports etc. along with ESG factors. We work closely with suppliers ensuring sustainable sourcing practices.

**B) 100%**

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

Plastic waste is mainly generated through our product manufacturing and packaging processes. We recognise the environmental impact of using plastic in packaging and make consistent efforts to track usage. Our internal waste management system ensures proper collection, segregation, storage, and disposal. To enhance product circularity at the end of its life, we are actively working on improvements and are currently progressing towards compliance with EPR (Extended Producer Responsibility) registration requirements.

E-waste: Since our main product category is bearings. This is not applicable. However, as an effort to manage e-waste, we take responsible action when it comes to electronic items and IT equipment that reach end of life. These are disposed of only through authorised recyclers to ensure safe and responsible handling.

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

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

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

We fall under the 'producer' or 'brand owner' category as defined by the Plastic Waste Management and Handling Rules, 2016 (as amended), making us subject to Extended Producer Responsibility (EPR) regulations. Plastics are used both in packaging our bearings and balls, and in manufacturing specific types of bearings. To comply with EPR guidelines, we are currently working on developing a comprehensive waste collection plan for submission to the Central Pollution Control Board (CPCB).

**Leadership Indicators**

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

| NIC Code | Name of the product/service | % of total turnover contributed | Boundary for which the life cycle perspective/ assessment was conducted | Whether conducted by independent external agency (Yes/ No) | Results communicated in public domain (Yes/ No)<br>If yes, provide the web-link |
|----------|-----------------------------|---------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------|
| 2913     | Needle Bush Bearing         | NA                              | Cradle-to-Gate                                                          | Yes                                                        | No                                                                              |
| 2913     | Cylindrical Roller          | NA                              | Cradle-to-Gate                                                          | Yes                                                        | No                                                                              |
| 2913     | FS Cage                     | NA                              | Cradle-to-Gate                                                          | Yes                                                        | No                                                                              |

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product/Service    | Description of the risk/concern                                                                                                                                                                                        | Action Taken                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Needle Bush Bearing        | Global Warming Potential (GWP)100-fossil<br>Global Warming Potential (GWP): land transformation<br>Global Warming Potential (GWP): Biogenic                                                                            | To devise a green procurement strategy which enables us to procure materials whose emissions fall below an identified threshold limit. This strategy could also enforce maximizing the use of recyclable content in the raw materials procured. To Implement sustainability initiatives or procurement of green energy by the suppliers would significantly reduce the environmental impact of finished products manufactured. |
| Cylindrical Roller Bearing | Global Warming Potential (GWP)100-fossil<br>Global Warming Potential (GWP): land transformation<br>Global Warming Potential (GWP): Biogenic                                                                            | To devise a green procurement strategy which enables us to procure materials whose emissions fall below an identified threshold limit. This strategy could also enforce maximizing the use of recyclable content in the raw materials procured. To Implement sustainability initiatives or procurement of green energy by the suppliers would significantly reduce the environmental impact of finished products manufactured. |
| FS Cage                    | Global Warming Potential (GWP): Climate impact<br>Human Toxicity: Health risks from emissions<br>Acidification: Environmental degradation (e.g., acid rain)<br>Eutrophication: Water pollution due to nutrient buildup | Using 100% recycled steel in the manufacturing of cages can significantly reduce the overall product carbon footprint, as recycled steel generates much lower emissions compared to virgin steel.                                                                                                                                                                                                                              |

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services(for service industry).**

| Indicate input material    | Recycled or re-used input material to total material |            |
|----------------------------|------------------------------------------------------|------------|
|                            | FY 2024-25                                           | FY 2023-24 |
| Needle Bush Bearing        | 32.79%                                               | -          |
| Cylindrical Roller Bearing | 96.5%                                                | -          |
| FS Cage                    | 60.42%                                               | -          |

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

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

| Category                       | % Of employees covered by |                  |         |                    |         |                    |         |                    |         |                     |         |
|--------------------------------|---------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|                                | Total (A)                 | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Day care facilities |         |
|                                |                           | Number (B)       | % (B/A) | Number (C)         | % (C/A) | Number (D)         | % (D/A) | Number (E)         | % (E/A) | Number (F)          | % (F/A) |
| Permanent Employees            |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                           | 410                       | 410              | 100%    | 410                | 100%    | NA                 | NA      | 0                  | 0%      | 410                 | 100%    |
| Female                         | 32                        | 32               | 100%    | 32                 | 100%    | 32                 | 100%    | 0                  | 0%      | 32                  | 100%    |
| Total                          | 442                       | 442              | 100%    | 442                | 100%    | 32                 | 7.24%   | 0                  | 0%      | 442                 | 100%    |
| Other than Permanent Employees |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                           | 44                        | 31               | 70.5%   | 31                 | 70.5%   | 0                  | 0%      | 0                  | 0%      | 31                  | 70.5%   |
| Female                         | 8                         | 7                | 87.5%   | 7                  | 87.5%   | 0                  | 0%      | 0                  | 0%      | 7                   | 87.5%   |
| Total                          | 52                        | 38               | 73.1%   | 38                 | 73.1%   | 0                  | 0%      | 0                  | 0%      | 38                  | 73.1%   |

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

| Category                     | % Of employees covered by |                  |         |                    |         |                    |         |                    |         |                     |         |
|------------------------------|---------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|                              | Total (A)                 | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Day care facilities |         |
|                              |                           | Number (B)       | % (B/A) | Number (C)         | % (C/A) | Number (D)         | % (D/A) | Number (E)         | % (E/A) | Number (F)          | % (F/A) |
| Permanent Workers            |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 821                       | 821              | 100%    | 821                | 100%    | NA                 | NA      | 0                  | 0%      | 0                   | 0%      |
| Female                       | 18                        | 18               | 100%    | 18                 | 100%    | 18                 | 100%    | 0                  | 0%      | 0                   | 0%      |
| Total                        | 839                       | 839              | 100%    | 839                | 100%    | 18                 | 100%    | 0                  | 0%      | 0                   | 0%      |
| Other than Permanent Workers |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 1980                      | 150              | 7.58%   | 0                  | 0%      | NA                 | NA      | NA                 | 0       | 0                   | 0%      |
| Female                       | 240                       | 50               | 20.83%  | 0                  | 0%      | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Total                        | 2220                      | 200              | 9.01%   | 0                  | 0%      | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |

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

|                                                                             | <b>FY 2024-25</b> | <b>FY 2023-24</b> |
|-----------------------------------------------------------------------------|-------------------|-------------------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.55%             | 0.66%             |

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

| Benefits               | FY 2024-25                                         |                                                |                                                      | FY 2023-24                                         |                                                |                                                      |
|------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|                        | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                     | 100%                                               | 100%                                           | YES                                                  | 100%                                               | 100%                                           | YES                                                  |
| Gratuity               | 100%                                               | 100%                                           | YES                                                  | 100%                                               | 95%                                            | YES                                                  |
| ESI                    | 0.2%                                               | 9.18%                                          | YES                                                  | 6%                                                 | 7%                                             | YES                                                  |
| Others- please specify | NIL                                                | NIL                                            | NIL                                                  | NIL                                                | NIL                                            | NIL                                                  |

**3. Accessibility of workplaces**

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

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

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

The Company's Non-Discrimination Policy outlines its commitment to providing equal employment opportunities to all, irrespective of differences such as physical disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. Additionally, we are dedicated to upholding human rights across all our operational locations. Weblink: Non-Discrimination-Policy.pdf (nrbbearings.com)

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

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

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

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

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

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

| Category                         | FY 2024-25                                          |                                                                                             |         | FY 2023-24                                          |                                                                                             |         |
|----------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------|---------|-----------------------------------------------------|---------------------------------------------------------------------------------------------|---------|
|                                  | Total employees/ workers in respective category (A) | No. of employees/ workers in respective category, who are part of associations or Union (B) | % (B/A) | Total employees/ workers in respective category (C) | No. of employees/ workers in respective category, who are part of associations or Union (D) | % (D/C) |
| <b>Total Permanent Employees</b> | 442                                                 | 0                                                                                           | 0%      | 462                                                 | 0                                                                                           | 0%      |
| <b>Male</b>                      | 32                                                  | 0                                                                                           | 0%      | 427                                                 | 0                                                                                           | 0%      |
| <b>Female</b>                    | 410                                                 | 0                                                                                           | 0%      | 35                                                  | 0                                                                                           | 0%      |
| <b>Total Permanent Workers</b>   | 839                                                 | 839                                                                                         | 100%    | 828                                                 | 810                                                                                         | 97.83%  |
| <b>Male</b>                      | 821                                                 | 821                                                                                         | 100%    | 809                                                 | 793                                                                                         | 98.02%  |
| <b>Female</b>                    | 18                                                  | 18                                                                                          | 100%    | 19                                                  | 17                                                                                          | 89.47%  |

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

| Category  | FY 2024-25 |                               |         |                      |         | FY 2023-24 |                               |         |                      |         |
|-----------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
|           | Total (A)  | On health and safety measures |         | On skill upgradation |         | Total (D)  | On health and safety measures |         | On skill upgradation |         |
|           |            | No. (B)                       | % (B/A) | No. (C)              | % (C/A) |            | No. (E)                       | % (E/D) | No. (F)              | % (F/A) |
| Employees |            |                               |         |                      |         |            |                               |         |                      |         |
| Male      | 454        | 454                           | 100%    | 454                  | 100%    | 448        | 448                           | 100%    | 448                  | 100%    |
| Female    | 40         | 40                            | 100%    | 40                   | 100%    | 35         | 35                            | 100%    | 35                   | 100%    |
| Total     | 494        | 494                           | 100%    | 494                  | 100%    | 483        | 483                           | 100%    | 483                  | 100%    |
| Workers   |            |                               |         |                      |         |            |                               |         |                      |         |
| Male      | 2801       | 1830                          | 65%     | 1479                 | 53%     | 2815       | 2388                          | 85%     | 1355                 | 48%     |
| Female    | 258        | 258                           | 100%    | 200                  | 78%     | 209        | 115                           | 55%     | 79                   | 38%     |
| Total     | 3059       | 2088                          | 68%     | 1679                 | 55%     | 3024       | 2503                          | 82%     | 1434                 | 47%     |

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

| Category         | FY 2024-25 |           |         | FY 2023-24 |           |         |
|------------------|------------|-----------|---------|------------|-----------|---------|
|                  | Total (A)  | Total (B) | % (B/A) | Total (C)  | Total (D) | % (D/C) |
| <b>Employees</b> |            |           |         |            |           |         |
| <b>Male</b>      | 454        | 384       | 84.58%  | 448        | 448       | 100.00% |
| <b>Female</b>    | 40         | 24        | 60.0%   | 35         | 33        | 94.29%  |
| <b>Total</b>     | 494        | 408       | 82.59%  | 483        | 481       | 99.59%  |
| <b>Workers</b>   |            |           |         |            |           |         |
| <b>Male</b>      | 2801       | 984       | 35.13%  | 2815       | 1075      | 38.04%  |
| <b>Female</b>    | 258        | 140       | 54.26%  | 209        | 137       | 65.87%  |
| <b>Total</b>     | 3059       | 1124      | 36.74%  | 3024       | 1212      | 39.95%  |

# 10. Health and safety management system:

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

Yes, We are deeply committed to ensuring safe and healthy working conditions for all employees and workers. We believe that a well-maintained work environment is essential for employee well-being and a foundation for achieving business excellence. Our Environment, Health, and Safety (EHS) systems are fully certified to ISO 14001:2015, ISO 45001:2018, and IATF 16949:2016, covering 100% of our operational sites across India. Additionally, we have a comprehensive Occupational Health and Safety Policy that guides our efforts in managing key health, safety, and environmental aspects.

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

We have implemented an EHS management system designed to proactively identify occupational health and safety risks including those linked to routine and non-routine activities. To support this, we follow a structured Hazard Identification and Risk Assessment (HIRA) framework that enables our employees and workers to recognise and control potential workplace hazards.

Once risks are assessed, they are thoroughly documented, including their sources, possible outcomes, and the recommended mitigation strategies. In addition, each plant site has a dedicated safety committee led by the plant head, responsible for identifying and managing health and safety-related risks. Our Health and Safety Committee plays a key role in ensuring the effective setup, execution, continuous monitoring, and improvement of processes aimed at eliminating hazards and reducing actual and potential risks.

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

Yes, we encourage workers to proactively report any work-related hazards through well-defined systems in place at each plant. To strengthen our safety culture, we have installed drop box systems across all locations. These boxes allow employees and workers to report incidents, hazards, or near misses that could result in unsafe conditions. All reported incidents are reviewed, investigated, and addressed with appropriate corrective actions.

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

Yes. We provide medical facilities and first-aid services to both our employees and workers. Each plant is equipped with occupational health centre, that is staffed and prepared to manage non-occupational health issues. We have a tie-up with nearest hospital to the plant premises for emergency support and extended care. Further, all our employees and workers are covered under the company's health insurance and personal insurance policy ensuring comprehensive healthcare protection.

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

| Safety Incident/Number                                                        | Category  | FY 2024-25 | FY 2023-24 |
|-------------------------------------------------------------------------------|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0          | 0          |
|                                                                               | Workers   | 0.21       | 0.12       |
| Total recordable work-related injuries                                        | Employees | 0          | 0          |
|                                                                               | Workers   | 2          | 2          |
| No. of fatalities                                                             | Employees | 0          | 0          |
|                                                                               | Workers   | 0          | 0          |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0          | 0          |
|                                                                               | Workers   | 0          | 0          |

*\*Including the contract workforce*

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

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

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

|                    | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working conditions | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Health and Safety  | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

**14. Assessments for the year:**

| Assessments for the year:   |                                                                                                       |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
| Health and safety practices | 100%                                                                                                  |
| Working conditions          | 100%                                                                                                  |

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

We treat every safety-related incident with utmost seriousness and respond swiftly with corrective actions to mitigate risks. Our unwavering commitment to maintaining a safe and healthy work environment drives us to continuously evaluate and enhance our safety protocols.

To ensure our safety measures remain effective and relevant, we conduct regular evaluations of our health and safety systems and workplace conditions. These assessments have helped us identify critical risks, which we are proactively addressing through targeted interventions.

Our Environment, Health, and Safety (EHS) Policy is displayed at key locations, including the main gate and medical facilities, reinforcing our dedication to transparency and compliance. All safety measures are implemented in strict accordance with statutory guidelines.

We have established a strong safety committee that convenes regularly to review incidents, discuss concerns, and recommend improvements. Additionally, we prioritize employee awareness by offering comprehensive training programs, including hands-on sessions on firefighting equipment usage.

To further ensure regulatory compliance, we conduct routine noise level monitoring and other environmental checks.

To further enhance our safety posture, we have implemented various measures such as:

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

Our process and activity review are conducted on a yearly basis to ensure that our safety measures are effective and aligned with industry best practices. We also follow up on the same on a yearly basis to ensure that all corrective actions are implemented and effective.

Through these measures, we strive to create a safe working environment for all employees and ensure that any significant risks or concerns identified through our assessments are mitigated.

### Leadership Indicators

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

Yes, we have robust life insurance coverage for all employees and workers across all operational sites under our employee wellbeing programs.

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

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

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

|           | Total no. of affected employees/<br>workers |            | No. of employees/workers that are rehabilitated<br>and placed in suitable employment or whose<br>family members have been placed in suitable<br>employment |                |
|-----------|---------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
|           | FY 2024-25                                  | FY 2023-24 | FY 2024-25                                                                                                                                                 | FY 2023-24     |
| Employees | 0                                           | 0          | Not applicable                                                                                                                                             | Not applicable |
| Workers   | 0                                           | 0          | Not applicable                                                                                                                                             | Not applicable |

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

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

- 5. Details on assessment of partners:**

|                             | % of value chain partners (by value of business<br>done with such partners) that were assessed |
|-----------------------------|------------------------------------------------------------------------------------------------|
| Health and Safety Practices | 18%                                                                                            |
| Working Conditions          | 18%                                                                                            |

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

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

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

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

Stakeholders are integral to our business, and we recognise the importance of maintaining continuous and meaningful engagement with them. Through a structured stakeholder engagement process, we identify key stakeholder groups based on their influence on our business activities and the impact our operations have on them. Currently, we have identified (7) seven primary stakeholder groups from the broader stakeholder universe. For each group, we have established dedicated engagement mechanisms tailored to their specific needs and expectations. By maintaining regular interactions through various communication channels, we aim to strengthen these relationships and align them with our business strategy. Our key stakeholder groups include Investors, Employees and Workers, Business Partners, Suppliers, Customers, Government, and the Community.

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

| Stakeholder Group | Whether identified as vulnerable and marginalized group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                      | Frequency of engagement (annually, half yearly, quarterly, others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                       |
|-------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investors</b>  | No                                                               | <ul style="list-style-type: none"> <li>Annual shareholder meeting</li> <li>Quarterly investor presentations</li> <li>Investor conferences and meets</li> <li>Press releases</li> </ul>                                                             | Quarterly / Annually                                                                | To update investors on the financial performance of the company                                                                                                                                                                                                                                                                       |
| <b>Employees</b>  | No                                                               | <ul style="list-style-type: none"> <li>Intranet Portal</li> <li>Employee Welfare events</li> <li>Trainings and performance management system</li> <li>Functional and cross-functional committees</li> <li>Emails, written communication</li> </ul> | Daily                                                                               | To engage with employees and understand their aspirations including the following: <ul style="list-style-type: none"> <li>Career management and growth prospects</li> <li>Learning opportunities</li> <li>Building a safety culture and inculcating safe working practices among employees</li> <li>Flexible working hours</li> </ul> |

|                          |     |                                                                                                                                                                                                                                                       |                                                                                                                                                          |                                                                                                                                                                                                                             |
|--------------------------|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers</b>         | No  | <ul style="list-style-type: none"> <li>• Direct consumer calls and meetings</li> <li>• Customer satisfaction surveys</li> <li>• Complaint handling &amp; feedback</li> <li>• Marketing and Advertising</li> <li>• Electronic Communication</li> </ul> | <ul style="list-style-type: none"> <li>• Continuous (NRB website and social media including LinkedIn, Twitter, Facebook, Instagram, YouTube)</li> </ul>  | <ul style="list-style-type: none"> <li>• Understanding customer expectations,</li> <li>• Understanding industry and business challenges</li> <li>• Understanding client's data privacy and security requirements</li> </ul> |
| <b>Business Partners</b> | No  | <ul style="list-style-type: none"> <li>• Conferences</li> <li>• Written Communication audio &amp; visual communication</li> </ul>                                                                                                                     | <ul style="list-style-type: none"> <li>• Monthly: Conference calls</li> <li>• Quarterly: Business reviews</li> <li>• Annually: Partner events</li> </ul> | <ul style="list-style-type: none"> <li>• Strengthening business partnerships</li> <li>• Improve Company's credit worthiness</li> <li>• Promote ethical behavior and fair business practices and governance</li> </ul>       |
| <b>Suppliers</b>         | Yes | <ul style="list-style-type: none"> <li>• Supplier meets</li> <li>• Regular interaction through phone, e-mail and in person</li> <li>• Supplier Audits</li> </ul>                                                                                      | <ul style="list-style-type: none"> <li>• Continuous</li> </ul>                                                                                           | <ul style="list-style-type: none"> <li>• To identify supplier business challenges and ensure uninterrupted raw material supply</li> </ul>                                                                                   |

#### Leadership Indicators

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

We maintain regular and transparent communication with our shareholders and investors through investor meetings, timely updates on our website, and detailed quarterly and annual reports. The Annual General Meeting serves as a key platform for shareholders to directly engage with the Board of Directors, where their questions and concerns are addressed openly. All interactions with government authorities, regulatory bodies, and quasi-judicial institutions are conducted by authorized and well-trained representatives, ensuring integrity, transparency, and full compliance with applicable laws and regulations. We also recognize our employees as vital stakeholders in the organisation's journey. To keep them aligned with our vision and strategic direction, we undertake various initiatives to share key updates, achievements, and milestones. These communication efforts foster a sense of connection, motivation, and shared purpose among employees, helping to build a cohesive and inspired workforce.

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

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

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

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

| Category                    | FY 2024-25 |                                       |         | FY 2023-24 |                                       |         |
|-----------------------------|------------|---------------------------------------|---------|------------|---------------------------------------|---------|
|                             | Total (A)  | No. of employees/ workers covered (B) | % (B/A) | Total (C)  | No. of employees/ workers covered (D) | % (D/C) |
| <b>Employees</b>            |            |                                       |         |            |                                       |         |
| <b>Permanent</b>            | 442        | 442                                   | 100%    | 462        | 462                                   | 100%    |
| <b>Other than permanent</b> | 52         | 52                                    | 100%    | 21         | 21                                    | 100%    |
| <b>Total Employees</b>      | 494        | 494                                   | 100%    | 483        | 483                                   | 100%    |
| <b>Workers</b>              |            |                                       |         |            |                                       |         |
| <b>Permanent</b>            | 839        | 190                                   | 22.64%  | 828        | 637                                   | 76.93%  |
| <b>Other than permanent</b> | 2220       | 1250                                  | 56.31%  | 2,196      | 150                                   | 6.83%   |
| <b>Total Workers</b>        | 3059       | 1440                                  | 47.07%  | 3,024      | 787                                   | 26.03%  |

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

| Category             | FY 2024-25   |                       |         |                        |         | FY 2023-24   |                       |         |                        |         |
|----------------------|--------------|-----------------------|---------|------------------------|---------|--------------|-----------------------|---------|------------------------|---------|
|                      | Total<br>(A) | Equal to minimum wage |         | More than minimum wage |         | Total<br>(D) | Equal to minimum wage |         | More than minimum wage |         |
|                      |              | No. (B)               | % (B/A) | No. (C)                | % (C/A) |              | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| Employees            |              |                       |         |                        |         |              |                       |         |                        |         |
| Permanent            | 442          | 0                     | 0%      | 442                    | 100%    | 462          | 0                     | 0%      | 462                    | 100%    |
| Male                 | 410          | 0                     | 0%      | 410                    | 100%    | 427          | 0                     | 0%      | 427                    | 100%    |
| Female               | 32           | 0                     | 0%      | 32                     | 100%    | 35           | 0                     | 0%      | 35                     | 100%    |
| Other than Permanent | 52           | 0                     | 0%      | 52                     | 100%    | 21           | 0                     | 0%      | 21                     | 100%    |
| Male                 | 44           | 0                     | 0%      | 44                     | 100%    | 21           | 0                     | 0%      | 21                     | 100%    |
| Female               | 8            | 0                     | 0%      | 8                      | 100%    | 0            | 0                     | 0%      | 0                      | 100%    |
| Workers              |              |                       |         |                        |         |              |                       |         |                        |         |
| Permanent            | 839          | 29                    | 3.46%   | 810                    | 96.54%  | 828          | 0                     | 0%      | 828                    | 100%    |
| Male                 | 821          | 29                    | 3.53%   | 792                    | 96.47%  | 809          | 0                     | 0%      | 809                    | 100%    |
| Female               | 18           | 0                     | 0.00%   | 18                     | 100.00% | 19           | 0                     | 0%      | 19                     | 100%    |
| Other than Permanent | 2220         | 2091                  | 94.19%  | 129                    | 5.81%   | 2196         | 2080                  | 94.72%  | 116                    | 5.28%   |
| Male                 | 1980         | 1867                  | 94.29%  | 113                    | 5.71%   | 2006         | 1896                  | 94.52%  | 110                    | 5.48%   |
| Female               | 240          | 224                   | 93.33%  | 16                     | 6.66%   | 190          | 184                   | 96.84%  | 6                      | 3.16%   |

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

|                                  | Male   |                                                           | Female |                                                           |
|----------------------------------|--------|-----------------------------------------------------------|--------|-----------------------------------------------------------|
|                                  | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)         | 4      | ₹ 4,970,000.00                                            | 2      | ₹ 34,624,394.00                                           |
| Key Management Personnel         | 1      | ₹ 8,000,000.00                                            | 0      | ₹ 0.00                                                    |
| Employees other than BoD and KMP | 449    | ₹ 660,247,311.00                                          | 38     | ₹ 46,195,500.00                                           |
| Workers                          | 2801   | ₹ 286,623,397.00                                          | 258    | ₹ 19,008,537.00                                           |

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

|                                                 | FY 2024-25 | FY 2023-24 |
|-------------------------------------------------|------------|------------|
| Gross wages paid to females as % of total wages | 6.44%      | 5.04%      |

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

Yes

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

At NRB Bearings Limited, respect for human rights is deeply embedded in our core values and operational practices. We uphold these principles through a range of policies, including our Human Rights Policy, Business Conduct Guidelines and Ethics, Policy on Prevention of Sexual Harassment at the Workplace, and CSR Policy. We implement strong safeguards to prevent any human rights violations across our operations and expect the same level of commitment from our partners, suppliers, employees, workers, and contractors. All stakeholders impacted by our business activities are granted full access to grievance redressal mechanisms, as outlined in our Whistleblower Policy. Concerns can be raised through department heads at the corporate level or plant heads at the respective locations, and may also be reported directly to the HR department to ensure swift action. Every issue brought forward is treated with urgency and resolved in a timely and responsible manner, reinforcing our commitment to ethical conduct and fair treatment.

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

|                                   | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Discrimination at workplace       | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Child Labour                      | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Forced Labour/ Involuntary Labour | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Wages                             | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Other human rights related issues | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

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

|                                                                                                      | <b>FY 2024-25</b> | <b>FY 2023-24</b> |
|------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and | 0                 | 0                 |
| Complaints on POSH as a % of female employee/ workers                                                | 0                 | 0                 |
| Complaints on POSH upheld                                                                            | 0                 | 0                 |

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

We are committed to providing a safe, respectful, and inclusive working environment, free from any form of discrimination, harassment, or retaliation. Our policies are designed to prevent such occurrences and ensure that individuals who report concerns face no adverse consequences. We have a robust POSH (Prevention of Sexual Harassment) policy in place, reflecting our zero-tolerance stance on sexual harassment at the workplace.

Additionally, our Human Rights policies apply to all employees, suppliers, and service providers, reinforcing our commitment to ethical and respectful conduct across our operations. We actively encourage employees and workers to report any concerns related to harassment or inappropriate behavior and ensure a responsive and confidential grievance redressal process.

To foster awareness and understanding, we conduct regular training and sensitisation programmes, helping employees stay informed about what constitutes harassment and redressal mechanism available for reporting and resolution. During the FY 2024-25, we received zero cases of discrimination of sexual harassment.

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

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

**10. Assessments for the year:**

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

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

There was no third-party evaluation conducted during the FY 2024-25.

**Leadership Indicators**

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

Human rights are integrated in our core business values. All business activities are performed ensuring there are no human rights violations, and owing to the concerted efforts, there were no business process modifications because of addressing human rights grievances.

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

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

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

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

**4. Details on assessments of value chain partners:**

|                             | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---------------------------------------------------------------------------------------------|
| Sexual harassment           | 18%                                                                                         |
| Discrimination at workplace | 18%                                                                                         |
| Child labour                | 18%                                                                                         |
| Forced/involuntary labour   | 18%                                                                                         |
| Wages                       | 18%                                                                                         |
| Others- please specify      | 18%                                                                                         |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

There were no significant risks identified during FY 2024-25. Hence, undertaking of corrective actions is not applicable.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**  
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter                                                | FY 2024-25(In GJ) | FY 2023-24 (In GJ) |
|----------------------------------------------------------|-------------------|--------------------|
| <b>From renewable sources</b>                            |                   |                    |
| Total electricity consumption (A)                        | 1.90              | -                  |
| Total fuel consumption (B)                               | -                 | -                  |
| Energy consumption through other sources (C)             | -                 | -                  |
| Total energy consumed from renewable sources (A+B+C)     | 1.90              | -                  |
| <b>From non-renewable sources</b>                        |                   |                    |
| Total electricity consumption (D)                        | 186,482.29        | 145,800.59         |
| Total fuel consumption (E)                               | 19,082.76         | 18,513.23          |
| Energy consumption through other sources (F)             | -                 | -                  |
| Total energy consumed from non-renewable sources (D+E+F) | 205,565.05        | 164,313.82         |
| <b>Total energy consumed (A+B+C+D+E+F)</b>               | <b>205,566.95</b> | <b>164,313.82</b>  |
| Energy intensity per rupee of turnover                   |                   |                    |

|                                                                                                                                                            |            |            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| (Total energy consumption/ revenue from operations)                                                                                                        | 0.00001943 | 0.00001639 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*<br>(Total energy consumption/ revenue from operations adjusted for PPP) | 0.0004015  | 0.0003387  |
| Energy intensity in terms of physical output *                                                                                                             | _*         | _*         |

# - The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by the International Monetary Fund for India which is 20.662.

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

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

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

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

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

| Parameter                                                                                                                                     | FY 2024-25 | FY 2023-24 |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                             |            |            |
| (i) Surface water                                                                                                                             | 33,347     | 27,178     |
| (ii) Groundwater                                                                                                                              | 24,308.89  | 15,964.8   |
| (iii) Third party water                                                                                                                       | 59,647     | 44,665     |
| (iv) Seawater / desalinated water                                                                                                             | -          | -          |
| (v) Others                                                                                                                                    | -          | -          |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)                                                                      | 117,302.89 | 87,807.8   |
| Total volume of water consumption (in kilolitres)                                                                                             | 102,754.47 | 58,259.78  |
| Water intensity per rupee of turnover (Water consumed / revenue from operations)                                                              | 0.00000971 | 0.00000581 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Water consumed / revenue from operations adjusted for PPP)* | 0.00020    | 0.00012    |
| Water intensity in terms of physical output*                                                                                                  | _*         | _*         |

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

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

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

| Parameter                                                                       | FY 2024-25 | FY 2023-24 |
|---------------------------------------------------------------------------------|------------|------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>    |            |            |
| <b>(i) To Surface water</b>                                                     | 0          | 0          |
| - No treatment                                                                  | 0          | 0          |
| - With treatment – please specify level of treatment                            | 0          | 0          |
| <b>(ii) To Groundwater</b>                                                      | 0          | 0          |
| - No treatment                                                                  | 0          | 0          |
| - With treatment – please specify level of treatment                            | 0          | 0          |
| <b>(iii) To Seawater</b>                                                        | 2,248      | 0          |
| - No treatment                                                                  | 0          | 0          |
| - With treatment – Sent to CETP after primary, secondary and tertiary treatment | 2,248      | 0          |
| <b>(iv) Sent to third-parties</b>                                               | 12,300.42  | 28,403.32  |
| - No treatment                                                                  | 0          | 0          |
| - With treatment – Sent to CETP after primary, secondary and tertiary treatment | 12,300.42  | 28,403.32  |
| <b>(v) Others</b>                                                               | 0          | 1,144.7    |
| - No treatment                                                                  | 0          | 0          |
| - With treatment – please specify level of treatment                            | 0          | 1,144.7    |
| <b>Total water discharged (in kilolitres)</b>                                   | 14,548.42  | 29,548.02  |

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

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

To promote sustainable water management and environmental stewardship, we have successfully implemented a Zero Liquid Discharge (ZLD) mechanism at our Jalna facility. This advanced system ensures that no industrial wastewater is released into the environment, aligning with our commitment to water conservation and pollution control.

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

| Parameter                           | Please specify unit | FY 2024-25 | FY 2023-24 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | MT                  | 0.04       | 0.06       |
| SOx                                 | MT                  | 21.13      | 1.52       |
| Particulate matter (PM)             | MT                  | 59.42      | 4.88       |
| Persistent organic pollutants (POP) | MT                  | NA         | NA         |
| Volatile organic compounds (VOC)    | MT                  | NA         | NA         |
| Hazardous air pollutants (HAP)      | MT                  | NA         | NA         |
| Others – please specify             | MT                  | NA         | NA         |

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

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

| Parameter                                                                                                                                                                                       | Unit                                        | FY 2024-25 | FY 2023-24  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------|-------------|
| <b>Total Scope 1 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                 | Metric tonnes of CO <sub>2</sub> equivalent | 2,111.70   | 2,327.59    |
| <b>Total Scope 2 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                 | Metric tonnes of CO <sub>2</sub> equivalent | 28,500.27  | 28,998.11   |
| Total Scope 1 and Scope 2 emissions intensity per rupee of turnover<br>(Total scope 1 and scope 2 GHG emissions/ revenue from operations)                                                       | -                                           | 0.00000288 | 0.000003124 |
| Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity<br>(Total scope 1 and scope 2 GHG emissions/ revenue from operations adjusted for PPP) | -                                           | 0.00005948 | 0.00006455  |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output*                                                                                                                       | -                                           | _*         | _*          |

# - The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by the International Monetary Fund for India which is 20.662.

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

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

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

Yes, the entity has undertaken several projects aimed at reducing Green House Gas emissions. These initiatives focus on improving energy efficiency, transitioning to cleaner energy sources, and optimizing operational processes to minimize environmental impact. Key projects include:

**1. Rooftop Solar Installation (Waluj)**

A 19 kW solar power plant was installed to harness renewable energy, thereby reducing dependency on grid electricity and lowering carbon emissions.

**2. Air Cooling to Water Cooling Conversion (Waluj)**

Replaced air-cooled systems with water-cooled units, eliminating the use of R-22 refrigerant, which is a potent greenhouse gas.

**3. Contract Demand Optimisation (Waluj & Engineering Centre)**

Reduced contract demand to align with actual consumption, freeing up grid capacity and lowering peak load emissions.

**4. Thyristor Panel Installation (Engineering Centre)**

Installed a 30 KVAR statcom thyristor panel to achieve unity power factor, improving energy efficiency and reducing transmission losses.

**5. Replacement of Pneumatic Systems with Motor-Based Mechanisms (Multiple Locations)**

Transitioned from compressed air systems to energy-efficient DC motors, significantly reducing electricity consumption.

**6. HT Kaizen**

To reduce greenhouse gas emissions, the company implemented a project to optimize propane usage in Endo gas generators used in heat treatment. By installing a manual valve to control propane flow, the team significantly reduced excess gas consumption. This initiative led to an annual saving of 9.48 metric tons of propane and ₹7.78 lakhs at one location, with successful replication at Chikalthana and Jalna plants. Collectively, the project achieved a total reduction of 49.76 MT of propane use annually, contributing to lower emissions and improved energy efficiency across operations.

These projects collectively contribute to a total estimated annual energy saving of over 625,505 kWh, which translates into a substantial reduction in GHG emissions of 454 tCO<sub>2</sub>e, aligning with the entity's commitment to sustainable operations and climate responsibility.

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

| Parameter                                                                                                                           | FY 2024-25      | FY 2023-24      |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>Total Waste generated (in metric tonnes)</b>                                                                                     |                 |                 |
| Plastic waste (A)                                                                                                                   | 74.49           | 108.29          |
| E-waste (B)                                                                                                                         | 1.32            | 138.05          |
| Bio-medical waste (C)                                                                                                               | -               | -               |
| Construction and demolition waste (D)                                                                                               | -               | -               |
| Battery waste (E)                                                                                                                   | -               | -               |
| Radioactive waste (F)                                                                                                               | -               | -               |
| Other Hazardous waste. Please specify, if any. (G)                                                                                  | 1,119.15        | 1,140.75        |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 7,665.16        | 4,485.82        |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                          | <b>8,860.13</b> | <b>5,872.92</b> |

|                                                                                                                                                     |                 |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Waste intensity per rupee of turnover (Total waste generated / revenue from operations)                                                             | 0.00000084      | 0.00000005      |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ revenue from operations adjusted for PPP)* | 0.00001731      | 0.000010331     |
| Waste intensity in terms of physical output*                                                                                                        | _*              | _*              |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>      |                 |                 |
| <b>Category of waste</b>                                                                                                                            |                 |                 |
| (i) Recycled                                                                                                                                        | 483.81          | 138.05          |
| (ii) Re-used                                                                                                                                        | -               | -               |
| (iii) Other recovery operations                                                                                                                     | 6,384.68        | 2.00            |
| <b>Total</b>                                                                                                                                        | <b>6,868.49</b> | <b>140.05</b>   |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                                   |                 |                 |
| <b>Category of waste</b>                                                                                                                            |                 |                 |
| (i) Incineration                                                                                                                                    | 124.995         | 156.35          |
| (ii) Landfilling                                                                                                                                    | 40.57           | 866.06          |
| (iii) Other disposal operations                                                                                                                     | 1,572.21        | 3,935.18        |
| <b>Total</b>                                                                                                                                        | <b>1,737.78</b> | <b>4,957.59</b> |

# - The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by the International Monetary Fund of India which is 20.662.

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

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

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

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

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

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

| Name and brief details of project                                                                                                                                                                                                                                                                                                                                                                                                 | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| During the current financial year, our operations did not trigger the need for an EIA, as no new developments or expansions were undertaken. However, to ensure preparedness and compliance in future undertakings, we intend to establish a Standard Operating Procedure (SOP) that clearly defines what constitutes a project under the EIA framework and outlines the criteria for determining when an assessment is required. |                      |      |                                                             |                                                  |                   |

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

| S. No                                                         | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| 1                                                             | Nil                                                                   |                                       |                                                                                                           |                                 |
| The company is compliant with all the statutory requirements. |                                                                       |                                       |                                                                                                           |                                 |

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

**For each facility / plant located in areas of water stress, provide the following information:**

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

| Parameter                                                                      | FY 2024-25                                                        | FY 2023-24 |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------|------------|
| Water withdrawal by source (in kilolitres)                                     |                                                                   |            |
| (i) To Surface water                                                           | None of our operations fall under water stress region as per CGWA |            |
| (ii) To Groundwater                                                            |                                                                   |            |
| (iii) To Seawater                                                              |                                                                   |            |
| (iv) Sent to third-parties                                                     |                                                                   |            |
| (v) Others                                                                     |                                                                   |            |
| Total volume of water withdrawal (in kilolitres)                               |                                                                   |            |
| Total volume of water consumption (in kilolitres)                              |                                                                   |            |
| Water intensity per rupee of turnover (Water consumed / turnover)              |                                                                   |            |
| Water intensity (optional) – the relevant metric may be selected by the entity |                                                                   |            |
| Water discharge by destination and level of treatment (in kilolitres)          |                                                                   |            |

|                                                      |                |
|------------------------------------------------------|----------------|
| (i) Into Surface water                               | Not Applicable |
| - No treatment                                       |                |
| - With treatment – please specify level of treatment |                |
| (ii) Into Groundwater                                |                |
| - No treatment                                       |                |
| - With treatment – please specify level of treatment |                |
| (iii) Into Seawater                                  |                |
| - No treatment                                       |                |
| - With treatment – please specify level of treatment |                |
| (iv) Sent to third-parties                           |                |
| - No treatment                                       |                |
| - With treatment – please specify level of treatment |                |
| (v) Others                                           |                |
| - No treatment                                       |                |
| - With treatment – please specify level of treatment |                |
| <b>Total water discharged (in kilolitres)</b>        |                |

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

2. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

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

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

| Sr. No | Initiative undertaken            | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                             | Outcome of the initiative (Energy saved in KWh/year) |
|--------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| 1      | Rooftop Solar Installation       | 19 kW solar plant installed at Waluj to utilize solar energy for street lighting and daytime operations.                                     | 527                                                  |
| 2      | Air Cooling to Water Cooling     | Conversion of air-cooled DX units to water-cooled systems using TRAIN Chiller at Waluj. Eliminated R-22 refrigerant usage.                   | 157,363                                              |
| 3      | Pneumatic to Motor-Based Systems | Replaced pneumatic air guns with DC motors across multiple plants (Waluj, Jalna, Hyderabad) to reduce compressed air consumption.            | 93,621.00                                            |
| 4      | VFD Installation                 | Variable Frequency Drives installed on pumps and presses across Chikalthana, Waluj, Hyderabad to optimize motor speed and reduce energy use. | 7,580                                                |
| 5      | LED and BLDC Lighting            | Replaced CFL and conventional lighting with energy-efficient LED panels and BLDC fans across Jalna and Pantnagar.                            | 1,898                                                |
| 6      | Motion and Daylight Sensors      | Installed sensors in offices and shop floors to automate lighting based on occupancy and daylight availability.                              | 3,088                                                |

|                             |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                |
|-----------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7                           | PLC Optimisation                                                                     | Modified PLC programs and control panels to shut down idle hydraulic systems and heaters in Hyderabad.                                                                                                                                                                                                                                                                                              | 21,533                                                                                                                                                                                         |
| 8                           | Furnace Optimisation                                                                 | Applied energy-saving paint and installed thyristor modules and PID controllers to optimize furnace operations.                                                                                                                                                                                                                                                                                     | 12,500                                                                                                                                                                                         |
| 9                           | Machine Optimisation                                                                 | Optimized the machine operation CLGM & Cin rough OD -03 coolant pump at Jalna and Optimisation of operation Demagnetizer                                                                                                                                                                                                                                                                            | 19,378                                                                                                                                                                                         |
| 10                          | Cycle Time Reduction                                                                 | Reduced machine cycle time at Chikalthana to improve efficiency.                                                                                                                                                                                                                                                                                                                                    | 62,719                                                                                                                                                                                         |
| 11                          | Optimisation of pneumatic system                                                     | Eliminated the power consumption on ASD -37 air compressor by arresting leakages and interconnecting the pneumatic lines in the plant                                                                                                                                                                                                                                                               | 71,350                                                                                                                                                                                         |
| 12                          | Energy Efficient Motor                                                               | Reduce the power consumption by replacing the 60 HP motor on HB-19 with a 50 HP IE3 energy-efficient motor and reduce the power consumption by replacing the 60 HP motor on the 2.5 m blower with a 50 HP IE3 energy-efficient motor                                                                                                                                                                | 14,568                                                                                                                                                                                         |
| 13                          | Optimisation of chillers                                                             | In the Shell and Bush Department, the existing air-cooled DX (Direct Expansion) unit was replaced with a water-cooled system by leveraging the available capacity of the centralized TRAIN Chiller. This transition involved the removal of the DX unit and the installation of a chilled water line to integrate the Shell Department's cooling requirements with the centralized chiller network. | 157,363                                                                                                                                                                                        |
| 14                          | Motor cut-off timer after cycle completion                                           | A timer is provided to 5 polishing barrel machine motors to stop the motor after cycle completion                                                                                                                                                                                                                                                                                                   | 1,350                                                                                                                                                                                          |
| <b>Total Energy savings</b> |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                     | <b>625,505</b>                                                                                                                                                                                 |
| 15                          | Use of Environment-Friendly Cleaning Media                                           | This initiative involved replacing conventional cleaning agents used in the manufacturing process with an environmentally sustainable, EHS-compliant cleaning media.                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• EHS-friendly product</li> <li>• 35% less consumption</li> <li>• FDA approved</li> </ul>                                                               |
| 16                          | Use of Environment-Friendly cutting oil                                              | This initiative involved replacing conventional cutting oil with an environment-friendly alternative that complies with ELV (End-of-Life Vehicle) and RoHS (Restriction of Hazardous Substances) standards, resulting in improved tool life and enhanced production efficiency.                                                                                                                     | <ul style="list-style-type: none"> <li>• ELV and RoHS compliant</li> <li>• 40% reduction in consumption</li> <li>• Improved tool life and production efficiency</li> </ul>                     |
| 17                          | Use of advanced lubricating oil to optimize the tool life and reduce oil consumption | To enhance operational efficiency, the manufacturing plant adopted advanced lubricating oil that significantly improved tool life, through lower oil consumption.                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>• Improved tool life and production efficiency</li> <li>• Reduced tool resetting</li> <li>• Increased oil change intervals (low consumption)</li> </ul> |
| 18                          | Modification of test setup with new housing design                                   | As part of a Material Reduction Kaizen initiative in the EC unit, the test setup was redesigned with a new housing, leading to significant savings in tooling material and a notable reduction                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>• Tooling Material saved approx. 15 kg per tooling set</li> <li>• Saved cost approx. Rs. 15,000 per tooling set</li> </ul>                              |

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

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

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

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

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

All direct material suppliers and packaging suppliers (32%)

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

**Essential Indicators**

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

5

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

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

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

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

**Leadership Indicators**

**1. Details of public policy positions advocated by entity:**

| S. No | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/ No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|-------|-------------------------|-----------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------|
| Nil   |                         |                                   |                                                           |                                                                                           |                        |

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

### Essential Indicators

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

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

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

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

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

Our company has established a grievance mechanism to effectively receive, and address concerns raised by the community. At each location, HR and administrative personnel are responsible for managing community-related grievances. They ensure that all concerns are acknowledged promptly and resolved in a fair, transparent, and timely manner. The process includes receiving and investigating complaints, conducting root cause analyses, and implementing corrective actions to prevent recurrence of similar issues.

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

|                                              | FY 2024-25 | FY 2023-24 |
|----------------------------------------------|------------|------------|
| Directly sourced from MSMEs/ small producers | 10.01%     | 70.25%     |
| Directly from within India                   | 37.34%     | 70.92%     |

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

| Location     | FY 2024-25 | FY 2023-24 |
|--------------|------------|------------|
| Rural        | 0.97%      | 0%         |
| Semi urban   | 27.30%     | 22.42%     |
| Urban        | 12.50%     | 4.68%      |
| Metropolitan | 59.23%     | 72.9%      |

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

### Leadership Indicators

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

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

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

| Sr No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | State | Aspirational District | Amount Spent (in INR) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <p>Recognising the critical need to support underserved and indigenous populations, we are currently formulating a strategic plan aimed at expanding our outreach and delivering meaningful, sustainable impact in these priority areas. Our company remains deeply committed to fostering positive social impact through a range of Corporate Social Responsibility (CSR) initiatives and inclusive business projects. We view inclusive business as a catalyst for socio-economic development, primarily through employment generation and skill enhancement.</p> <p>To ensure our efforts are aligned with community needs, we regularly engage with stakeholders and conduct comprehensive needs assessments. To date, we have collaborated with various NGOs to implement CSR projects across multiple regions, including Haryana, Mumbai, Hyderabad, Bangalore, and New Delhi. However, we acknowledge that these initiatives have not yet extended to the government-designated Aspirational Districts.</p> |       |                       |                       |

**3. A. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/ No)**

**B. From which marginalized/ vulnerable groups do you procure?**

**C. What percentage of total procurement (by value) does it constitute?**

**A.** Yes

**B.** This data is currently not monitored. However, we intend to track and monitor the information in the coming years.

**C.** This data is currently not monitored. However, we intend to track and monitor the information in the coming years.

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

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

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

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

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

| Sr. no | CSR Project                                                                                              | No. of persons benefitted from CSR Projects        | % of beneficiaries from vulnerable and marginalized groups |
|--------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------|
| 1      | Promotion of Education Scholarship Support - National Capital Region - Ashoka University                 | 8                                                  | 75%                                                        |
| 2      | Promotion of Education - Mumbai - Indian Institute of Technology (IIT) Bombay                            | 105                                                | 45%                                                        |
| 3      | Promotion of Education - Mumbai - through implementing Agency - Aseema Charitable Trust                  | 137                                                | 100%                                                       |
| 4      | Promotion of Education - Hyderabad, Maharashtra - through implementing Agency - 321 Education Foundation | Students supported: 1,500<br>Teachers trained: 120 | 100%                                                       |

|    |                                                                                                                                  |                                                                                                                                                                                                       |      |
|----|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| 5  | Vocational Development Projects - Mumbai - through implementing Agency - The Apprenticeship Project (TAP)                        | 910                                                                                                                                                                                                   | 100% |
| 6  | Elderly Care - Aurangabad - through implementing Agency - Aastha Foundation                                                      | 51                                                                                                                                                                                                    | 10%  |
| 7  | Healthy Care / Education - Aurangabad - through implementing Agency - Arambh Society for the Autistic and Slow Learning Children | Construction of school building for Autistic Children - 4 Classrooms<br>Vocational Training Centre<br>Dormitory - 20 ASD young Adults<br>Disability Accessible Playground<br>Total Beneficiaries - 60 | 60%  |
| 8  | Promotion of Education - Jalna - through implementing Agency - Gyan Prakash Foundation                                           | Cluster Co-ordinators or Kendra Pramukh - 9<br>Block Education Officers - 8<br>Teachers - 474<br>Students – 12,058                                                                                    | 52%  |
| 9  | Promoting health care - Villages across India - Goonj                                                                            | 8,136                                                                                                                                                                                                 | 100% |
| 10 | Health Care - Talwada - Rotary Club of Bombay Charities Trust No. 3                                                              | 4,008                                                                                                                                                                                                 | 100% |
| 11 | Empowerment of Women - Warad, Sindhudurg - Rotary Club of Mahim                                                                  | 12                                                                                                                                                                                                    | 100% |
| 12 | Health care - Mumbai - Indian Cancer Society                                                                                     | General Cancer Screening Camps for Underprivileged people - 562<br>Publishing Indian Journal of Cancer - 500                                                                                          | 100% |
| 13 | Promotion of Education - Mumbai - The Akanksha Foundation                                                                        | 503                                                                                                                                                                                                   | 100% |
| 14 | Promotion of Girl Child Education - Georai - Aai Janhit Bahuuddeshiy Sevabhai Sanstha                                            | 26                                                                                                                                                                                                    | 100% |
| 15 | Empowerment of Rural Women - Sambhjinagar - Shri Radhika Seva Trust                                                              | 50                                                                                                                                                                                                    | 100% |

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

**Essential Indicators**

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

At NRB Bearings Limited, we are deeply committed to delivering high-quality products and services that align with our customers' expectations, and we have implemented a comprehensive system to manage consumer complaints and feedback effectively. Customers can reach us through multiple channels, including email and a dedicated helpline listed on our website. Every complaint or feedback received is centrally logged and routed to the appropriate plant based on the product category, where it is thoroughly investigated and addressed in a timely manner. We ensure that each case is tracked from receipt to resolution, providing customers with prompt responses and closure. To maintain transparency and accountability, we regularly disclose key statistics such as the number of complaints received, resolved, and under investigation. This data-driven approach not only reinforces our commitment to customer satisfaction but also helps us identify trends and areas for improvement. By continuously analysing feedback, we are able to refine our products, enhance our services, and elevate the overall customer experience. At NRB Bearings, we view customer feedback as a vital driver of continuous improvement and remain dedicated to a responsive, transparent, and customer-focused approach.

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

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

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

|                                | FY 2024-25               |                                   | Remarks                               | FY 2023-24               |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------------------------------------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |                                       | Received during the year | Pending resolution at end of year |         |
| Data Privacy                   | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Advertising                    | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Cyber Security                 | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Delivery of essential services | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Restrictive Trade Practices    | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Unfair Trade Practices         | 0                        | 0                                 | -                                     | 0                        | 0                                 | -       |
| Other                          | 148                      | 0                                 | No trouble was found in 41 complaints | 160                      | 0                                 | -       |

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

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0      | -                  |
| Forced recalls    | 0      | -                  |

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

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

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

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

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

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

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

- a. Number of instances of data breaches**
- b. Percentage of data breaches involving personally identifiable information of customers**
- c. Impact, if any, of the data breaches**

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

**Leadership Indicators**

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

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

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

Ensuring the safe and responsible use of our products is a top priority at NRB Bearings Limited. To support this commitment, we are actively working to enhance customer awareness through a variety of informative channels. These include detailed product catalogs, comprehensive usage manuals, and other educational resources designed to guide users in the correct handling and application of our products. Our objective is to provide clear, accurate, and accessible information that empowers customers to use our products safely and effectively, minimizing the risk of misuse or accidents. Through these efforts, we aim to foster a culture of safety and responsibility across our customer base.

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

At NRB Bearings Limited, we place a strong emphasis on keeping our customers informed and prepared in the face of any potential service disruptions or product discontinuations. To uphold transparency and reduce inconvenience, we have developed a comprehensive communication strategy that ensures timely updates through various channels, such as email and phone outreach. Each of our products is supported by a well-defined contingency plan that outlines the steps to be taken in case of any interruption. This proactive approach enables us to notify customers promptly, allowing them to take necessary precautions and make informed decisions. By maintaining open lines of communication and clear protocols, we aim to build trust and ensure continuity in our customer relationships. To ensure transparency and minimize inconvenience to our customers, we have established a robust communication mechanism to inform consumers of any risk of disruption or discontinuation of our essential services. Our contingency plan is in place for each product, outlining the necessary steps to take in the event of a disruption or discontinuation. We utilize multiple modes of communication, including email and telecommunications, to reach our customers and keep them informed about any potential issues. This ensures that our customers are well-prepared and can make informed decisions to mitigate any potential impacts.

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

We uphold transparency by ensuring that all our products carry clear and accurate information in compliance with applicable local laws and regulations. Beyond meeting these legal standards, we also provide additional product details to help customers gain a deeper understanding of our offerings. Our commitment to customer satisfaction drives us to actively seek insights into their needs and expectations. To this end, we regularly conduct customer satisfaction surveys as a key tool for gathering feedback. While a survey was not conducted during the current financial year, we plan to resume this initiative shortly. These surveys play a vital role in identifying areas for improvement and guiding data-driven decisions that enhance our products, services, and overall customer experience.

## 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 2025**, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements 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 2025, 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.

#### Key Audit Matter

4. 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.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><u>Existence and valuation of inventories</u></b></p> <p>Refer Note 1.1(i) to the accompanying standalone financial statements for material accounting policy on inventories and Note 14 for details of inventory as at 31 March 2025.</p> <p>As at 31 March 2025, total value of inventories amounting to ₹ 29,294 lakhs, comprising of raw material, work-in-progress, stores and spares and finished goods, represent 27% of the total assets of the Company. Such inventories are stored at various locations which include plants and warehouses situated nationwide and carried at cost or net realisable value whichever is lower.</p> | <p>Our audit procedures relating to existence and valuation of inventories included, but were not limited to, the following:</p> <ul style="list-style-type: none"><li>• Understood the management's process of physical verification, valuation of inventories, identifying slow-moving obsolete inventory and NRV assessment and assessed the appropriateness of Company's accounting policy for valuation of inventory in accordance with Ind AS 2.</li><li>• Evaluated the design and tested the operating effectiveness of the Company's key manual and IT application controls over physical verification, valuation of inventories, identifying slow-moving obsolete inventory and NRV assessment.</li></ul> |

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>A) Physical verification of inventories</b></p> <p>The management has undertaken the physical verification of inventories at periodic intervals during the year and shortage/excess, if any are recorded in the books of accounts. Owing to multiple plant locations and significant amount of inventories held at such locations, significant attention and audit efforts are spent by us to obtain comfort on existence of such inventories.</p>                                                                                                                                                                                                                                                                                                                                                                                                                 | <p><b>A) Physical verification of inventories</b></p> <ul style="list-style-type: none"> <li>Inspected management's inventory count records and observed physical verification conducted by management for locations selected based on materiality and risk considerations.</li> <li>Performed independent test counts on sample basis to corroborate the management count for the selected locations.</li> <li>Ensured that necessary adjustments have been made in the books of account basis the results of the physical counts performed by the management.</li> </ul>                                                                                                                                                                                               |
| <p><b>B) Valuation of inventories</b></p> <p>Raw material costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress cost consists of direct material, labour and allocation of various production and administration overheads.</p> <p>The valuation of inventories under work-in-progress and finished goods is complex as it is carried out across locations in excel spreadsheets based on the quantitative inputs received from the respective departments and the valuation process involves management judgement and estimation around inputs used for overhead allocation basis various criteria, cost drivers, product mix and allocation of expenses through various stages of production</p>                                                            | <p><b>B) Valuation of inventories</b></p> <ul style="list-style-type: none"> <li>Verified the expenses considered as cost of conversion including estimates for apportionment of the cost of conversion on the different classes of finished goods and work-in-progress inventories, corroborated the same with underlying records such as, books of account, purchase register, cost and productions records etc. and recomputed the arithmetical accuracy thereof for calculating the overhead rates considered as part of the finished goods and work-in-progress inventories for a sample of items.</li> <li>Tested on a sample basis, the appropriateness of capturing of cost of overheads from various processes and basis of allocation of overheads.</li> </ul> |
| <p><b>C) Slow-moving / obsolete / NRV (Net Realisable Value) assessment</b></p> <p>At the end of each reporting period, management of the Company assesses whether there is adequate provision for inventories on account of lower net realisable value and for slow-moving / obsolete inventories. The Company's provisioning policy is based on past trends of usage of materials and sales forecasts which further involves estimation and uncertainty. An allowance of ₹ 6,483 lakhs is created as at 31 March 2025, for obsolescence of slow and non-moving inventories.</p> <p>Owing to complexities as stated above, significance of carrying amount of inventories and significant management assumptions, estimates and judgements involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit</p> | <p><b>C) Slow-moving / obsolete / NRV assessment</b></p> <ul style="list-style-type: none"> <li>Tested inventories ageing obtained through system reports.</li> <li>Understood the management's basis for classification of such inventories as slow and non-moving / obsolete inventories and ensured the same is consistently applied and evaluated the management's assessment for provisioning and estimating NRV by performing an independent age-wise analysis of the inventory items, comparing with subsequent and recent selling prices.</li> <li>Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the requirements of applicable accounting standards.</li> </ul>                |

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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**

7. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

10. 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.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. 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**

15. 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.
16. 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 Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. 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) Except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17 (b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi), below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, has disclosed the impact of pending litigations on its financial position as at 31 March 2025 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 2025;
  - 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 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 56(ix) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 56(iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The interim dividend declared and paid by the Company during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.

As stated in note 45(iii) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As stated in note 56 (xi) to the standalone financial statements, and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing in 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below. Furthermore, except for instances mentioned below the audit trail has been preserved by the Company as per the statutory requirements for record retention.

| Nature of exception noted                                                                                                                                                                                                               | Details of exception                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Instances of accounting software used for maintaining books of accounts for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software. | The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company. |

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

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 25106815BMJIFW7573**

**Place:** Mumbai  
**Date:** 14 May 2025

**Annexure A referred to in paragraph 16 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 2025**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment (PPE), capital work-in-progress, investment property and relevant details of right-of-use assets ('ROU assets').
- (B) The Company has maintained proper records showing full particulars of intangible assets including intangible assets under development ('IAUD').
- (b) The Company has a regular programme of physical verification of its PPE 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. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.
- (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 Note 3 and Note 5 to standalone financial statements, are held in the name of the Company, except for the following properties which were transferred as a result of acquisition and amalgamation of companies as stated in Note 3(ii) to the standalone financial statements, where the title deed is in the name of the erstwhile companies:

| <b>Description of property</b> | <b>Gross carrying value (₹ in lakhs)</b> | <b>Held in name of</b>            | <b>Whether promoter, director or their relative or employee</b> | <b>Held since</b> | <b>Reason for not being held in name of Company</b>                                                                                                                                                                                                                            |
|--------------------------------|------------------------------------------|-----------------------------------|-----------------------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Freehold land at Hyderabad     | 55                                       | Sahney Steels Press Works Limited | No                                                              | 31 March 1993     | The land is in the name of Sahney Steels Press Works Limited and was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFR) order in the financial year 1992-93.                                                                               |
| Leasehold land at Waluj        | 6                                        | NRB Torrington Private Limited    | No                                                              | 01 December 1995  | The lease deed is in the name of NRB Torrington Private Limited, erstwhile company that was merged with the company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court. The lease agreement expires on 15 November 2056. |

- (d) The Company has not revalued its PPE including ROU assets or intangible assets including IAUD during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventories at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed except in case of work-in-progress inventories, where discrepancies of 19% were noticed on physical verification as compared to book records, which have been properly dealt with in the books of account. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

- (b) As disclosed in Note 27 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks based on the security of current assets. The monthly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subjected to audit.
- (iii) The Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans to firms and limited liability partnerships (LLPs) during the year. The Company has not provided security or granted any loans or advances in the nature of loans to any company during the year.
- (a) The Company has provided guarantees to step-down subsidiaries during the year as per details given below (Refer Notes 47(ii), note 49 and note 53(a) to the standalone financial statements):

| Particulars                                                                                                                                 | Guarantees<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Aggregate amount provided / granted during the year:                                                                                        |                            |
| - Step-down subsidiaries                                                                                                                    | 7,953                      |
| Balance outstanding as at balance sheet date in respect of above cases (i.e., outstanding from amounts provided / granted during the year): |                            |
| - Step-down subsidiaries                                                                                                                    | 7,953                      |

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal and payment of interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies or other parties (employees).
- (e) The Company had granted loan which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except for delay in certain amounts of provident funds. Further, the amount of provident fund at the year-end outstanding for a period of more than six months from the date they became payable are as follows:

**Statement of undisputed statutory dues outstanding for more than six months (Refer Note. 49 to the standalone financial statements)**

| Name of the statute                                                  | Nature of the dues | Amount<br>(₹ 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, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following

| Name of the statute             | Nature of dues  | Gross Amount<br>(₹ in Lakhs) | Amount paid under Protest<br>(₹ in lakhs) | Period to which the amount relates | Forum where dispute is pending          | Remarks (if any) |
|---------------------------------|-----------------|------------------------------|-------------------------------------------|------------------------------------|-----------------------------------------|------------------|
| The Income Tax Act, 1961        | Income Tax      | 4,353                        | 620                                       | A. Y. 2007-08 to A. Y. 2023-24     | Commissioner of Income Tax (Appeals)    |                  |
|                                 |                 | 50                           | -                                         | A.Y.2011-12                        | ITAT                                    |                  |
| The Bombay Sales Tax Act, 1959  | Value Added Tax | 1                            | -                                         | FY 1996-1997                       | Deputy Commissioner (Appeals)           |                  |
| The Central Sales Tax Act, 1956 | Sales Tax       | 2                            | -                                         | FY 1996-1997                       | Deputy Commissioner (Appeals)           |                  |
|                                 |                 | 13                           | -                                         | FY 2012-2013 to FY 2014-2015       | Assistant Commissioner (Commercial Tax) |                  |
|                                 |                 | 44                           | -                                         | FY 2014-2015                       | Deputy Commissioner (Commercial Tax)    |                  |

| Name of the statute                                                          | Nature of dues | Gross Amount<br>(₹ in Lakhs) | Amount paid under Protest<br>(₹ in lakhs) | Period to which the amount relates | Forum where dispute is pending                  | Remarks (if any) |
|------------------------------------------------------------------------------|----------------|------------------------------|-------------------------------------------|------------------------------------|-------------------------------------------------|------------------|
| The Bombay Provincial Municipal Corp Act 1949, read as BMC (LBT) Rules, 2010 | Local Body Tax | 116                          | 29                                        | FY 2013-2014 to FY 2015-2016       | Deputy Commissioner of Local Body Tax (Appeals) |                  |
| Goods and Services Tax Act, 2017                                             | GST            | 130                          | 5                                         | FY 2017-18                         | Appellate Authority                             |                  |
|                                                                              |                | 192                          | 3                                         | FY 2018-19                         |                                                 |                  |
|                                                                              |                | 194                          | -                                         | FY 2018-19 to 2022-23              |                                                 |                  |
|                                                                              |                | 170                          | 4                                         | FY 2019-20                         |                                                 |                  |
|                                                                              |                | 56                           | -                                         | FY 2020-21                         |                                                 |                  |
|                                                                              |                | 1,182                        | -                                         | FY 2021-22                         |                                                 |                  |
|                                                                              |                | 234                          | -                                         | FY 2022-23                         |                                                 |                  |
|                                                                              |                | 3                            | -                                         | FY 2023-24                         |                                                 |                  |
|                                                                              |                | 0*                           | -                                         | April 2019 to December 2019        |                                                 |                  |
|                                                                              |                | 143                          | -                                         | April 2019 to October 2019         |                                                 |                  |
|                                                                              |                | 1                            | -                                         | April 2021 to September 2021       |                                                 |                  |
|                                                                              |                | 243                          | -                                         | April-2024                         |                                                 |                  |
|                                                                              |                | 64                           | -                                         | FY 2017-18, 2018-19 and 2019-20    |                                                 |                  |
|                                                                              |                | 6                            | -                                         | January 2021 to March 2021         |                                                 |                  |
|                                                                              |                | 1                            | -                                         | July 2017 to August 2017           |                                                 |                  |
|                                                                              |                | 107                          | -                                         | May-2024                           |                                                 |                  |
|                                                                              |                | 51                           | -                                         | Pre GST                            |                                                 |                  |

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) 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, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 25106815BMJIFW7573**

**Place:** Mumbai  
**Date:** 14 May 2025

**Annexure B referred to in Paragraph 17(g) to 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 2025**, 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 control with reference to standalone financial statement under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act') criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

**Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

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

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

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the IFC Guidance Note issued by the ICAI.

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

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 25106815BMJIFW7573**

**Place:** Mumbai  
**Date:** 14 May 2025

**Standalone Balance Sheet as at 31 March 2025**

(₹ in lakhs)

| Particulars                                                                            | Note No. | As at 31 March 2025 | As at 31 March 2024 |
|----------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>ASSETS</b>                                                                          |          |                     |                     |
| <b>Non-current assets</b>                                                              |          |                     |                     |
| Property, plant and equipment                                                          | 3        | 28,295              | 27,708              |
| Capital work in progress                                                               | 4        | 1,869               | 982                 |
| Investment property                                                                    | 5        | -                   | -                   |
| Intangible assets                                                                      | 6        | 208                 | 356                 |
| Intangible assets under development                                                    | 7        | 9                   | 34                  |
| Financial assets                                                                       |          |                     |                     |
| (i) Investment in subsidiaries                                                         | 8        | 2,868               | 2,868               |
| (ii) Investments                                                                       | 9        | 640                 | 698                 |
| (iii) Loans                                                                            | 10       | 5,482               | 5,331               |
| (iv) Other financial assets                                                            | 11       | 477                 | 932                 |
| Non-current tax assets (net)                                                           | 12       | 2,942               | 2,919               |
| Other non - current assets                                                             | 13       | 360                 | 611                 |
| <b>Total non - current assets</b>                                                      |          | <b>43,150</b>       | <b>42,439</b>       |
| <b>Current assets</b>                                                                  |          |                     |                     |
| Inventories                                                                            | 14       | 29,294              | 29,625              |
| Financial assets                                                                       |          |                     |                     |
| (i) Investments                                                                        | 9        | -                   | 620                 |
| (ii) Trade receivables                                                                 | 15       | 24,542              | 22,618              |
| (iii) Cash and cash equivalents                                                        | 16       | 3,997               | 4,295               |
| (iv) Bank balances other than cash and cash equivalents                                | 17       | 163                 | 2,529               |
| (v) Loans                                                                              | 18       | 16                  | 2,411               |
| (vi) Other financial assets                                                            | 19       | 96                  | 30                  |
| Current tax assets (net)                                                               | 20       | 1,166               | 179                 |
| Other current assets                                                                   | 21       | 7,855               | 8,770               |
| <b>Total current assets</b>                                                            |          | <b>67,129</b>       | <b>71,077</b>       |
| <b>Total assets</b>                                                                    |          | <b>1,10,279</b>     | <b>1,13,516</b>     |
| <b>EQUITY AND LIABILITIES</b>                                                          |          |                     |                     |
| <b>Equity</b>                                                                          |          |                     |                     |
| Equity share capital                                                                   | 22       | 1,938               | 1,938               |
| Other equity                                                                           | 23       | 85,960              | 82,713              |
| <b>Total equity</b>                                                                    |          | <b>87,898</b>       | <b>84,651</b>       |
| <b>Liabilities</b>                                                                     |          |                     |                     |
| <b>Non-current liabilities</b>                                                         |          |                     |                     |
| Financial liabilities                                                                  |          |                     |                     |
| (i) Borrowings                                                                         | 24       | -                   | 2,684               |
| (ii) Lease liabilities                                                                 | 51       | 78                  | 293                 |
| (iii) Other financial liabilities                                                      | 25       | 310                 | 202                 |
| Deferred tax liabilities (net)                                                         | 41.2     | 1,694               | 1,972               |
| Other non - current liabilities                                                        | 26       | -                   | 7                   |
| <b>Total non - current liabilities</b>                                                 |          | <b>2,082</b>        | <b>5,158</b>        |
| <b>Current liabilities</b>                                                             |          |                     |                     |
| Financial liabilities                                                                  |          |                     |                     |
| (i) Borrowings                                                                         | 27       | 7,081               | 9,990               |
| (ii) Lease liabilities                                                                 | 51       | 238                 | 208                 |
| (iii) Trade payables                                                                   |          |                     |                     |
| Total outstanding dues of micro enterprises and small enterprises                      | 28       | 2,095               | 2,015               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 6,057               | 5,540               |
| (iv) Other financial liabilities                                                       | 29       | 2,501               | 3,937               |
| Other current liabilities                                                              | 30       | 1,218               | 1,110               |
| Provisions                                                                             | 31       | 1,109               | 907                 |
| <b>Total current liabilities</b>                                                       |          | <b>20,299</b>       | <b>23,707</b>       |
| <b>Total liabilities</b>                                                               |          | <b>22,381</b>       | <b>28,865</b>       |
| <b>Total equity and liabilities</b>                                                    |          | <b>1,10,279</b>     | <b>1,13,516</b>     |

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

This is the Standalone Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

For and on behalf of the Board of Directors

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Ashank Desai**

Chairman  
DIN : 00017767

**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**S. C. Rangani**

Non-Executive Director  
DIN : 00209069

**Bharat Shetty**

Partner

Membership No.: 106815

**Raman Malhotra**

Chief Financial Officer

**Kishor Talreja**

Company Secretary

Place : Mumbai

Date : 14 May 2025

Place : Mumbai

Date : 14 May 2025

**Standalone Statement of Profit and Loss for the year ended 31 March 2025**

(₹ in lakhs, except per share data)

| Particulars                                                              | Note No. | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>Income</b>                                                            |          |                             |                             |
| Revenue from operations                                                  | 32       | <b>1,07,752</b>             | 1,02,272                    |
| Other income                                                             | 33       | <b>2,739</b>                | 2,439                       |
| <b>Total income</b>                                                      |          | <b>1,10,491</b>             | <b>1,04,711</b>             |
| <b>Expenses</b>                                                          |          |                             |                             |
| Cost of materials consumed                                               | 34       | <b>47,884</b>               | 47,003                      |
| Changes in inventories of finished goods and work-in-progress            | 35       | <b>1,492</b>                | 979                         |
| Employee benefits expense                                                | 36       | <b>13,616</b>               | 12,380                      |
| Finance costs                                                            | 37       | <b>846</b>                  | 2,064                       |
| Depreciation and amortisation expenses                                   | 38       | <b>4,011</b>                | 3,747                       |
| Other expenses                                                           | 39       | <b>29,470</b>               | 27,754                      |
| <b>Total expenses</b>                                                    |          | <b>97,319</b>               | <b>93,927</b>               |
| <b>Profit before exceptional items and tax</b>                           |          | <b>13,172</b>               | <b>10,784</b>               |
| <b>Exceptional items - (loss) / gain (net)</b>                           | 40       | <b>(5,189)</b>              | 21,038                      |
| <b>Profit before tax</b>                                                 |          | <b>7,983</b>                | <b>31,822</b>               |
| <b>Tax expense / (credit)</b>                                            | 41       |                             |                             |
| Current tax                                                              |          | <b>2,140</b>                | 6,010                       |
| Deferred tax                                                             |          | <b>(223)</b>                | 765                         |
| Tax pertaining to earlier period                                         |          | <b>198</b>                  | -                           |
|                                                                          |          | <b>2,115</b>                | <b>6,775</b>                |
| <b>Profit for the year</b>                                               |          | <b>5,868</b>                | <b>25,047</b>               |
| <b>Other comprehensive (loss) / income</b>                               | 42       |                             |                             |
| (i) Items that will not be reclassified to profit or loss (net of taxes) |          | <b>(132)</b>                | 386                         |
| (ii) Items that may be reclassified to profit or loss (net of taxes)     |          | <b>(66)</b>                 | (19)                        |
|                                                                          |          | <b>(198)</b>                | <b>367</b>                  |
| <b>Total comprehensive income for the year</b>                           |          | <b>5,670</b>                | <b>25,414</b>               |
| <b>Earnings per equity share (face value of ₹ 2 each)</b>                | 58       |                             |                             |
| Basic (in ₹)                                                             |          | <b>6.06</b>                 | <b>25.85</b>                |
| Diluted (in ₹)                                                           |          | <b>6.06</b>                 | <b>25.85</b>                |

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

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**Place : Mumbai**
**Date : 14 May 2025**

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman  
DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai**
**Date : 14 May 2025**
**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director  
DIN : 00209069

**Standalone Statement of Cash Flow for the year ended 31 March 2025**

(₹ in lakhs)

| Sr. No.  | Particulars                                                                                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------|-----------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A</b> | <b>Cash flow from operating activities</b>                                                    |                             |                             |
|          | <b>Profit before tax (after exceptional items)</b>                                            | <b>7,983</b>                | <b>31,822</b>               |
|          | <b>Adjustments for:</b>                                                                       |                             |                             |
|          | Depreciation and amortisation expenses                                                        | <b>4,011</b>                | 3,747                       |
|          | Liabilities no longer required written back                                                   | <b>(218)</b>                | (452)                       |
|          | Foreign exchange (gain) / loss (unrealised) (net)                                             | <b>(19)</b>                 | 922                         |
|          | Fair valuation (gain) / loss on derivative instrument measured at FVTPL                       | <b>(11)</b>                 | 13                          |
|          | Fair valuation gain on financial assets measured at FVTPL                                     | <b>(1)</b>                  | (114)                       |
|          | Finance costs                                                                                 | <b>846</b>                  | 2,064                       |
|          | Interest income                                                                               | <b>(636)</b>                | (568)                       |
|          | Dividend income                                                                               | <b>(201)</b>                | (185)                       |
|          | Profit on sale of property, plant and equipments (net)                                        | <b>(90)</b>                 | (12)                        |
|          | Gain on sale of asset classified as held for sale (exceptional item)                          | -                           | (17,768)                    |
|          | Rent income                                                                                   | <b>(258)</b>                | (156)                       |
|          | Property, plant and equipments written off                                                    | -                           | 24                          |
|          | Provision / (reversal) for doubtful trade receivables and bad debts written off               | <b>67</b>                   | (169)                       |
|          | Gain on sale of investment in subsidiary (exceptional item)                                   | -                           | (2,295)                     |
|          | Gain on sale of investments in equity instruments / mutual funds                              | <b>(173)</b>                | -                           |
|          | Provision for gratuity                                                                        | <b>161</b>                  | 163                         |
|          | Provision for leave entitlement                                                               | <b>161</b>                  | 197                         |
|          | Provision towards slow moving and non-moving inventories (including inventories written off)  | <b>1,772</b>                | 657                         |
|          | Loss of inventories due to fire (exceptional item)                                            | -                           | 1,658                       |
|          | Impairment loss on property, plant, equipment due to fire (exceptional item)                  | -                           | 418                         |
|          | Insurance claim received on property, plant and equipment lost due to fire (exceptional item) | <b>(750)</b>                | (1,250)                     |
|          | <b>Operating profit before working capital changes</b>                                        | <b>12,644</b>               | <b>18,716</b>               |
|          | <b>Changes in working capital:</b>                                                            |                             |                             |
|          | Adjustment for (increase) / decrease in assets                                                |                             |                             |
|          | - Trade receivables                                                                           | <b>(1,900)</b>              | 2,610                       |
|          | - Inventories                                                                                 | <b>(1,441)</b>              | (2,832)                     |
|          | - Other non-current financial assets                                                          | <b>203</b>                  | 160                         |
|          | - Other current financial assets and loans                                                    | <b>(3)</b>                  | 3                           |
|          | - Other non-current assets                                                                    | <b>250</b>                  | 13                          |
|          | - Other current assets                                                                        | <b>915</b>                  | (1,827)                     |
|          | Adjustment for (decrease) / increase in liabilities                                           |                             |                             |
|          | - Other non-current liabilities                                                               | <b>(7)</b>                  | (5)                         |
|          | - Other non-current and current financial liabilities                                         | <b>696</b>                  | 220                         |
|          | - Trade payables                                                                              | <b>656</b>                  | (3,041)                     |
|          | - Provisions                                                                                  | <b>(226)</b>                | (236)                       |
|          | - Other current liabilities                                                                   | <b>108</b>                  | 124                         |
|          | <b>Cash generated from operations before tax</b>                                              | <b>11,895</b>               | <b>13,905</b>               |
|          | Direct taxes paid (net)                                                                       | <b>(3,309)</b>              | (3,124)                     |
|          | <b>Net cash generated from operating activities (A)</b>                                       | <b>8,586</b>                | <b>10,781</b>               |

## Standalone Cash Flow Statement for the year ended 31 March 2025

(₹ in lakhs)

| Sr. No.  | Particulars                                                                                                                                                                                   | Year ended 31 March 2025 | Year ended 31 March 2024 |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>B</b> | <b>Cash flow from investing activities</b>                                                                                                                                                    |                          |                          |
|          | Purchase of property, plant and equipment and intangible assets (including movement of capital work-in-progress, intangible assets under development, capital advances and capital creditors) | (5,291)                  | (3,121)                  |
|          | Sale proceeds of property, plant and equipment                                                                                                                                                | 90                       | 12                       |
|          | Insurance claim received on property, plant and equipments damaged due to fire                                                                                                                | 750                      | 1,250                    |
|          | Sale proceeds of assets held for sale                                                                                                                                                         | -                        | 17,821                   |
|          | Taxes on gain from sale of assets held for sale                                                                                                                                               | -                        | (3,076)                  |
|          | Proceeds from / (Investment in) bank deposits                                                                                                                                                 | 440                      | (18)                     |
|          | Proceeds from sale of / (Investment in) equity instruments / mutual funds                                                                                                                     | 793                      | (501)                    |
|          | Taxes on gain from sale of investment in equity instruments / mutual funds                                                                                                                    | (40)                     | -                        |
|          | Proceeds from sale of investment in subsidiary                                                                                                                                                | -                        | 4,708                    |
|          | Taxes on gain from sale of investment in subsidiary                                                                                                                                           | -                        | (52)                     |
|          | Rent received                                                                                                                                                                                 | 258                      | 156                      |
|          | Interest received                                                                                                                                                                             | 636                      | 291                      |
|          | Inter-corporate deposits with subsidiaries                                                                                                                                                    | -                        | (5,056)                  |
|          | Repayment of inter-corporate deposits from subsidiaries                                                                                                                                       | 2,450                    | 1,282                    |
|          | Dividend received                                                                                                                                                                             | 201                      | 185                      |
|          | <b>Net cash generated from investing activities (B)</b>                                                                                                                                       | <b>287</b>               | <b>13,881</b>            |
| <b>C</b> | <b>Cash flow from financing activities</b>                                                                                                                                                    |                          |                          |
|          | Repayment of non-current borrowings (including current maturities)                                                                                                                            | (4,184)                  | (3,875)                  |
|          | Proceeds from current borrowings                                                                                                                                                              | 30,623                   | -                        |
|          | Repayment of current borrowings                                                                                                                                                               | (32,121)                 | (13,153)                 |
|          | Finance costs paid                                                                                                                                                                            | (781)                    | (1,896)                  |
|          | Payment towards interest portion of lease liabilities                                                                                                                                         | (40)                     | (58)                     |
|          | Payment towards principal portion of lease liabilities                                                                                                                                        | (185)                    | (169)                    |
|          | Movement in unclaimed dividend bank balance                                                                                                                                                   | (2,310)                  | (1,553)                  |
|          | Dividend paid on equity shares (including unclaimed)                                                                                                                                          | (113)                    | (3,390)                  |
|          | <b>Net cash used in financing activities (C)</b>                                                                                                                                              | <b>(9,111)</b>           | <b>(24,094)</b>          |
|          | <b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>                                                                                                                         | <b>(238)</b>             | <b>568</b>               |
|          | Add: Balance of cash and cash equivalents at the beginning of the year                                                                                                                        | 4,295                    | 3,951                    |
|          | Add: Effects of exchange rate changes on cash and cash equivalents                                                                                                                            | (60)                     | (224)                    |
|          | <b>Closing balance of cash and cash equivalents (Refer note 16)</b>                                                                                                                           | <b>3,997</b>             | <b>4,295</b>             |

### Notes to the standalone statement of cash flows

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

(₹ in lakhs)

| Particulars                                          | Year ended 31 March 2025 | Year ended 31 March 2024 |
|------------------------------------------------------|--------------------------|--------------------------|
| Balances with banks in:                              |                          |                          |
| - Current accounts                                   | 3,326                    | 2,964                    |
| - EEFC account                                       | 169                      | 830                      |
| Cash on hand                                         | 2                        | 1                        |
| Deposits with the original maturity of upto 3 months | 500                      | 500                      |
| <b>Total cash and cash equivalents</b>               | <b>3,997</b>             | <b>4,295</b>             |

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

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

This is the standalone statement of cash flows referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman

DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

**Harshbeena Zaveri**

Vice Chairman and

Managing Director

DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director

DIN : 00209069

## Standalone Statement of Changes in Equity for the year ended 31 March 2025

### A. Equity share capital (Refer note 22)

(₹ in lakhs)

| Particulars                                     | Number of shares  | Amount       |
|-------------------------------------------------|-------------------|--------------|
| <b>Balance as at 1 April 2023</b>               | 96,922,600        | 1,938        |
| Changes in equity share capital during the year | -                 | -            |
| <b>Balance as at 31 March 2024</b>              | 96,922,600        | 1,938        |
| Changes in equity share capital during the year | -                 | -            |
| <b>Balance as at 31 March 2025</b>              | <b>96,922,600</b> | <b>1,938</b> |

### B. Other equity (Refer Note 23)

(₹ in lakhs)

| Particulars                                                                                                        | Reserves and surplus |                 |                            |                   | Other reserves                                           |                           | Total          |
|--------------------------------------------------------------------------------------------------------------------|----------------------|-----------------|----------------------------|-------------------|----------------------------------------------------------|---------------------------|----------------|
|                                                                                                                    | Securities premium   | General reserve | Capital Redemption reserve | Retained earnings | Fair value gain/(loss) on equity instruments through OCI | Cash flow hedging reserve |                |
| <b>Balance as at 1 April 2023</b>                                                                                  | <b>848</b>           | <b>12,771</b>   | <b>11</b>                  | <b>48,053</b>     | <b>412</b>                                               | <b>147</b>                | <b>62,242</b>  |
| Profit for the year                                                                                                | -                    | -               | -                          | 25,047            | -                                                        | -                         | <b>25,047</b>  |
| Other comprehensive income (refer note 42)                                                                         | -                    | -               | -                          | 157               | 229                                                      | (19)                      | <b>367</b>     |
| Interim Dividend paid @ ₹ 4.1 per equity share (31 March 2023 - ₹ Nil per equity share) (refer note 45(iii))       | -                    | -               | -                          | (3,974)           | -                                                        | -                         | <b>(3,974)</b> |
| Final Dividend paid for FY 2022-23 @ ₹ 1 per equity share (FY 2021-22 - ₹ 2 per equity share) (refer note 45(iii)) | -                    | -               | -                          | (969)             | -                                                        | -                         | <b>(969)</b>   |
| <b>Balance as at 31 March 2024</b>                                                                                 | <b>848</b>           | <b>12,771</b>   | <b>11</b>                  | <b>68,314</b>     | <b>641</b>                                               | <b>128</b>                | <b>82,713</b>  |
| Profit for the year                                                                                                | -                    | -               | -                          | 5,868             | -                                                        | -                         | <b>5,868</b>   |
| Other comprehensive income (refer note 42)                                                                         | -                    | -               | -                          | (79)              | (53)                                                     | (66)                      | <b>(198)</b>   |
| Interim Dividend paid @ ₹ 2.5 per equity share (31 March 2024 - ₹ 4.1 per equity share) (refer note 45(iii))       | -                    | -               | -                          | (2,423)           | -                                                        | -                         | <b>(2,423)</b> |
| <b>Balance as at 31 March 2025</b>                                                                                 | <b>848</b>           | <b>12,771</b>   | <b>11</b>                  | <b>71,680</b>     | <b>588</b>                                               | <b>62</b>                 | <b>85,960</b>  |

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

This is the standalone Statement of Changes in Equity referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman  
DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director  
DIN : 00209069

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

### **1 Company Information**

NRB Bearings Limited ('the Company') is a public limited company (CIN: L29130MH1965PLC013251) domiciled and incorporated in India in 1965. The registered and corporate office of the Company is situated at Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra. The Company is engaged in the manufacture of ball and roller bearings.

The separate standalone financial statements were approved and authorised for issue in accordance with the resolution of the Board of Directors on 14 May 2025.

#### **Basis of Preparation**

NRB Bearings Limited is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The standalone financial statements (the "financial statements") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended, and the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities Exchange Board of India to the extent applicable. The accounting policies have been consistently applied for all the periods presented in the standalone financial statements.

The standalone financial statements have been prepared on an accrual basis using the historical cost convention, except for the following assets and liabilities :

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value; and
- iii) Derivative financial instrument

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

The revision to the standalone financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

### **1.1 Material accounting policy information**

#### **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 financial assets" below.

#### **b. Foreign Currency Transactions**

The functional currency of the Company is Indian National Rupee (INR) which is also the presentation currency. All other currencies are accounted for as foreign currency.

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

Foreign currency monetary items are reported using the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or standalone statement of profit and loss are also recognised in OCI or profit and loss, respectively).

The gain or loss arising on translation of monetary items are recognised in standalone statement of profit and loss in the period in which they arise except for: exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the standalone financial statements upto the year ended 31 March 2017 prepared under previous GAAP, which are capitalized as a part of the depreciable property plant and equipment's to

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable property plant and equipment's, the exchange difference is amortised over the maturity period or upto the date of settlement of such monetary item, whichever is earlier and charged to the standalone statement of profit and loss.

**c. Revenue Recognition**

The Company derives revenues mainly from sale of manufactured goods. Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentives and returns, etc., if any.

The Company does not expect to have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year. As a consequence, it is not required to adjust any of the transaction prices for the time value of money.

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export entitlement from government authority are recognised in the standalone statement of profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Sales Return can be made by Customers having contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using best estimate based on accumulated experience

**d. Other Income**

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Dividend are recognised in standalone statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**e. Income tax**

The income tax expense or credit for the period (current tax) is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

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

**f. Leases****Measurement and recognition of leases**

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

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

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

**Company as a lessee**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the standalone balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or standalone statement of profit and loss, as the case may be.

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

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

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

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

**h. Cash and cash equivalents**

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

**i. Inventories**

Raw material and components: Valuation of raw material is done on moving average price of cost.

Cost of inventory in raw material comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. Trade discount, rebates and other similar items are deducted in determining the cost of purchase.

Work-in-progress ("WIP") and Finished goods ("FG"): Inventories of Work-in-progress ("WIP") and Finished goods ("FG") are valued at the lower of cost or net realisable value. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of machine hour rates.

Stores and spares: Stores and spares are stated at cost and are charged to the standalone statement of profit and loss, when consumed.

Raw material and components, stores and spares, work in progress and finished goods are stated at "cost or net realisable value whichever is lower".

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

### **j. Investments and financial assets**

#### **Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- those measured at amortised cost.

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

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

The Company reclassifies debt investments when and only when its business model for managing those assets changes. Trade receivables are recognised at their transaction price unless those contain significant financing component determined in accordance with Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **Measurement**

At initial recognition, the Company measures a financial asset, except trade receivables, at fair value plus or minus the transaction costs. In case of financial assets classified at 'fair value through profit or loss', the initial recognition is done at fair value in accordance with para 5.1.1 of Ind AS 109. Further, as an exception to these principles, according to para 5.1.3 read with para 5.1.1 of Ind AS 109, financial assets in the form of trade receivables, are initially measured at their transaction price (as defined in Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### **Measurement of debt instruments**

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the standalone statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

### **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 the standalone statement of profit and loss as other income when the company's right to receive payments is established.

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

### **Impairment of financial assets**

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

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

For other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### **De-recognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

## **k. Derivatives**

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

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

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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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 standalone statement of profit and loss. Amounts accumulated in equity are reclassified to the standalone 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 standalone 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 standalone statement of profit and loss during the reporting period in which they are incurred.

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

Schedule II to the Companies Act, 2013 prescribes useful lives for property, plant and equipment and allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the standalone financial statements. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

Depreciation/ amortisation on property plant and equipment's has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. Depreciation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

The Company uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

| <b>Class of asset</b>    | <b>Useful life based on SLM (Range)</b> |
|--------------------------|-----------------------------------------|
| Leasehold land           | 60 - 90 years                           |
| Buildings and flats      | 15 – 50 years                           |
| Plant and equipment      | 3 – 30 years                            |
| Furniture and fixtures   | 3 – 10 years                            |
| Office equipment         | 3 – 10 years                            |
| Electrical installations | 5 – 20 years                            |
| Vehicles                 | 5 years                                 |

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 standalone 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. Right of use assets**

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and as determined in line with para (m) above. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

**p. Intangible assets and amortisation**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Software's are capitalised at the amounts paid to acquire the respective license for use and the costs incurred towards its development and are amortised, over the period of their useful lives, which is generally considered to be a period not exceeding three / five years, depending upon the nature of the software. The assets' useful lives are reviewed at each financial year end. Amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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 standalone statement of profit and loss when the asset is derecognised. Amortisation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

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

Intangible assets under development include intangible assets which are not ready for intended use as on balance sheet date.

### **q. Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### **r. Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the standalone statement of profit and loss in the period in which they are incurred.

### **s. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the standalone statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the standalone financial statements. Contingent assets are not recognised, but disclosed in the standalone financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### **t. Employee Benefits**

**A) Short term employee benefits:** All employee benefits payable within twelve months from the end of the period in which services are rendered are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

## **Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

### **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 contributions are charged to the standalone statement of profit and loss as incurred. The Company's contribution to the statutory provident fund and family pension fund is determined based on a fixed percentage of the eligible employees' salary and charged to the standalone statement of profit and loss on accrual basis. The Company does not have any obligation other than the contribution made to the fund administered by the government.

**ii. Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan is governed by the Payment of Gratuity Act, 1972 and provides lumpsum payment to eligible employees at retirement, death while in employment or termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service. The Company has established two trusts, one each for its staff and officers and makes contributions to such funds for funding these plans.

The Company has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on projected unit credit method and the charge for current year is debited to the standalone statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation and experience adjustments are charged/ credited to other comprehensive income. All other costs/reversals are recognised in the standalone statement of profit and loss.

**C) Compensated absences:** The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/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 standalone statement of profit and loss. The Company presents the entire leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

#### **u. Exceptional Items**

When items of income and expense within standalone statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

#### **v. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **w. Operating cycle and classification of current and non - current items**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as a period not exceeding 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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- (i) An asset is considered as current when it is:
  - a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Expected to be realised within twelve months after the reporting period, or
  - d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- (ii) All other assets are classified as non-current.
- (iii) Liability is considered as current when it is:
  - a. Expected to be settled in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Due to be settled within twelve months after the reporting period, or
  - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- (iv) All other liabilities are classified as non-current."

**x. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**y. Critical estimates and judgements**

The preparation of standalone financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of standalone financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a comparatively higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

**i) Property, plant and equipment, investment properties and intangible assets:**

Property, plant and equipment represents a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**ii) Income tax:**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions."

**iii) Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies / claim / litigations by / against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025****iv) Expected credit loss on financial assets:**

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

**v) Deferred Taxes:**

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

**vi) Impairment of financial assets:**

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

**vii) Impairment of non financial assets:**

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

**viii) Defined benefit obligation:**

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

**ix) Leases:**

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

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

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**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

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**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 cannot be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on best estimate of the amount required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**xi) Fair value measurements:**

Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities. Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**xii) Impairments of assets:**

In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

**xiii) Allowances for slow / Non-moving Inventory and obsolescence:**

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is an estimate taking into account various factors, including prevailing sales prices of inventory item and losses associated with usability/ obsolete / slow-moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.

**xiv) Overhead Costing:**

Management has applied critical estimates and judgements in the calculation of the Machine Hour Rate (MHR) for overhead costing. These estimates are based on data received, including machine-wise operating hours, utilized hours, power consumption, and labour details. Management reviews and adjusts these estimates on monthly basis to ensure they reflect the most current and reliable information available.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have financial impact on the company and are believed to be reasonable under the circumstances.

**z. Events after report date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025****1.2 Details of subsidiary companies in accordance with Ind AS 27 :**

| <b>Name of subsidiary</b>                              | <b>Principal place of business and country of incorporation</b> | <b>% ownership interest held as at 31 March 2025</b> | <b>% ownership interest held as at 31 March 2024</b> |
|--------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| SNL Bearings Limited                                   | India                                                           | 73.45%                                               | 73.45%                                               |
| NHL Holding Limited                                    | UAE                                                             | 100%                                                 | 100%                                                 |
| NRB Bearings (Thailand) Limited (step down subsidiary) | Thailand                                                        | 100%                                                 | 100%                                                 |
| NRB Bearings USA Inc. (step down subsidiary)           | USA                                                             | 100%                                                 | 100%                                                 |
| NRB Bearings Europe GmbH (step down subsidiary)        | Europe                                                          | 100%                                                 | 100%                                                 |

**2 Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from 1 April 2024. The Company has assessed that there is no significant impact on its financial statements.

On 9 May 2025, MCA notified the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1 April 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

**3 Property, plant and equipment**

(₹ in Lakhs)

| Particulars                                      | Free Hold Land | Leasehold Land | Buildings and flats * | Plant & Equipment | Furniture & Fixtures | Office Equipment | Electrical Installation | Leasehold improvement | Vehicles   | Total         |
|--------------------------------------------------|----------------|----------------|-----------------------|-------------------|----------------------|------------------|-------------------------|-----------------------|------------|---------------|
| <b>Gross carrying value</b>                      |                |                |                       |                   |                      |                  |                         |                       |            |               |
| Balance as at 1 April 2023                       | 55             | 177            | 12,822                | 62,035            | 655                  | 793              | 1,527                   | 660                   | 520        | 79,244        |
| Additions                                        | -              | -              | 43                    | 1,962             | 27                   | 225              | 46                      | -                     | -          | 2,303         |
| Disposals and discards                           | -              | -              | (1)                   | (35)              | -                    | -                | -                       | -                     | (4)        | (40)          |
| <b>Balance as at 31 March 2024</b>               | <b>55</b>      | <b>177</b>     | <b>12,864</b>         | <b>63,962</b>     | <b>682</b>           | <b>1,018</b>     | <b>1,573</b>            | <b>660</b>            | <b>516</b> | <b>81,507</b> |
| Additions                                        | -              | -              | 1,342                 | 2,523             | 115                  | 277              | 121                     | -                     | -          | 4,378         |
| Disposals and discards                           | -              | -              | -                     | (133)             | -                    | (2)              | -                       | -                     | -          | (135)         |
| <b>Balance as at 31 March 2025</b>               | <b>55</b>      | <b>177</b>     | <b>14,206</b>         | <b>66,352</b>     | <b>797</b>           | <b>1,293</b>     | <b>1,694</b>            | <b>660</b>            | <b>516</b> | <b>85,750</b> |
| <b>Accumulated depreciation/ amortisation</b>    |                |                |                       |                   |                      |                  |                         |                       |            |               |
| Balance as at 1 April 2023                       | -              | 37             | 3,674                 | 43,072            | 654                  | 640              | 1,059                   | 192                   | 506        | 49,834        |
| Charge for the year**                            | -              | 2              | 513                   | 2,766             | 3                    | 52               | 79                      | 135                   | 10         | 3,560         |
| Reversal on disposals and discards               | -              | -              | -                     | (10)              | -                    | -                | -                       | -                     | (3)        | (13)          |
| <b>Balance as at 31 March 2024</b>               | <b>-</b>       | <b>39</b>      | <b>4,187</b>          | <b>45,828</b>     | <b>657</b>           | <b>692</b>       | <b>1,138</b>            | <b>327</b>            | <b>513</b> | <b>53,381</b> |
| Charge for the year**                            | -              | 2              | 528                   | 2,877             | 38                   | 100              | 92                      | 138                   | 3          | 3,778         |
| Reversal on disposals and discards               | -              | -              | -                     | (120)             | -                    | (2)              | -                       | -                     | -          | (122)         |
| <b>Balance as at 31 March 2025</b>               | <b>-</b>       | <b>41</b>      | <b>4,715</b>          | <b>48,585</b>     | <b>695</b>           | <b>790</b>       | <b>1,230</b>            | <b>465</b>            | <b>516</b> | <b>57,037</b> |
| <b>Impairment loss allowance (refer note 40)</b> |                |                |                       |                   |                      |                  |                         |                       |            |               |
| Balance as at 1 April 2024                       | -              | -              | (70)                  | (348)             | -                    | -                | -                       | -                     | -          | (418)         |
| Charge for the year                              | -              | -              | -                     | -                 | -                    | -                | -                       | -                     | -          | -             |
| <b>Balance as at 31 March 2025</b>               | <b>-</b>       | <b>-</b>       | <b>(70)</b>           | <b>(348)</b>      | <b>-</b>             | <b>-</b>         | <b>-</b>                | <b>-</b>              | <b>-</b>   | <b>(418)</b>  |
| <b>Net carrying value</b>                        |                |                |                       |                   |                      |                  |                         |                       |            |               |
| Balance as at 31 March 2024                      | 55             | 138            | 8,607                 | 17,786            | 25                   | 326              | 435                     | 333                   | 3          | 27,708        |
| Balance as at 31 March 2025                      | 55             | 136            | 9,421                 | 17,419            | 102                  | 503              | 464                     | 195                   | -          | 28,295        |

\* Buildings includes those constructed on leasehold land.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes:

- (i) Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2024: ₹ 750) in co-operative housing societies viz. 5 shares of ₹ 50 each in Vile Parle Vatika Cooperative Housing Society Limited, 5 shares of ₹ 50 each in The Ganesh Villa Co-operative Housing Society Limited and 5 shares of ₹ 50 each in Vinayak Bhavan Cooperative Housing Society Limited.
- (ii) The title deeds/ leasehold right of land, having gross carrying amount aggregating ₹ 61 lakhs (31 March 2024: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2023: ₹ 59 lakhs), have been transferred to and vested in the Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the name of the Company is in process.

| Description of item of property | Gross carrying value (₹ in lakhs) | Title deed held in the name of   | Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the Company                                                                                                                                                                            |
|---------------------------------|-----------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lease hold land Waluj           | 6                                 | NRB Torrington Private Limited   | No                                                                                                                      | 1 December 1995                | The lease deed is in the name of NRB Torrington Private Limited, the erstwhile company that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of approval from the Honorable High Court. |
| Free hold land Hyderabad        | 55                                | Sahney Steel Press Works Limited | No                                                                                                                      | 31 March 1993                  | The land is in the name of Sahney Steels Press Works Limited that was acquired by the Company under Board for Financial and Industrial Reconstruction (BIFIR) order in the financial year 1992-93.                              |

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

(iv) For capital commitments, refer note 49.

(v) Refer note 24 and note 48 for information on property, plant and equipment pledged as security by the Company.

(\*\*) Charge for the year includes charge on account of Right-of-use ('ROU') assets of ₹ 196 lakhs for building and flats on leasehold land (31 March 2024 : ₹ 196 lakhs) (refer Note 51).

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 4 Capital work-in-progress

(₹ in lakhs)

| Particulars                        | Amount       |
|------------------------------------|--------------|
| <b>Balance as at 1 April 2023</b>  | <b>296</b>   |
| Additions                          | 816          |
| Capitalised during the year        | (130)        |
| <b>Balance as at 31 March 2024</b> | <b>982</b>   |
| Additions (*)                      | 1,837        |
| Capitalised during the year        | (950)        |
| <b>Balance as at 31 March 2025</b> | <b>1,869</b> |

(\*) It includes grinding machine, superfinishing machine, sealed quench furnace as at 31 March 2025.

### Ageing of Capital work in progress

(₹ in lakhs)

| Particulars                        | Amount in capital work-in-progress for a period of |           |           |                   | Total        |
|------------------------------------|----------------------------------------------------|-----------|-----------|-------------------|--------------|
|                                    | Less than 1 year                                   | 1-2 years | 2-3 years | More than 3 years |              |
| <b>Balance as at 31 March 2025</b> |                                                    |           |           |                   |              |
| Project in progress                | 1,837                                              | 11        | 21        | -                 | <b>1,869</b> |
| Projects temporarily suspended     | -                                                  | -         | -         | -                 | -            |
| <b>Balance as at 31 March 2024</b> |                                                    |           |           |                   |              |
| Project in progress                | 814                                                | 168       | -         | -                 | <b>982</b>   |
| Projects temporarily suspended     | -                                                  | -         | -         | -                 | -            |

### Note:

Basis the assessment performed by management as at 31 March 2025 and as at 31 March 2024, no projects from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

### 5 Investment property

(₹ in lakhs)

| Particulars                        | Amount (^) |
|------------------------------------|------------|
| <b>Gross carrying value</b>        |            |
| <b>Balance as at 1 April 2023</b>  | <b>41</b>  |
| Additions                          | -          |
| <b>Balance as at 31 March 2024</b> | <b>41</b>  |
| Additions                          | -          |
| <b>Balance as at 31 March 2025</b> | <b>41</b>  |
| <b>Accumulated depreciation</b>    |            |
| <b>Balance as at 1 April 2023</b>  | <b>41</b>  |
| Charge for the year                | -          |
| <b>Balance as at 31 March 2024</b> | <b>41</b>  |
| Charge for the year                | -          |
| <b>Balance as at 31 March 2025</b> | <b>41</b>  |
| <b>Net carrying value</b>          | <b>-</b>   |
| <b>Balance as at 31 March 2024</b> | <b>-</b>   |
| <b>Balance as at 31 March 2025</b> | <b>-</b>   |

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

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes

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

(₹ in lakhs)

| Particulars                                     | As at<br>31 March 2025             | As at<br>31 March 2024     |
|-------------------------------------------------|------------------------------------|----------------------------|
| <b>Buildings and flats</b>                      |                                    |                            |
| Fair value of investment properties             | <b>1,686</b>                       | 1,606                      |
| Valuation method used by the independent valuer | <b>Replacement<br/>cost method</b> | Replacement cost<br>method |

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

(₹ in lakhs)

| Particulars                                                                                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Rental income derived from investment properties (refer note 33)                                                 | <b>258</b>             | 156                    |
| Direct operating expenses on property (including repairs and maintenance) that generated rental income(*)        | -                      | (0)                    |
| Direct operating expenses on property (including repairs and maintenance) that did not generate rental income(*) | -                      | (0)                    |
| Income arising from investment properties before depreciation                                                    | <b>258</b>             | 156                    |
| Depreciation                                                                                                     | -                      | -                      |
| <b>Income from investment property (net)</b>                                                                     | <b>258</b>             | <b>156</b>             |

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

#### Disclosure as per Para 75 (g) under Ind AS - 40 "Investment Property"

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements on such properties.

#### (iii) Estimation of fair value

- The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent, ready reckoner rate etc.
- This fair value of investment property have been determined by an independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules 2017, who has professional experience as well as adequate expertise of the location and category of the investment property.

#### (iv) Maturity analysis - Company as a lessor

The Company has given its premises on operating leases. These lease arrangements range for a period between 12 months to 5 years and include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Maturity analysis – contractual undiscounted cash flows

(₹ in lakhs)

| Particulars                                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| Within one year                             | <b>173</b>             | 113                    |
| After one year but not more than five years | <b>154</b>             | 80                     |
| More than five years                        | -                      | -                      |
| <b>Total</b>                                | <b>327</b>             | <b>193</b>             |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 6 Intangible assets

(₹ in lakhs)

| Particulars                        | Amount ( ^ ) |
|------------------------------------|--------------|
| <b>Gross carrying value</b>        |              |
| Balance as at 1 April 2023         | 892          |
| Additions                          | 166          |
| Disposals                          | -            |
| <b>Balance as at 31 March 2024</b> | <b>1,058</b> |
| Additions                          | 85           |
| Disposals                          | -            |
| <b>Balance as at 31 March 2025</b> | <b>1,143</b> |
|                                    |              |
| <b>Accumulated amortisation</b>    |              |
| Balance as at 1 April 2023         | 515          |
| Charge for the year                | 187          |
| Reversal on disposal               | -            |
| <b>Balance as at 31 March 2024</b> | <b>702</b>   |
| Charge for the year                | 233          |
| Reversal on disposal               | -            |
| <b>Balance as at 31 March 2025</b> | <b>935</b>   |
| <b>Net carrying value</b>          |              |
| <b>Balance as at 31 March 2024</b> | <b>356</b>   |
| <b>Balance as at 31 March 2025</b> | <b>208</b>   |

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

**Note** - For capital commitments, refer note 49.

### 7 Intangible assets under development

(₹ in lakhs)

| Particulars                        | Amount    |
|------------------------------------|-----------|
| <b>Balance as at 1 April 2023</b>  | -         |
| Additions                          | 34        |
| Capitalized during the year        | -         |
| <b>Balance as at 31 March 2024</b> | <b>34</b> |
| Additions                          | 9         |
| Capitalized during the year        | (34)      |
| <b>Balance as at 31 March 2025</b> | <b>9</b>  |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Ageing of Intangible assets under development

(₹ in lakhs)

| Particulars                        | Amount in intangible assets under development for a period of |           |           |                   | Total |
|------------------------------------|---------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                                    | Less than 1 year                                              | 1-2 years | 2-3 years | More than 3 years |       |
| <b>Balance as at 31 March 2025</b> |                                                               |           |           |                   |       |
| Project in progress                | 9                                                             | -         | -         | -                 | 9     |
| Projects temporarily suspended     | -                                                             | -         | -         | -                 | -     |
| <b>Balance as at 31 March 2024</b> |                                                               |           |           |                   |       |
| Project in progress                | 34                                                            | -         | -         | -                 | 34    |
| Projects temporarily suspended     | -                                                             | -         | -         | -                 | -     |

Note - Basis the assessment performed by management as at 31 March 2025 and as at 31 March 2024, no project from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

## 8 Investment in Subsidiaries

| Particulars                                                                     | As at 31 March 2025 |                     | As at 31 March 2024 |                     |
|---------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                                                                 | Number of shares    | Amount (₹ in lakhs) | Number of shares    | Amount (₹ in lakhs) |
| <b>Investment in equity shares (fully paid-up)</b>                              |                     |                     |                     |                     |
| <b>- Investment in foreign subsidiaries (wholly owned) (unquoted) (at cost)</b> |                     |                     |                     |                     |
| NRB Holdings Limited (face value USD 1 each)                                    | 35,00,000           | 2,628               | 35,00,000           | 2,628               |
| <b>- Investment in Indian subsidiary (quoted) (at cost)</b>                     |                     |                     |                     |                     |
| SNL Bearings Limited (face value ₹ 10 each)                                     | 26,52,762           | 240                 | 26,52,762           | 240                 |
| <b>Total</b>                                                                    |                     | <b>2,868</b>        |                     | <b>2,868</b>        |

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

Aggregate carrying value of quoted investments (gross) 240 240

Market value of the quoted investments 9,521 7,645

Impairment allowance - -

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 9 Investments

| Particulars                                                                                      | As at 31 March 2025  |                     | As at 31 March 2024  |                     |
|--------------------------------------------------------------------------------------------------|----------------------|---------------------|----------------------|---------------------|
|                                                                                                  | No of shares / units | Amount (₹ in lakhs) | No of shares / units | Amount (₹ in lakhs) |
| <b>A. Non- Current Investments</b>                                                               |                      |                     |                      |                     |
| <b>- Equity investment measured at fair value through other comprehensive income</b>             |                      |                     |                      |                     |
| <b>(A) Quoted</b>                                                                                |                      |                     |                      |                     |
| IndusInd Bank Limited (face value ₹ 10 each)                                                     | 8,541                | 56                  | 8,541                | 133                 |
| Eicher Motors Limited (face value ₹ 1 each)                                                      | 6,000                | 321                 | 6,000                | 241                 |
| Hero Motocorp Limited (face value ₹ 2 each)                                                      | 6,250                | 233                 | 6,250                | 296                 |
| <b>(B) Unquoted</b>                                                                              |                      |                     |                      |                     |
| 21st Century Battery Limited (face value ₹ 10 each)                                              | 10,000               | 1                   | 10,000               | 1                   |
| Less: Provision for impairment in value                                                          |                      | (1)                 |                      | (1)                 |
| <b>-Equity Investment measured at fair value through profit and loss (unquoted)</b>              |                      |                     |                      |                     |
| DSP Flexi Cap Fund - Regular Plan - IDCW                                                         | 50,000               | 30                  | 50,000               | 28                  |
|                                                                                                  |                      | <b>640</b>          |                      | <b>698</b>          |
| <b>B. Current Investments</b>                                                                    |                      |                     |                      |                     |
| <b>- Investments in mutual funds measured at fair value through profit and loss (unquoted)</b>   |                      |                     |                      |                     |
| Kotak Liquid Fund Direct Plan - Growth                                                           | -                    | -                   | 2,575                | 126                 |
| Kotak Overnight Fund Direct - Growth                                                             | -                    | -                   | 32,112               | 410                 |
| Kotak Money Market Fund - Direct Plan - Growth (Erstwhile Kotak Floater ST)                      | -                    | -                   | 1,420                | 59                  |
| Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG                        | -                    | -                   | 429                  | 25                  |
| ICICI Prudential Liquid Fund - Direct Plan - Growth                                              | -                    | -                   | 24                   | 0                   |
| <b>Total</b>                                                                                     |                      | <b>-</b>            |                      | <b>620</b>          |
| (*) ₹ 0 lakh represents amount lower than ₹ 1 lakh                                               |                      |                     |                      |                     |
| Refer Note 43 for information about fair value measurement                                       |                      |                     |                      |                     |
| Securities listed on a recognised stock exchange are considered as "Quoted" for disclosure above |                      |                     |                      |                     |
| <b>Notes:</b>                                                                                    |                      |                     |                      |                     |
| Aggregate carrying value of quoted investments (gross)                                           |                      | 610                 |                      | 670                 |
| Aggregate market value of quoted investments                                                     |                      | 610                 |                      | 670                 |
| Aggregate carrying value of unquoted investments (gross)                                         |                      | 31                  |                      | 649                 |
| Impairment allowances                                                                            |                      | (1)                 |                      | (1)                 |

#### Disclosure as per Para 11A under Ind AS - 107 "Financial Instruments: Disclosures"

Equity instruments designated at fair value through other comprehensive income include investments in equity shares of both listed and non-listed companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 10 Loans (non-current) (₹ in lakhs)

| Particulars                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b>                                        |                        |                        |
| Inter corporate deposits - related party (refer note 47(ii) and note 53) | 5,482                  | 5,331                  |
| <b>Total</b>                                                             | <b>5,482</b>           | <b>5,331</b>           |

#### Notes -

- (i) The inter corporate deposits are towards wholly owned subsidiary NRB Holdings Limited at 8.50% (31 March 2024: 8.50%).
- (ii) The principal amounts to (USD 6.02 million) ₹ 5,143 lakhs (31 March 2024 - ₹ 5,021 lakh).
- (iii) The interest accrued on the said loan amounts to ₹ 339 lakhs (31 March 2024 - ₹ 310 lakh).

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

| Unsecured, considered good                                                               | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------------|------------------------|------------------------|
| Security deposits                                                                        | 255                    | 459                    |
| Margin money deposits with the maturity of more than 12 months<br>(Refer note (i) below) | 7                      | 391                    |
| Guarantee income receivable (refer note (iii) below)                                     | 215                    | 82                     |
| <b>Total</b>                                                                             | <b>477</b>             | <b>932</b>             |

#### Notes -

- (i) Held as lien by bank against bank guarantees amounting to ₹ 1 lakhs (31 March 2024: ₹ 303 lakhs).
- (ii) Refer Note 44 for information about credit risk.
- (iii) The Company has provided corporate guarantees to NRB Bearings (Thailand) Limited and NRB Bearings Europe GMBH (step down subsidiaries). Also refer note 47(ii), note 49 and note 53(a).

### 12 Non current tax assets (net) (₹ in lakhs)

| Particulars                                                                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Advance taxes paid (net of provision for tax ₹ 32,559 lakhs<br>(31 March 2024 - ₹ 26,182 lakhs)) | 2,942                  | 2,919                  |
| <b>Total</b>                                                                                     | <b>2,942</b>           | <b>2,919</b>           |

(₹ in lakhs)

|                                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------|------------------------|------------------------|
| <b>Net tax assets at the beginning of the year</b> | <b>2,919</b>           | <b>2,919</b>           |
| Add - Transferred from current tax assets          | 179                    | -                      |
| Add - Refund order received                        | 42                     | -                      |
| Less - Tax pertaining to earlier period            | (198)                  | -                      |
| <b>Net tax assets at the end of the year</b>       | <b>2,942</b>           | <b>2,919</b>           |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 13 Other non-current assets

(₹ in lakhs)

| Particulars                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------|------------------------|------------------------|
| Capital advances                     | 286                    | 286                    |
| Less: Provision for capital advances | (125)                  | (125)                  |
| Prepaid expenses                     | 30                     | 16                     |
| Balance with statutory authorities   | 169                    | 434                    |
| <b>Total</b>                         | <b>360</b>             | <b>611</b>             |

### 14 Inventories

(₹ in lakhs)

| Particulars                                                                                                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Raw materials and components (including goods-in-transit ₹ 1,167 lakhs (31 March 2024 - ₹ 888 lakhs))       | 10,337                 | 9,712                  |
| Work-in-progress                                                                                            | 6,422                  | 6,486                  |
| Finished goods (including goods-in-transit ₹ 378 lakhs (31 March 2024 - ₹ 663 lakhs) (refer note (i) below) | 4,382                  | 5,810                  |
| Stores and spares (including goods-in-transit ₹ 1 lakhs (31 March 2024 - ₹ 16 lakhs))                       | 8,153                  | 7,617                  |
| <b>Total</b>                                                                                                | <b>29,294</b>          | <b>29,625</b>          |

#### Notes -

- (i) Finished goods inventories of ₹ 646 lakhs (31 March 2024 - ₹ 807 lakhs) is written down to its realisable value of ₹ 491 lakhs (31 March 2024 - ₹ 615 lakhs).
- (ii) The provision of inventories as at 31 March 2025 is ₹ 6,483 lakhs (31 March 2024 ₹ 4,711 lakhs).
- (iii) Also, refer note 27, note 40 and note 48.

### 15 Trade receivables

(₹ in lakhs)

| Particulars                                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------|------------------------|------------------------|
| <b>Receivables from</b>                                          |                        |                        |
| - Related parties (Refer note (i) below and note 47(ii))         | 8,663                  | 9,701                  |
| - Others                                                         | 18,187                 | 15,406                 |
| Less: Allowance for expected credit loss - Others                | (2,308)                | (2,489)                |
| <b>Total</b>                                                     | <b>24,542</b>          | <b>22,618</b>          |
| Current portion                                                  | 24,542                 | 22,618                 |
| Non current portion                                              | -                      | -                      |
| <b>Break up of security details</b>                              |                        |                        |
| Considered good - secured                                        | 112                    | 97                     |
| Considered good - unsecured                                      | 24,904                 | 23,254                 |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables- credit impaired                               | 1,834                  | 1,756                  |
|                                                                  | <b>26,850</b>          | <b>25,107</b>          |
| Loss: Allowance for expected credit loss                         | (2,308)                | (2,489)                |
| <b>Total</b>                                                     | <b>24,542</b>          | <b>22,618</b>          |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2024 - ₹ 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 2025 includes trade receivables amounting to ₹ 2,127 lakhs (31 March 2024: ₹ 3,091 lakhs) from customers situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in remittance of receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999. The Company is in the process of recovering these outstanding dues however, wherever required, provision has been made in the books of account. The Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management believes that the exposure is not expected to be material. Accordingly, the accompanying standalone financial statements do not include any consequential adjustments that may arise due to such delay.
- (iv) Trade receivables are non interest bearing and are generally on credit terms in line with respective industry norms.
- (v) The Company has written off trade receivables amounting to ₹ 248 lakhs (31 March 2024 - ₹ 274 lakhs) and it does not expect to receive future cash flows or recoveries from trade receivables previously written off. Also refer note 44(a).
- (vi) Refer note 44 for information about credit risk and market risk of trade receivables.
- (vii) Refer note 27 and note 48 for information about assets pledged as security for current borrowings.

### Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2025

(₹ in lakhs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                    |            |            |                   | Total         |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|--------------------|------------|------------|-------------------|---------------|
|                                                                               | Not due                                                    | Less than 6 months | 6 months to 1 year | 1-2 years  | 2-3 years  | More than 3 years |               |
| Undisputed trade receivables - considered good                                | 22,591                                                     | 2,084              | 341                | -          | -          | -                 | 25,016        |
| Undisputed trade receivables - which have significant increase in credit risk | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Undisputed trade receivables - credit impaired                                | -                                                          | -                  | -                  | 470        | 239        | 1,125             | 1,834         |
| Disputed trade receivables - considered good                                  | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Disputed trade receivables - which have significant increase in credit risk   | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Disputed trade receivables - credit impaired                                  | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| <b>Gross amount of trade receivables</b>                                      | <b>22,591</b>                                              | <b>2,084</b>       | <b>341</b>         | <b>470</b> | <b>239</b> | <b>1,125</b>      | <b>26,850</b> |
| Less : Allowance for expected credit loss                                     |                                                            |                    |                    |            |            |                   | (2,308)       |
| <b>Carrying amount of trade receivables</b>                                   |                                                            |                    |                    |            |            |                   | <b>24,542</b> |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

Ageing for trade receivables (gross of allowance for expected credit loss) outstanding as at 31 March 2024

(₹ in lakhs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                    |            |            |                   | Total         |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|--------------------|------------|------------|-------------------|---------------|
|                                                                               | Not due                                                    | Less than 6 months | 6 months to 1 year | 1-2 years  | 2-3 years  | More than 3 years |               |
| Undisputed trade receivables - considered good                                | 18,569                                                     | 3,237              | 1,490              | 55         | -          | -                 | 23,351        |
| Undisputed trade receivables - which have significant increase in credit risk | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Undisputed trade receivables - credit impaired                                | -                                                          | -                  | -                  | 330        | 438        | 988               | 1,756         |
| Disputed trade receivables - considered good                                  | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Disputed trade receivables - which have significant increase in credit risk   | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| Disputed trade receivables - credit impaired                                  | -                                                          | -                  | -                  | -          | -          | -                 | -             |
| <b>Gross amount of trade receivables</b>                                      | <b>18,569</b>                                              | <b>3,237</b>       | <b>1,490</b>       | <b>385</b> | <b>438</b> | <b>988</b>        | <b>25,107</b> |
| Less : Allowance for expected credit loss                                     |                                                            |                    |                    |            |            |                   | (2,489)       |
| <b>Carrying amount of trade receivables</b>                                   |                                                            |                    |                    |            |            |                   | <b>22,618</b> |

### Note:

Unbilled trade receivables amount as at 31 March 2025 is ₹ Nil (31 March 2024 - ₹ Nil).

## 16 Cash and cash equivalents

(₹ in lakhs)

| Particulars                                                                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------|------------------------|------------------------|
| Balances with banks in:                                                      |                        |                        |
| - Current accounts                                                           | 3,326                  | 2,964                  |
| - EEFC account                                                               | 169                    | 830                    |
| Cash on hand                                                                 | 2                      | 1                      |
| Deposits with the original maturity of upto 3 months (refer note (ii) below) | 500                    | 500                    |
| <b>Total</b>                                                                 | <b>3,997</b>           | <b>4,295</b>           |

Notes -

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

(ii) Held as lien by bank against bank guarantees amounting to ₹ 1 lakhs (31 March 2024: ₹ Nil lakhs).

(iii) Also refer note 27, note 44 and note 48.

## 17 Bank balances other than cash and cash equivalents

(₹ in lakhs)

| Particulars                                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------|------------------------|------------------------|
| Unclaimed dividend account (refer note (i) and note (ii) below) | 31                     | 2,341                  |
| Margin money deposits (refer note (iii) below)                  | 132                    | 188                    |
| <b>Total</b>                                                    | <b>163</b>             | <b>2,529</b>           |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes -

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

(₹ in lakhs)

| Financial year                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------|------------------------|------------------------|
| 2016-17 (refer note (ii) below) | -                      | 4                      |
| 2017-18                         | 7                      | 8                      |
| 2018-19                         | 6                      | 6                      |
| 2019-20                         | 2                      | 2                      |
| 2020-21                         | 1                      | 153                    |
| 2021-22                         | 4                      | 612                    |
| 2022-23                         | 6                      | 304                    |
| 2023-24                         | -                      | 1,252                  |
| 2024-25                         | 5                      | -                      |
| <b>Total</b>                    | <b>31</b>              | <b>2,341</b>           |

(ii) The unclaimed dividend transferred to Investor Education and Protection Fund during the year is ₹ 4 lakhs (31 March 2024 - ₹ 3 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 35 lakhs (31 March 2024: ₹ 155 lakhs).

## 18 Loans (Current)

(₹ in lakhs)

| Particulars                                                                                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b>                                                            |                        |                        |
| Inter corporate deposits - related party (refer note (i) to (iii) below, 47(ii) and note 53) | -                      | 2,394                  |
| Loans to employees                                                                           | 16                     | 17                     |
| <b>Unsecured, considered credit impaired</b>                                                 |                        |                        |
| Loans to employees                                                                           | 15                     | 15                     |
| <b>Total</b>                                                                                 | <b>31</b>              | <b>2,426</b>           |
| Less: Loss allowance                                                                         | (15)                   | (15)                   |
| <b>Total</b>                                                                                 | <b>16</b>              | <b>2,411</b>           |

### Break up of security details

|                                                                       |           |              |
|-----------------------------------------------------------------------|-----------|--------------|
| Loans receivables considered good - secured                           | -         | -            |
| Loans receivables considered good - unsecured (refer note (iv) below) | 16        | 2,411        |
| Loans receivables which have significant increase in credit risk      | -         | -            |
| Loans receivables - credit impaired                                   | 15        | 15           |
| <b>Total</b>                                                          | <b>31</b> | <b>2,426</b> |
| Loss allowance                                                        | (15)      | (15)         |
| <b>Total</b>                                                          | <b>16</b> | <b>2,411</b> |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes -

(i)

| Particulars                 | Nature           | As at 31 March 2025 |        |                     | As at 31 March 2024 |                  |                     |
|-----------------------------|------------------|---------------------|--------|---------------------|---------------------|------------------|---------------------|
|                             |                  | Rate                | Amount | Amount<br>(₹ lakhs) | Rate                | Amount           | Amount<br>(₹ lakhs) |
| NRB Holdings Limited, Dubai | Principal        | -                   | -      | -                   | 8.50%               | USD 2.78 million | 2,322               |
| NRB Holdings Limited, Dubai | Interest Accrued | -                   | -      | -                   | 8.50%               | USD 0.06 million | 72                  |

(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 27 and note 48 for information about assets pledged as security for current and non-current borrowings.

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

### 19 Other financial assets

(₹ in lakhs)

| Particulars                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------|------------------------|------------------------|
| Derivative assets                                       | 13                     | -                      |
| Rent receivable                                         | 1                      | 5                      |
| Guarantee commission receivable (refer note (ii) below) | 82                     | 25                     |
| <b>Total</b>                                            | <b>96</b>              | <b>30</b>              |

#### Notes

(i) Refer note 27 and note 48 for information about assets pledged as security for current borrowings.

(ii) The Company has provided corporate guarantees to NRB Bearings (Thailand) Limited and NRB Bearings Europe GMBH (step down subsidiaries). Also refer note 47(ii), note 49 and note 53(a).

### 20 Current tax assets (net)

(₹ in lakhs)

| Particulars                                                                                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------------|------------------------|------------------------|
| Current tax assets (net of provision for tax ₹ 2,140 lakhs (31 March 2024 - ₹ 6,010 lakhs)) | 1,166                  | 179                    |
| <b>Total</b>                                                                                | <b>1,166</b>           | <b>179</b>             |

|                                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------|------------------------|------------------------|
| <b>Net tax assets at the beginning of the year</b> | <b>179</b>             | <b>-</b>               |
| Add: Advance tax and tax deducted at source (TDS)  | 3,306                  | 6,189                  |
| Less: Provision for tax during the year            | (2,140)                | (6,010)                |
| Less: Transferred to non-current tax assets        | (179)                  | -                      |
| <b>Net tax assets at the end of the year</b>       | <b>1,166</b>           | <b>179</b>             |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 21 Other current assets

(₹ in lakhs)

| Particulars                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------|------------------------|------------------------|
| Advances to suppliers -                                  |                        |                        |
| - Related parties (refer note (i) below and note 47(ii)) | 1,580                  | 2,289                  |
| - Others                                                 | 1,761                  | 1,709                  |
| Less: Loss allowance - Others                            | (501)                  | (501)                  |
| Other advances                                           | 65                     | 258                    |
| Less: Loss allowance                                     | (29)                   | (29)                   |
| Export incentive and duty drawback receivable            | 93                     | 63                     |
| Balance with government authorities                      | 4,609                  | 4,587                  |
| Prepaid expenses                                         | 277                    | 295                    |
| Gratuity assets (refer note 50(b)(iv))                   | -                      | 99                     |
| <b>Total</b>                                             | <b>7,855</b>           | <b>8,770</b>           |

#### Notes

- (i) No loans or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.
- (ii) Refer note 27 and note 48 for information about assets pledged as security for current and non-current borrowings.

### 22 Equity share capital

(₹ in lakhs)

| Particulars                                                                               | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Authorised share capital</b>                                                           |                        |                        |
| 100,000,000 (31 March 2024: 100,000,000) equity shares of ₹ 2 each                        | 2,000                  | 2,000                  |
| <b>Total</b>                                                                              | <b>2,000</b>           | <b>2,000</b>           |
| <b>Issued, subscribed and fully paid-up share capital</b>                                 |                        |                        |
| 96,922,600 (31 March 2024: 96,922,600) equity shares of face value ₹ 2 each fully paid up | 1,938                  | 1,938                  |
| <b>Total</b>                                                                              | <b>1,938</b>           | <b>1,938</b>           |

#### (i) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

| Particulars                                      | As at 31 March 2025 |                        | As at 31 March 2024 |                        |
|--------------------------------------------------|---------------------|------------------------|---------------------|------------------------|
|                                                  | Number of<br>shares | Amount<br>(₹ in lakhs) | Number of<br>shares | Amount<br>(₹ in lakhs) |
| Shares outstanding at the beginning of the year  | 9,69,22,600         | 1,938                  | 9,69,22,600         | 1,938                  |
| Shares issued during the year                    | -                   | -                      | -                   | -                      |
| <b>Shares outstanding at the end of the year</b> | <b>9,69,22,600</b>  | <b>1,938</b>           | <b>9,69,22,600</b>  | <b>1,938</b>           |

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

- a) Right to receive dividend as may be approved by the Board / Annual General Meeting. The Company declares and pays dividend in Indian Rupee. Further, dividend proposed by the Board of Directors is subject to approval of shareholders in the Annual General Meeting (refer note 45(iii)).

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

- b) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- c) Every member of the 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.
- d) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Name of Shareholder                                                       | As at 31 March 2025   |              | As at 31 March 2024   |              |
|---------------------------------------------------------------------------|-----------------------|--------------|-----------------------|--------------|
|                                                                           | 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) | 3,38,09,300           | 34.88%       | 3,38,09,300           | 34.88%       |
| Harshbeena S Zaveri                                                       | 1,31,81,323           | 13.60%       | 1,14,67,826           | 11.83%       |
| Nalanda India Equity Fund Limited                                         | 91,98,532             | 9.49%        | 96,82,667             | 9.99%        |
| HDFC Small Cap Fund                                                       | 87,48,982             | 9.03%        | 87,48,982             | 9.03%        |
| Mirae Asset Multicap Fund                                                 | -                     | -            | 89,35,301             | 9.22%        |
| Mirae Asset ELSS Tax Saver Fund                                           | 51,48,623             | 5.31%        | -                     | -            |

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

| Name of promoters                    | As at 31 March 2025   |               | As at 31 March 2024   |               |                          |
|--------------------------------------|-----------------------|---------------|-----------------------|---------------|--------------------------|
|                                      | Number of shares held | % of Holding  | Number of shares held | % of Holding  | % Change during the Year |
| <b>Name of promoters</b>             |                       |               |                       |               |                          |
| Trilochan Singh Sahney Trust 1       | <b>3,38,09,300</b>    | <b>34.88%</b> | 3,38,09,300           | 34.88%        | -                        |
| Harshbeena S Zaveri                  | <b>1,31,81,323</b>    | <b>13.60%</b> | 1,14,67,826           | 11.83%        | 14.94%                   |
| Trilochan Singh Sahney (Late)        | <b>1,000</b>          | <b>0.00%</b>  | 1,000                 | 0.00%         | -                        |
| Devesh Singh Sahney                  | -                     | -             | 8,50,089              | 0.88%         | (100.00%)                |
| <b>Name of promoter group</b>        |                       |               |                       |               |                          |
| Aarti Devesh Sahney                  | -                     | -             | 411,900               | 0.42%         | (100.00%)                |
| Bhupinder Singh Sahney               | <b>33,230</b>         | <b>0.03%</b>  | 28,580                | 0.03%         | 16.27%                   |
| Jasjiv Singh Devinder Singh Sahney   | <b>3,03,495</b>       | <b>0.31%</b>  | 303,495               | 0.31%         | -                        |
| Mallika Sahney                       | -                     | -             | 4,920                 | 0.01%         | (100.00%)                |
| Sahir Zaveri                         | <b>19,752</b>         | <b>0.02%</b>  | 19,752                | 0.02%         | -                        |
| Aziz Yousuf Zaveri                   | <b>14,99,731</b>      | <b>1.55%</b>  | 14,58,547             | 1.50%         | 2.82%                    |
| Anupa Rajiv Sahney                   | <b>7,73,021</b>       | <b>0.80%</b>  | 7,73,021              | 0.80%         | -                        |
| Szww General Trading Private Limited | <b>5</b>              | <b>0.00%</b>  | 5                     | 0.00%         | -                        |
| <b>Total</b>                         | <b>4,96,20,857</b>    | <b>51.19%</b> | <b>4,91,28,435</b>    | <b>50.69%</b> |                          |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

| Name of promoters                    | As at 31 March 2024   |               | As at 31 March 2023   |               |                          |
|--------------------------------------|-----------------------|---------------|-----------------------|---------------|--------------------------|
|                                      | Number of shares held | % of Holding  | Number of shares held | % of Holding  | % Change during the Year |
| <b>Name of promoters</b>             |                       |               |                       |               |                          |
| Trilochan Singh Sahney Trust 1       | <b>3,38,09,300</b>    | <b>34.88%</b> | 3,38,09,300           | 34.88%        | -                        |
| Harshbeena S Zaveri                  | <b>1,14,67,826</b>    | <b>11.83%</b> | 1,12,66,892           | 11.62%        | 1.78%                    |
| Trilochan Singh Sahney (Late)        | <b>1,000</b>          | <b>0.00%</b>  | 1,000                 | 0.00%         | -                        |
| Devesh Singh Sahney                  | <b>8,50,089</b>       | <b>0.88%</b>  | 8,50,089              | 0.88%         | -                        |
| <b>Name of promoter group</b>        |                       |               |                       |               |                          |
| Aarti Devesh Sahney                  | <b>4,11,900</b>       | <b>0.42%</b>  | 4,11,900              | 0.42%         | -                        |
| Bhupinder Singh Sahney               | <b>28,580</b>         | <b>0.03%</b>  | 26,680                | 0.03%         | 7.12%                    |
| Jasjiv Singh Devinder Singh Sahney   | <b>3,03,495</b>       | <b>0.31%</b>  | 3,03,495              | 0.31%         | -                        |
| Mallika Sahney                       | <b>4,920</b>          | <b>0.01%</b>  | 4,920                 | 0.01%         | -                        |
| Sahir Zaveri                         | <b>19,752</b>         | <b>0.02%</b>  | 19,752                | 0.02%         | -                        |
| Aziz Yousuf Zaveri                   | <b>14,58,547</b>      | <b>1.50%</b>  | 10,96,521             | 1.13%         | 33.02%                   |
| Anupa Rajiv Sahney                   | <b>7,73,021</b>       | <b>0.80%</b>  | 7,73,021              | 0.80%         | -                        |
| Szww General Trading Private Limited | <b>5</b>              | <b>0.00%</b>  | -                     | -             | 100.00%                  |
| <b>Total</b>                         | <b>4,91,28,435</b>    | <b>50.69%</b> | <b>4,85,63,570</b>    | <b>50.11%</b> |                          |

Note - As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

- (v) The Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2025. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2025.

## 23 Other equity

### Summary of other equity balance

(₹ in lakhs)

|                                                                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|------------------------|------------------------|
| Securities premium                                                       | <b>848</b>             | 848                    |
| General reserve                                                          | <b>12,771</b>          | 12,771                 |
| Capital redemption reserve                                               | <b>11</b>              | 11                     |
| Retained earnings                                                        | <b>71,680</b>          | 68,314                 |
| Fair value gain on equity instruments through other comprehensive income | <b>588</b>             | 641                    |
| Cash flow hedge reserve                                                  | <b>62</b>              | 128                    |
| <b>Total</b>                                                             | <b>85,960</b>          | <b>82,713</b>          |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Nature and purpose of reserves

#### (i) Securities premium

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>848</b>             | 848                    |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>848</b>             | <b>848</b>             |

Amount received (on issue of shares) in excess of the face value has been classified as securities premium. This reserve will be utilised in accordance with the provision of the Act.

#### (ii) General reserve

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>12,771</b>          | 12,771                 |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>12,771</b>          | <b>12,771</b>          |

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

#### (iii) Capital redemption reserve

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>11</b>              | 11                     |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>11</b>              | <b>11</b>              |

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision of the Companies Act, 2013.

#### (iv) Retained earnings

(₹ in lakhs)

|                                                                                                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                                                                                  | <b>68,314</b>          | 48,053                 |
| Add - Profit for the year                                                                                                                    | <b>5,868</b>           | 25,047                 |
| Add - Other comprehensive income for the year (refer note 42)                                                                                | <b>(79)</b>            | 157                    |
| Less - Interim Dividend paid for financial year 2024-25 @ ₹ 2.5 per equity share (31 March 2024 ₹ 4.1 per equity share) (refer note 45(iii)) | <b>(2,423)</b>         | (3,974)                |
| Less - Final Dividend paid for financial year 2023-24 @ ₹ Nil per equity share (31 March 2024 - ₹ 1 per equity share) (refer note 45(iii))   | -                      | (969)                  |
| <b>Balance at the end of the year</b>                                                                                                        | <b>71,680</b>          | <b>68,314</b>          |

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

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

|                                                                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                           | <b>641</b>             | 412                    |
| Add - Change in fair value of FVOCI equity instrument (refer note 42) | <b>(53)</b>            | 229                    |
| <b>Balance at the end of the year</b>                                 | <b>588</b>             | <b>641</b>             |

The Company has elected to recognise changes in the fair value of equity investments in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserves within equity and will be transferred to retained earnings on derecognition of these equity instruments.

### (vi) Cash flow hedge reserve (₹ in lakhs)

|                                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                 | <b>128</b>             | 147                    |
| Add - Change in fair value of derivative hedging instrument (refer note 42) | <b>(66)</b>            | (19)                   |
| <b>Balance at the end of the year</b>                                       | <b>62</b>              | <b>128</b>             |

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

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

| Particulars                                                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------|------------------------|------------------------|
| Term loan from banks - secured (Refer note (a) below)      | -                      | 2,661                  |
| Deferred sales tax loan - unsecured (Refer note (b) below) | -                      | 23                     |
| <b>Total</b>                                               | <b>-</b>               | <b>2,684</b>           |

#### Notes -

(₹ in lakhs)

|          | Particulars                     | Security                                                                                                                                                  | Terms of repayment of principal  | Number of installments outstanding as at |               | Rate of interest (per annum) (#) | As at 31 March 2025 | As at 31 March 2024 |
|----------|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------|---------------|----------------------------------|---------------------|---------------------|
|          |                                 |                                                                                                                                                           |                                  | 31 March 2025                            | 31 March 2024 |                                  |                     |                     |
| <b>a</b> | <b>Term loan from banks (*)</b> |                                                                                                                                                           |                                  |                                          |               |                                  |                     |                     |
|          | 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. | Fully repaid as at 31 March 2025 | -                                        | 5             | 1 year MCLR+0.50%                | -                   | 965                 |
|          | 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. | Fully repaid as at 31 March 2025 | -                                        | 15            | 8.6% (1 year MCLR + 0%)          | -                   | 3,222               |
|          | <b>Total</b>                    |                                                                                                                                                           |                                  |                                          |               |                                  | <b>-</b>            | <b>4,187</b>        |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

|          |                                                             |           |                                                 |   |   |              |           |              |
|----------|-------------------------------------------------------------|-----------|-------------------------------------------------|---|---|--------------|-----------|--------------|
|          | <b>Comprises of</b>                                         |           |                                                 |   |   |              |           |              |
|          | Long term borrowings                                        |           |                                                 |   |   |              | -         | 2,661        |
|          | Current maturities of long term debt(^)<br>(refer note 27)  |           |                                                 |   |   |              | -         | 1,526        |
|          |                                                             |           |                                                 |   |   |              | -         | <b>4,187</b> |
| <b>b</b> | <b>Deferred sales tax loan</b>                              |           |                                                 |   |   |              |           |              |
|          | Deferred sales tax loan                                     | Unsecured | Annual installments to be completed by May 2025 | 1 | 2 | -            | <b>23</b> | 73           |
|          | <b>Comprises of</b>                                         |           |                                                 |   |   | <b>Total</b> | <b>23</b> | 73           |
|          | Long term borrowings                                        |           |                                                 |   |   |              | -         | 23           |
|          | Current maturities of long term debt (^)<br>(refer note 27) |           |                                                 |   |   |              | <b>23</b> | 50           |
|          |                                                             |           |                                                 |   |   |              | <b>23</b> | <b>73</b>    |

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

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

# The rate of interest is same for both the reported financial years.

Note - Refer note 27 for cash flow changes in liabilities arising from financial activities and note 46 for net debt reconciliation.

### 25 Other non-current financial liabilities

(₹ in lakhs)

| Particulars                                                                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------|------------------------|------------------------|
| Security deposits                                                                             | 95                     | 95                     |
| Financial guarantee liability (also refer note 11, note 19, note 47(ii), note 49 and note 53) | 215                    | 107                    |
| <b>Total</b>                                                                                  | <b>310</b>             | <b>202</b>             |

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

### 26 Other non-current liabilities

(₹ in lakhs)

| Particulars           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------|------------------------|------------------------|
| Prepaid rent received | -                      | 7                      |
| <b>Total</b>          | <b>-</b>               | <b>7</b>               |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 27 Borrowings (current)

(₹ in lakhs)

| Particulars                                                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------------------|------------------------|------------------------|
| <b>Loans from banks - repayable on demand</b>                       |                        |                        |
| - Packing credit loan (secured) (refer note ii below)               | -                      | 7,508                  |
| - Working Capital demand loan (secured) (*) (refer note iii below)  | 4,866                  | 0                      |
| - Buyers Credit (secured) (refer note iv below)                     | 1,372                  | -                      |
| Credit card dues (unsecured)                                        | 820                    | 906                    |
| <b>Current maturities of non-current borrowings (refer note 24)</b> |                        |                        |
| - Term loan from banks                                              | -                      | 1,526                  |
| - Deferred sales tax loan                                           | 23                     | 50                     |
| <b>Total</b>                                                        | <b>7,081</b>           | <b>9,990</b>           |

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

### Cash flow changes in liabilities arising from financial activities:

(₹ in lakhs)

| Particulars                         | Borrowings<br>(current and<br>non-current) | Lease liabilities<br>(current and<br>non-current) |
|-------------------------------------|--------------------------------------------|---------------------------------------------------|
| <b>As at 1 April 2023</b>           | <b>29,702</b>                              | <b>670</b>                                        |
| Non cash movement                   | -                                          | -                                                 |
| Cash flows (net) (refer note 46)    | (17,028)                                   | (169)                                             |
| <b>As at 31 March 2024</b>          | <b>12,674</b>                              | <b>501</b>                                        |
| Non cash movement (refer note 46) * | 870                                        | 40                                                |
| Cash flows (net) (refer note 46)    | (6,463)                                    | (225)                                             |
| <b>As at 31 March 2025</b>          | <b>7,081</b>                               | <b>316</b>                                        |

\* Non cash movement includes finance cost and foreign exchange differences recognised during the year.

### Notes -

- The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 48.
- Packing credit loan amounting to ₹ Nil lakhs (31 March 2024 - ₹ 7,508 lakhs) is secured by first pari passu hypothecation charge on all the existing and future current assets of the Company. The weighted average interest rate on packing credit loan is 5.15% (31 March 2024 - 6.21%).
- Working capital demand loan amounting to ₹ 4,866 lakhs (31 March 2024 - ₹ 0 lakhs) is secured by way of mortgage of a residential property of the Company situated in Mumbai. The weighted average interest rate on working capital demand loan is 8.22% (31 March 2024 - 6.21%).
- Buyer's credit amounting to ₹ 1,372 lakhs (31 March 2024 - ₹ Nil lakhs) is secured by way of bank guarantees. The weighted average interest rate on buyer's credit is 4.69% (31 March 2024 - Nil %).
- The statement of monthly current assets filed by the Company with banks are in agreement with the books of account.
- Refer note 44 for liquidity risk and market risk.
- Refer note 45 for capital management.
- Refer note 46 for net debt reconciliation.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 28 Trade payables

(₹ in lakhs)

| Particulars                                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------------|------------------------|------------------------|
| Total outstanding dues of micro enterprises and small enterprises (Refer note (v) below) | 2,095                  | 2,015                  |
| Total outstanding dues of creditors other than micro enterprises and small enterprises * | 6,057                  | 5,540                  |
| <b>Total</b>                                                                             | <b>8,152</b>           | <b>7,555</b>           |

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

#### Notes -

- (i) Refer note 44 for information about liquidity risk and market risk of trade payables.
- (ii) Trade payables are non-interest bearing and are settled in line with respective industry norms.
- (iii) From total trade payables mentioned above, payables against unbilled dues are ₹ 1,634 lakhs (31 March 2024 - ₹ 1603 lakhs).
- (iv) The outstanding balances as at 31 March 2025 includes trade payables amounting to ₹ 301 lakhs (31 March 2024: ₹ 191 lakhs), to 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)

| Particulars                                                                                                                                                                                                                                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| (a) The principal amount remaining unpaid to any supplier at the end of the year                                                                                                                                                                                                        | 1,708                  | 1,702                  |
| (b) Interest due remaining unpaid to any supplier at the end of the year                                                                                                                                                                                                                | 387                    | 313                    |
| (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                                                                                          | 1,688                  | 4,432                  |
| (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                                                                                                                                                                                              | 387                    | 313                    |
| (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 | 74                     | 86                     |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises 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 standalone financial statements and had been relied upon by the statutory auditors.

### Ageing for trade payables outstanding as at 31 March 2025

(₹ in lakhs)

| Particulars           | Outstanding for following periods from date of transaction |                  |           |           |                   | Total        |
|-----------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|--------------|
|                       | Not due                                                    | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |              |
| MSME                  | 2,081                                                      | -                | -         | 2         | 12                | 2,095        |
| Others                | 2,986                                                      | 1,317            | 78        | -         | 42                | 4,423        |
| Disputed Dues- MSME   | -                                                          | -                | -         | -         | -                 | -            |
| Disputed Dues- Others | -                                                          | -                | -         | -         | -                 | -            |
|                       | <b>5,067</b>                                               | <b>1,317</b>     | <b>78</b> | <b>2</b>  | <b>54</b>         | <b>6,518</b> |
| Add- Unbilled dues    |                                                            |                  |           |           |                   | <b>1,634</b> |
|                       |                                                            |                  |           |           |                   | <b>8,152</b> |

### Ageing for trade payables outstanding as at 31 March 2024

(₹ in lakhs)

| Particulars           | Outstanding for following periods from date of transaction |                  |            |           |                   | Total        |
|-----------------------|------------------------------------------------------------|------------------|------------|-----------|-------------------|--------------|
|                       | Not due                                                    | Less than 1 year | 1-2 year   | 2-3 year  | More than 3 years |              |
| MSME                  | 188                                                        | 1,575            | 238        | 10        | 4                 | 2,015        |
| Others                | 56                                                         | 3,717            | 39         | 89        | 36                | 3,937        |
| Disputed Dues- MSME   | -                                                          | -                | -          | -         | -                 | -            |
| Disputed Dues- Others | -                                                          | -                | -          | -         | -                 | -            |
|                       | <b>244</b>                                                 | <b>5,292</b>     | <b>277</b> | <b>99</b> | <b>40</b>         | <b>5,952</b> |
| Add- Unbilled dues    |                                                            |                  |            |           |                   | <b>1,603</b> |
|                       |                                                            |                  |            |           |                   | <b>7,555</b> |

## 29 Other current financial liabilities

(₹ in lakhs)

| Particulars                                                                                            | As at 31 March 2025 | As at 31 March 2024 |
|--------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Derivative liability                                                                                   | -                   | 21                  |
| Deposits from dealers                                                                                  | 215                 | 200                 |
| Unclaimed dividends (refer note (ii) below)                                                            | 31                  | 2,341               |
| Creditors for capital goods                                                                            | 102                 | 83                  |
| Employee related payables                                                                              | 2,067               | 1,284               |
| Financial guarantee liability (also refer note 11, note 19, note 47 (ii) & (iii), note 49 and note 53) | 82                  | -                   |
| Other financial liabilities                                                                            | 4                   | 8                   |
| <b>Total</b>                                                                                           | <b>2,501</b>        | <b>3,937</b>        |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Notes:

- (i) Refer note 44 for information about liquidity risk of other current financial liabilities.
- (ii) Refer note 17 for amounts transferred to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.

### 30 Other current liabilities

(₹ in lakhs)

| Particulars                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------|------------------------|------------------------|
| Revenue received in advance             | 445                    | 302                    |
| Statutory dues                          | 605                    | 613                    |
| Prepaid rent                            | 22                     | 14                     |
| Contract liabilities (refer note below) | 123                    | 169                    |
| Other advances                          | 23                     | 12                     |
| <b>Total</b>                            | <b>1,218</b>           | <b>1,110</b>           |

### Note -

- (i) Changes in contract liabilities (current and non current) are as follows:

| Particulars                                                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year                                                                  | 169                    | 112                    |
| Revenue recognised that was included in the contract liabilities balance at the beginning of the year | (169)                  | (112)                  |
| Increase due to contract liabilities recognised during the year                                       | 123                    | 169                    |
| <b>Balance at the end of the year</b>                                                                 | <b>123</b>             | <b>169</b>             |

### 31 Provisions

(₹ in lakhs)

| Particulars                               | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------|------------------------|------------------------|
| Provision for employee benefits           |                        |                        |
| - Compensated absences (refer note 50(c)) | 941                    | 907                    |
| - Gratuity (refer note 50(b)(iv))         | 168                    | -                      |
| <b>Total</b>                              | <b>1,109</b>           | <b>907</b>             |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 32 Revenue from operations

(₹ in lakhs)

| Particulars                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------|-----------------------------|-----------------------------|
| <b>Sale of products (also refer note 47(ii))</b> |                             |                             |
| Finished goods - Bearings                        | 1,05,778                    | 1,00,274                    |
| <b>Other operating revenues</b>                  |                             |                             |
| Scrap sales                                      | 1,533                       | 1,540                       |
| Export incentives                                | 397                         | 423                         |
| Other operating income                           | 44                          | 35                          |
| <b>Total</b>                                     | <b>1,07,752</b>             | <b>1,02,272</b>             |

#### Notes

#### (i) Disaggregated revenue

##### - Revenue based on geography

(₹ in lakhs)

| Particulars   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------|-----------------------------|-----------------------------|
| Within India  | 82,362                      | 77,560                      |
| Outside India | 25,390                      | 24,712                      |
| <b>Total</b>  | <b>1,07,752</b>             | <b>1,02,272</b>             |

##### - Revenue based on timing of recognition

(₹ in Lakhs)

| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Revenue recognition at a point in time  | 1,07,752                    | 1,02,272                    |
| Revenue recognition over period of time | -                           | -                           |
| <b>Total</b>                            | <b>1,07,752</b>             | <b>1,02,272</b>             |

##### - Reconciliation of revenue from operations with contract price

(₹ in lakhs)

| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Contract price                          | 1,09,542                    | 1,04,099                    |
| Less : Discounts, Incentives and others | (1,790)                     | (1,827)                     |
| <b>Total</b>                            | <b>1,07,752</b>             | <b>1,02,272</b>             |

**Note:** There is no reconciliation between the contract price and revenue from customers except as disclosed above.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 33 Other income

(₹ in lakhs)

| Particulars                                                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Dividend income on equity shares of subsidiary company (refer note 47(ii)) | 186                         | 172                         |
| Dividend income on financial assets measured at FVOCI                      | 13                          | 10                          |
| Dividend income on financial assets measured at FVTPL                      | 2                           | 3                           |
| Interest income on financial assets measured at amortised cost             |                             |                             |
| - On bank deposits                                                         | 11                          | 42                          |
| - On inter corporate deposits (refer note 47(ii))                          | 625                         | 526                         |
| Fair value changes on financial assets measured at FVTPL                   | 1                           | 114                         |
| Fair valuation gain on derivative contracts measured at FVPTL              | 11                          | -                           |
| Profit on sale of property, plant and equipment (net)                      | 90                          | 12                          |
| Rent income                                                                | 258                         | 156                         |
| Gain on foreign currency exchange rate fluctuations (net)                  | 903                         | 720                         |
| Gain on sale of investment                                                 | 173                         | -                           |
| Interest on electricity deposits                                           | 19                          | 11                          |
| Insurance claim received towards loss of assets                            | 10                          | 34                          |
| Liabilities no longer required written back (net)                          | 218                         | 452                         |
| Reversal of provision for doubtful trade receivables (refer note 44(a))    | -                           | 169                         |
| Others                                                                     | 219                         | 18                          |
| <b>Total</b>                                                               | <b>2,739</b>                | <b>2,439</b>                |

### 34 Cost of materials consumed

(₹ in lakhs)

| Particulars                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------------|-----------------------------|-----------------------------|
| Opening stock                            | 9,712                       | 9,682                       |
| Add: Purchases (also refer note 47 (ii)) | 48,509                      | 47,033                      |
| Less: Closing stock (refer note 14)      | (10,337)                    | (9,712)                     |
| <b>Total</b>                             | <b>47,884</b>               | <b>47,003</b>               |

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

(₹ in lakhs)

| Particulars                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Opening inventories</b>                 |                             |                             |
| Finished goods                             | 5,810                       | 4,949                       |
| Work-in-progress                           | 6,486                       | 8,326                       |
|                                            | <b>12,296</b>               | <b>13,275</b>               |
| <b>Closing inventories (refer note 14)</b> |                             |                             |
| Finished goods                             | (4,382)                     | (5,810)                     |
| Work-in-progress                           | (6,422)                     | (6,486)                     |
|                                            | <b>(10,804)</b>             | <b>(12,296)</b>             |
| <b>Total</b>                               | <b>1,492</b>                | <b>979</b>                  |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025****36 Employee benefits expense****(₹ in lakhs)**

| <b>Particulars</b>                                           | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and wages *                                         | <b>12,310</b>                       | 10,964                              |
| Directors sitting fees and commission (refer note 47(ii))    | <b>115</b>                          | 176                                 |
| Contribution to provident and other funds (refer note 50(a)) | <b>613</b>                          | 578                                 |
| Staff welfare expenses                                       | <b>578</b>                          | 662                                 |
| <b>Total</b>                                                 | <b>13,616</b>                       | <b>12,380</b>                       |

\* Includes amount paid to key managerial personnel amounting to ₹ 458 lakhs (31 March 2024 - ₹ 681 lakhs) (refer note 47(iv)).

**37 Finance costs****(₹ in lakhs)**

| <b>Particulars</b>                                                   | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest expense on financial liabilities measured at amortised cost |                                     |                                     |
| - Long term borrowings                                               | <b>233</b>                          | 643                                 |
| - Short term borrowings                                              | <b>466</b>                          | 1,253                               |
| Interest on lease liabilities (refer note 51(ii))                    | <b>40</b>                           | 58                                  |
| Interest payable to MSME vendors (refer note 28(v))                  | <b>74</b>                           | 86                                  |
| Other borrowing costs                                                | <b>33</b>                           | 24                                  |
| <b>Total</b>                                                         | <b>846</b>                          | <b>2,064</b>                        |

**38 Depreciation and amortisation expenses****(₹ in lakhs)**

| <b>Particulars</b>                                           | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation on property, plant and equipment (refer note 3) | <b>3,582</b>                        | 3,364                               |
| Depreciation on right to use assets (refer note 51(i))       | <b>196</b>                          | 196                                 |
| Amortisation on intangible assets (refer note 6)             | <b>233</b>                          | 187                                 |
| <b>Total</b>                                                 | <b>4,011</b>                        | <b>3,747</b>                        |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 39 Other expenses

(₹ in lakhs)

| Particulars                                                                                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spare parts                                                                                   | 6,464                       | 6,773                       |
| Processing charges                                                                                                      | 1,405                       | 1,318                       |
| Power and fuel                                                                                                          | 4,275                       | 4,051                       |
| Repairs and maintenance -                                                                                               |                             |                             |
| Buildings                                                                                                               | 261                         | 309                         |
| Plant and equipment                                                                                                     | 626                         | 565                         |
| Others                                                                                                                  | 97                          | 284                         |
| Office and administrative expense                                                                                       | 2,081                       | 1,630                       |
| Rent (refer note 51(ii))                                                                                                | 136                         | 153                         |
| Rates and taxes                                                                                                         | 429                         | 149                         |
| Legal and professional fees (also refer note 47(ii))                                                                    | 1,825                       | 1,837                       |
| Selling and distribution Expense (also refer note 47(ii))                                                               | 4,749                       | 4,344                       |
| Information technology expenses                                                                                         | 558                         | 431                         |
| Provision for doubtful debts (net of bad debts written off ₹ 248 lakhs (31 March 2024: ₹ Nil lakhs)) (refer note 44(a)) | 67                          | -                           |
| Contract labour                                                                                                         | 5,100                       | 4,880                       |
| Fair valuation loss on derivative contracts measured at FVPTL                                                           | -                           | 13                          |
| Auditors' remuneration (refer note (i) below)                                                                           | 173                         | 144                         |
| Expenditure on corporate social responsibility (refer note 52)                                                          | 228                         | 170                         |
| Miscellaneous expenses                                                                                                  | 996                         | 703                         |
| <b>Total</b>                                                                                                            | <b>29,470</b>               | <b>27,754</b>               |

**Note -**

#### 39.1 Auditors' remuneration (excluding goods and services tax)

(₹ in lakhs)

| Particulars                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------|-----------------------------|-----------------------------|
| As auditors - audit and limited review | 110                         | 85                          |
| Tax audit                              | 4                           | 4                           |
| GST attestation                        | 35                          | 35                          |
| Transfer pricing attestation           | 10                          | 10                          |
| Other certification                    | 7                           | 4                           |
| Reimbursement of expenses              | 7                           | 6                           |
| <b>Total</b>                           | <b>173</b>                  | <b>144</b>                  |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**
**40 Exceptional items - (loss) / gain (net)**
**(₹ in lakhs)**

| Particulars                                                                                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>i) Gain on sale of investment in subsidiary (refer note 47(ii) and note i below)</b>              | -                           | <b>2,295</b>                |
| <b>ii) Waluj fire impact (refer note ii below)</b>                                                   |                             |                             |
| - Loss of inventories due to fire (refer note 14)                                                    | -                           | (1,658)                     |
| - Impairment loss (allowance) on property, plant and equipments damaged due to fire                  |                             |                             |
| a) Plant and equipments and other accessories (refer note 3)                                         | -                           | (348)                       |
| b) Building and other civil structures (refer note 3)                                                | -                           | (70)                        |
| - Claim received from insurance company                                                              | <b>750</b>                  | 3,051                       |
| <b>iii) Gain on sale of land and building (net) (refer note iii below)</b>                           | -                           | 17,768                      |
| <b>iv) Compensation pursuant to inter-company agreement (refer note 47 (ii) and note (iv) below)</b> | <b>(5,512)</b>              | -                           |
| <b>v) Ineligible input tax credits - Waluj fire and Thane sale related (refer note v below)</b>      | <b>(427)</b>                | -                           |
| <b>Total</b>                                                                                         | <b>(5,189)</b>              | <b>21,038</b>               |

**Notes :-**

- (i) The Committee of Directors, constituted by the Board, at its meeting held on 28 January 2023 had approved the execution of the share purchase agreement with its wholly owned Subsidiary "NRB Holdings Limited" for transfer of 100% of its share holding in the Company's other wholly owned subsidiary, "NRB Bearing (Thailand) Limited" at a consideration of ₹ 4,708 lakhs, as a result of which, the latter has become wholly owned step down subsidiary of the Company w.e.f. 1 April 2023. The Company had recognised a surplus of ₹ 2,295 lakhs on such transfer of shareholding which is classified as an exceptional gain for year ended 31 March 2024.
- (ii) A fire incident had occurred at one of the Company's plant situated at Waluj, Aurangabad on 8 May 2023, wherein the Company had made an assessment of loss amounting to ₹ 2,076 lakhs with respect to the damage caused to inventories, plant and equipments and other accessories, buildings, and other civil structures. The Company believes it has adequate insurance coverage to cover these losses.
- During the year ended 31 March 2025, the Insurance Company has disbursed a total amount of ₹ 750 lakhs as an interim payment against plant and equipments and other accessories, buildings and other civil structures (31 March 2024: ₹ 3,051 lakhs i.e., ₹ 1,801 lakhs as final payment against inventories and ₹ 1,250 lakhs as an interim payment against plant and equipments and other accessories, buildings and other civil structures), which is classified as an exceptional gain for the year ended 31 March 2025.
- Additionally, the management of the Company has filed a claim with the surveyor to recover operational losses caused due to fire. The same is under discussion and the claim will be recognised when the recoverability is reasonably ascertained.
- (iii) The Board of Directors at its meeting held on 22 January 2022 had approved sale/transfer/disposal of freehold land and building situated at 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra. During the year ended 31 March 2024, the Company disposed the said freehold land and building having WDV of ₹ 53 lakhs at an agreed consideration of ₹ 19,605 lakhs adjusted by incidental expenses of ₹ 1,784 lakhs (being stamp duty and brokerage expenses) resulting into a net gain (pre-tax) of ₹ 17,768 lakhs. The related tax liability on this gain was ₹ 2,689 lakhs and consequently the post tax gain amounted to ₹ 15,079 lakhs, which forms part of profit after tax. These gains were classified as an exceptional item for the year ended 31 March 2024.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

- (iv) The Committee of Directors at its meeting held on 20 January 2025 have approved the execution of an Inter-Company Agreement ('Agreement') dated 20 January 2025 between the Company and NRB Industrial Bearings Limited (NIBL), a related party, which mainly covers the following:
- (a) As per the scheme of demerger dated 24 August 2012 executed between the Company and NIBL, NIBL presently uses the marks "NRB Industrial" and "NRB Industrial Bearings" in which the word "NRB" is used in a red color combination, stylization, font and pattern. NIBL shall be entitled to the continued usage of the same in terms of the scheme of demerger and the word 'NRB' attached to Industrial only in red colour specified in the scheme of demerger, strictly in the manner, font, styling and colour in accordance with the terms detailed in the Agreement and with related restrictions at all times. At any point of time, if there is a change of control of NIBL, the aforesaid right to use shall be discontinued and shall be revoked in accordance with the terms detailed in the Agreement;
  - (b) immediate release by NIBL of the right to use the immovable property of the Company situated at 2nd and 3rd floor, Dhannur, 15 Sir P M Road, Fort, Mumbai 400 001 along with granting vacant possession of the same and the shifting of their registered office by NIBL, in accordance with the terms detailed in the Agreement; and
  - (c) non-solicitation of each other's employees by both entities in accordance with the terms detailed in the Agreement.

Further, the Company has also received an intimation of a proposed realignment of shares within the "Promoter / Promoter Group" as contemplated under the Memorandum Recording Family Settlement dated 20 January 2025 that would result in the realignment of shares held in the Company and a realignment of the beneficial interest in the Trilochan Singh Sahney Trust 1 which holds shares in the Company. Such change is not expected to have any impact on the statement of the Company for the current period or the subsequent period in which such transactions would be executed.

The Company has made a payment to NIBL of ₹ 5,512 lakhs on 14 February 2025, upon completion of conditions precedent as specified in the Agreement, which is classified as an exceptional loss for the year ended 31 March 2025.

- (v) During the year ended 31 March 2025, the Company had reversed the input tax credit amounting to ₹ 394 lakhs and ₹ 33 lakhs on account of loss of inventories due to fire and brokerage paid for sale of land and building at Thane respectively. These credits have been reversed under section 16 of the CGST Act, 2017 from the available balances in the electronic credit ledger while filing the Goods and Services Tax (GST) annual return for the financial year 2023-24, which are classified as an exceptional loss for the year ended 31 March 2025.

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

(₹ in lakhs)

| Particulars                                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Current tax expense</b>                                                                       |                             |                             |
| Current tax for the year                                                                         | 2,140                       | 6,010                       |
| Tax pertaining to earlier period                                                                 | 198                         | -                           |
| <b>Total current tax expense</b>                                                                 | <b>2,338</b>                | <b>6,010</b>                |
| <b>Deferred tax (credit) / expense</b>                                                           |                             |                             |
| Relating to origination and reversal of temporary differences recognised through profit and loss | (223)                       | 765                         |
| Relating to origination and reversal of temporary differences recognised through OCI             | (55)                        | 72                          |
| <b>Total deferred tax (credit) / expense (net)</b>                                               | <b>(278)</b>                | <b>837</b>                  |
| <b>Total tax expense</b>                                                                         | <b>2,060</b>                | <b>6,847</b>                |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

(₹ in lakhs)

| Particulars                                                                                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Profit before income tax expense</b>                                                                  | <b>7,983</b>                | 31,822                      |
| Tax at the rate of 25.17% (31 March 2024 - 25.17%)                                                       | <b>2,010</b>                | 8,010                       |
| <b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b> |                             |                             |
| Non deductible expenses for tax purpose                                                                  | <b>76</b>                   | 64                          |
| Additional allowances / disallowances for tax purpose                                                    | <b>(224)</b>                | 217                         |
| Effect of difference in tax rate -                                                                       |                             |                             |
| a) Impact of Capital Gains - Sale of subsidiary (NRB Thailand)                                           | -                           | (526)                       |
| b) Impact of Capital Gains - Thane land sale                                                             | -                           | (924)                       |
| Tax pertaining to earlier years                                                                          | <b>198</b>                  | -                           |
| Others                                                                                                   | -                           | 6                           |
| <b>Income tax expense</b>                                                                                | <b>2,060</b>                | <b>6,847</b>                |

### 41.2 (ii) Deferred tax related to the following

(₹ in lakhs)

| Deferred tax liabilities (net)                                              | As at<br>31<br>March<br>2023 | Recognised<br>through<br>profit<br>and loss<br>and OCI | As at<br>31<br>March<br>2024 | Recognised<br>through<br>profit<br>and loss<br>and OCI | As at<br>31<br>March<br>2025 |
|-----------------------------------------------------------------------------|------------------------------|--------------------------------------------------------|------------------------------|--------------------------------------------------------|------------------------------|
| <b>Deferred tax liabilities on account of:</b>                              |                              |                                                        |                              |                                                        |                              |
| Difference between book and tax depreciation                                | <b>(2,238)</b>               | (425)                                                  | <b>(2,663)</b>               | 93                                                     | <b>(2,570)</b>               |
| IND AS 116 (Right of use asset)                                             | <b>(158)</b>                 | 49                                                     | <b>(109)</b>                 | 43                                                     | <b>(66)</b>                  |
| Financial liabilities measured at amortised cost (*)                        | <b>(3)</b>                   | 0                                                      | <b>(3)</b>                   | -                                                      | <b>(3)</b>                   |
| Equity investment measured at fair value through other comprehensive income | -                            | (25)                                                   | <b>(25)</b>                  | 6                                                      | <b>(19)</b>                  |
| Equity investment measured at fair value through profit and loss            | -                            | (154)                                                  | <b>(154)</b>                 | 151                                                    | <b>(3)</b>                   |
| Others                                                                      | <b>28</b>                    | (28)                                                   | -                            | -                                                      | -                            |
| <b>Total deferred tax liabilities</b>                                       | <b>(2,371)</b>               | <b>(583)</b>                                           | <b>(2,954)</b>               | <b>293</b>                                             | <b>(2,661)</b>               |
| <b>Deferred tax assets on account of:</b>                                   |                              |                                                        |                              |                                                        |                              |
| Provision for gratuity                                                      | <b>38</b>                    | (62)                                                   | <b>(24)</b>                  | 67                                                     | <b>43</b>                    |
| Provident fund contribution                                                 | <b>19</b>                    | -                                                      | <b>19</b>                    | -                                                      | <b>19</b>                    |
| Provision for doubtful trade receivables                                    | <b>738</b>                   | (112)                                                  | <b>626</b>                   | (45)                                                   | <b>581</b>                   |
| Voluntary retirement compensation                                           | <b>13</b>                    | -                                                      | <b>13</b>                    | -                                                      | <b>13</b>                    |
| Provision for compensated absence                                           | <b>212</b>                   | 16                                                     | <b>228</b>                   | 8                                                      | <b>236</b>                   |
| Lease liabilities                                                           | <b>168</b>                   | (43)                                                   | <b>125</b>                   | (47)                                                   | <b>78</b>                    |
| Fair valuation of derivative contracts / others                             | <b>48</b>                    | (53)                                                   | <b>(5)</b>                   | 2                                                      | <b>(3)</b>                   |
| <b>Total deferred tax assets</b>                                            | <b>1,236</b>                 | <b>(254)</b>                                           | <b>982</b>                   | <b>(15)</b>                                            | <b>967</b>                   |
| <b>Total deferred tax liabilities (net)</b>                                 | <b>1,135</b>                 | <b>837</b>                                             | <b>1,972</b>                 | <b>(278)</b>                                           | <b>1,694</b>                 |

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

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 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<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>- Items that will not be reclassified to profit or loss</b>                                  |                             |                             |
| Actuarial gain on remeasurements of the net defined benefit plans (refer note 50(b)(vii))       | (106)                       | 211                         |
| Fair value changes on equity instruments through other comprehensive income                     | (59)                        | 254                         |
| Income tax credit / (expense) relating to items that will not be reclassified to profit or loss | 33                          | (79)                        |
|                                                                                                 | <b>(132)</b>                | <b>386</b>                  |
| <b>- Items that will be reclassified to profit or loss</b>                                      |                             |                             |
| Remeasurement loss on derivative hedging instruments                                            | (88)                        | (26)                        |
| Income tax relating to items that may be reclassified to profit or loss                         | 22                          | 7                           |
|                                                                                                 | <b>(66)</b>                 | <b>(19)</b>                 |
| <b>Total</b>                                                                                    | <b>(198)</b>                | <b>367</b>                  |

### 43 Fair value measurements

#### Financial instruments by category -

(₹ in lakhs)

| Particulars                                        | 31 March 2025 |       |                     | 31 March 2024 |       |                     |
|----------------------------------------------------|---------------|-------|---------------------|---------------|-------|---------------------|
|                                                    | FVOCI         | FVTPL | Amor-<br>tised cost | FVOCI         | FVTPL | Amor-<br>tised cost |
| <b><u>Financial assets - non-current</u></b>       |               |       |                     |               |       |                     |
| Investments (other than subsidiaries)(*)           | 610           | 30    | -                   | 670           | 28    | -                   |
| Other financial assets                             | -             | -     | 477                 | -             | -     | 932                 |
| Loans                                              | -             | -     | 5,482               | -             | -     | 5,331               |
| <b><u>Financial assets - current</u></b>           |               |       |                     |               |       |                     |
| Trade receivables(*)                               | -             | -     | 24,542              | -             | -     | 22,618              |
| Investments (other than subsidiaries)(*)           | -             | -     | -                   | -             | 620   | -                   |
| Cash and cash equivalents                          | -             | -     | 3,997               | -             | -     | 4,295               |
| Bank balances other than cash and cash equivalents | -             | -     | 163                 | -             | -     | 2,529               |
| Loans                                              | -             | -     | 16                  | -             | -     | 2,411               |
| Other financial assets(*)                          | -             | 13    | 83                  | -             | -     | 30                  |
| <b><u>Financial liabilities - non-current</u></b>  |               |       |                     |               |       |                     |
| Borrowings                                         | -             | -     | -                   | -             | -     | 2,684               |
| Lease liabilities                                  | -             | -     | 78                  | -             | -     | 293                 |
| Other financial liabilities                        | -             | -     | 310                 | -             | -     | 202                 |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

|                                                                     |   |   |       |   |    |       |
|---------------------------------------------------------------------|---|---|-------|---|----|-------|
| <b>Financial liabilities - current</b>                              |   |   |       |   |    |       |
| Borrowings (including current maturities of non-current borrowings) | - | - | 7,081 | - | -  | 9,990 |
| Lease liabilities                                                   | - | - | 238   | - | -  | 208   |
| Trade payables                                                      | - | - | 8,152 | - | -  | 7,555 |
| Other financial liabilities                                         | - | - | 2,501 | - | 21 | 3,916 |

Note - The carrying value of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, loans, other current financial assets, borrowings, lease liabilities, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

(\*) Net of impairment, if any

### 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 below.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

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

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

### II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- (i) The fair values for investments in equity instrument and mutual fund are based on the quoted market prices. Fair values of security deposits, loans are based on discounted cash flows using a discount rate determined considering Company's incremental borrowing rate. Non current borrowings are fair valued using effective interest rates.
- (ii) Fair valuation of interest rate swap and foreign currency option contracts are calculated on the basis of estimated mid-market levels, estimated bid-side or offer side levels, or on the basis of indicative bid or offer or unwind prices or on such other appropriate basis. It is derived from other proprietary or other pricing models based on certain assumptions.
- (iii) Fair valuation of forward exchange contracts are determined using forward exchange rates at the balance sheet date.
- (iv) The carrying value of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, loans, other current financial assets, 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 above.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### III. Valuation process

The finance department performs the calculations of financial assets and liabilities required for financial reporting purposes. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once every three months, in line with the quarterly reporting periods.

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

(₹ in lakhs)

| Particulars                                        | 31 March 2025 |         |         | 31 March 2024 |         |         |
|----------------------------------------------------|---------------|---------|---------|---------------|---------|---------|
|                                                    | Level 1       | Level 2 | Level 3 | Level 1       | Level 2 | Level 3 |
| <b><u>Financial assets</u></b>                     |               |         |         |               |         |         |
| Investment in mutual fund measured at FVTPL        | 30            | -       | -       | 648           | -       | -       |
| Investments in equity instrument measured at FVOCI | 610           | -       | -       | 670           | -       | -       |
| Derivative assets                                  | -             | 13      | -       | -             | -       | -       |
| <b><u>Financial liabilities</u></b>                |               |         |         |               |         |         |
| Derivative liabilities                             | -             | -       | -       | -             | 21      | -       |

### 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, liquidity risk and market risk. The Company's senior management oversees the management of these risks.

#### A. Credit risk

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

#### Credit risk management

##### Trade receivables

To manage credit risk, the Company follows a policy based on industry norms. The credit limit policy is established considering the current economic trends of the industry in which the company is operating. However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

##### Other financial assets

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

The Company has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Company and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

| Particulars                  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------|-----------------------------|-----------------------------|
| Revenue from top customer    | 12%                         | 4%                          |
| Revenue from top 5 customers | 26%                         | 17%                         |

### Expected credit loss for trade receivables as on 31 March 2025

(₹ in lakhs)

| Particulars                                       | Not due       | Less than<br>1 year | More than<br>1 year | Credit<br>Impaired | Total         |
|---------------------------------------------------|---------------|---------------------|---------------------|--------------------|---------------|
| <b>Gross trade receivables (a)</b>                | <b>22,591</b> | <b>2,425</b>        | -                   | <b>1,834</b>       | <b>26,850</b> |
| Expected loss rate                                | 0.48%         | 15.05%              | -                   | 100%               |               |
| Expected credit loss (b)                          | 109           | 365                 | -                   | 1,834              | <b>2,308</b>  |
| <b>Carrying amount of trade receivables (a-b)</b> | <b>22,482</b> | <b>2,060</b>        | -                   | -                  | <b>24,542</b> |

### Expected credit loss for trade receivables as on 31 March 2024

(₹ in lakhs)

| Particulars                                       | Not due       | Less than<br>1 year | More than<br>1 year | Credit<br>Impaired | Total         |
|---------------------------------------------------|---------------|---------------------|---------------------|--------------------|---------------|
| <b>Gross trade receivables (a)</b>                | <b>18,569</b> | <b>4,727</b>        | <b>55</b>           | <b>1,756</b>       | <b>25,107</b> |
| Expected loss rate                                | 0.39%         | 13.97%              | 0.00%               | 100.00%            |               |
| Expected credit loss (b)                          | 73            | 660                 | -                   | 1,756              | <b>2,489</b>  |
| <b>Carrying amount of trade receivables (a-b)</b> | <b>18,496</b> | <b>4,067</b>        | <b>55</b>           | -                  | <b>22,618</b> |

**Note -** Balances under the classification of "More than 1 Year" includes receivables from related parties which are not provided for expected credit loss.

### Movement in provision of doubtful debts

(₹ in lakhs)

| Particulars                                                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------|------------------------|------------------------|
| Opening provision                                            | <b>2,489</b>           | 2,932                  |
| Add - additional provision made / (reversed) during the year | <b>67</b>              | (169)                  |
| Less - bad debts written off                                 | <b>(248)</b>           | (274)                  |
| <b>Closing provision</b>                                     | <b>2,308</b>           | <b>2,489</b>           |

### Expected credit loss for other financial assets as on 31 March 2025

(₹ in lakhs)

| Particulars                                        | Loans        | Cash<br>and cash<br>equivalents | Bank balances<br>other than cash and<br>cash equivalents | Other<br>financial<br>assets |
|----------------------------------------------------|--------------|---------------------------------|----------------------------------------------------------|------------------------------|
| Estimated gross carrying amount                    | 5,498        | 3,997                           | 163                                                      | 573                          |
| Expected credit loss                               | -            | -                               | -                                                        | -                            |
| <b>Carrying amount net of expected credit loss</b> | <b>5,498</b> | <b>3,997</b>                    | <b>163</b>                                               | <b>573</b>                   |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Expected credit loss for other financial assets as on 31 March 2024

(₹ in Lakhs)

| Particulars                                        | Loans        | Cash and cash equivalents | Bank balances other than cash and cash equivalents | Other financial assets |
|----------------------------------------------------|--------------|---------------------------|----------------------------------------------------|------------------------|
| Estimated gross carrying amount                    | 7,742        | 4,295                     | 2,529                                              | 962                    |
| Expected credit loss                               | -            | -                         | -                                                  | -                      |
| <b>Carrying amount net of expected credit loss</b> | <b>7,742</b> | <b>4,295</b>              | <b>2,528</b>                                       | <b>962</b>             |

### B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

### Liquidity risk management

The Company's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (except lease liabilities) at each reporting date:

### Maturities of financial liabilities

As at 31 March 2025

(₹ in lakhs)

| Particulars                                                                    | Within 1 year | Between 1 and 2 years | Beyond 2 years | Total         |
|--------------------------------------------------------------------------------|---------------|-----------------------|----------------|---------------|
| <b>Non-derivative</b>                                                          |               |                       |                |               |
| Short term borrowings (including current maturities of non-current borrowings) | 7,081         | -                     | -              | <b>7,081</b>  |
| Trade payables                                                                 | 8,152         | -                     | -              | <b>8,152</b>  |
| Lease liabilities (current and non-current)                                    | 238           | 71                    | 7              | <b>316</b>    |
| Other non-current financial liabilities                                        | -             | -                     | 310            | <b>310</b>    |
| Other current financial liabilities                                            | 2,501         | -                     | -              | <b>2,501</b>  |
| <b>Total</b>                                                                   | <b>17,972</b> | <b>71</b>             | <b>317</b>     | <b>18,360</b> |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**
**As at 31 March 2024**
**(₹ in lakhs)**

| Particulars                                                                    | Within 1 year | Between 1 and 2 years | Beyond 2 years | Total         |
|--------------------------------------------------------------------------------|---------------|-----------------------|----------------|---------------|
| <b>Non-derivative</b>                                                          |               |                       |                |               |
| Non-current borrowings                                                         | -             | 1,193                 | 1,491          | <b>2,684</b>  |
| Short term borrowings (including current maturities of non-current borrowings) | 9,990         | -                     | -              | <b>9,990</b>  |
| Trade payables                                                                 | 7,555         | -                     | -              | <b>7,555</b>  |
| Lease liabilities (current and non-current)                                    | 208           | 232                   | 61             | <b>501</b>    |
| Other non-current financial liabilities                                        | -             | -                     | 202            | <b>202</b>    |
| Other current financial liabilities                                            | 3,916         | -                     | -              | <b>3,916</b>  |
| <b>Derivative</b>                                                              |               |                       |                |               |
| Interest rate swap and foreign currency option                                 | 21            | -                     | -              | <b>21</b>     |
| <b>Total</b>                                                                   | <b>21,690</b> | <b>1,425</b>          | <b>1,754</b>   | <b>24,869</b> |

**C. Market risk**

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

**(1) Foreign currency risk**

The Company is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Company's exposure arises mainly on import of raw material and capital items and export of finished goods. The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The Company uses forward contracts, options and cross currency swap to hedge its exposure to foreign currency risk. The Company designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Impact of hedging activities

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

As at 31 March 2025

(₹ in lakhs, except price per rate)

| Type of hedge and risks                                                                                             | Notional amount | Carrying amount of hedging instruments |             | Maturity dates         | Hedge ratio | Weighted average strike price/rate | Change in fair value of hedging instruments | Change in value of hedged item used as the basis for recognising hedge effectiveness |
|---------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------|-------------|------------------------|-------------|------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                                     |                 | Assets                                 | Liabilities |                        |             |                                    |                                             |                                                                                      |
| <b>Cash flow hedge</b><br><i>Foreign exchange risk</i><br><u>Derivative instruments</u><br>(i) Cross currency swaps | EUR 30          | 13                                     | -           | Oct 2020<br>- Jul 2025 | 1:1         | 87.30                              | (39)                                        | 39                                                                                   |

As at 31 March 2024

(₹ in lakhs, except price per rate)

| Type of hedge and risks                                                                                             | Notional amount | Carrying amount of hedging instruments |             | Maturity dates         | Hedge ratio | Weighted average strike price/rate | Change in fair value of hedging instruments | Change in value of hedged item used as the basis for recognising hedge effectiveness |
|---------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------|-------------|------------------------|-------------|------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                                     |                 | Assets                                 | Liabilities |                        |             |                                    |                                             |                                                                                      |
| <b>Cash flow hedge</b><br><i>Foreign exchange risk</i><br><u>Derivative instruments</u><br>(i) Cross currency swaps | EUR 30          | -                                      | 21          | Oct 2020<br>- Jul 2025 | 1:1         | 87.30                              | (53)                                        | 53                                                                                   |

#### (ii) Disclosure of effects of hedge accounting in standalone statement of profit and loss

For the year ended 31 March 2025

(₹ in lakhs)

| Type of hedge                                   | Change in value of hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised | Amount reclassified from cash flow hedge reserve | Line item affected on reclassification |
|-------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------|----------------------------------------|
| <b>Cash flow hedge</b><br>Foreign exchange risk | (39)                                                                           | -                                | (127)                                            | Revenue                                |

For the year ended 31 March 2024

(₹ in lakhs)

| Type of hedge                                   | Change in value of hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised | Amount reclassified from cash flow hedge reserve | Line item affected on reclassification |
|-------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------|----------------------------------------|
| <b>Cash flow hedge</b><br>Foreign exchange risk | (53)                                                                           | -                                | (79)<br>13                                       | Revenue<br>Foreign exchange loss       |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**
**(iii) Movement in cash flow hedging reserve**
**(₹ in lakhs)**

| Particulars                                                           | Foreign currency and interest rate risk |
|-----------------------------------------------------------------------|-----------------------------------------|
| <b>Cash flow hedge reserve</b>                                        |                                         |
| <b>Balance as at 1 April 2023</b>                                     | <b>(147)</b>                            |
| Add - Changes in fair value of hedging instruments                    | (53)                                    |
| Less - Amounts reclassified to standalone statement of profit or loss | 79                                      |
| Less - Deferred tax relating to above (net)                           | (7)                                     |
| <b>Balance as at 31 March 2024</b>                                    | <b>(128)</b>                            |
| Add - Changes in fair value of hedging instruments                    | (39)                                    |
| Less - Amounts reclassified to standalone statement of profit or loss | 127                                     |
| Less - Deferred tax relating to above (net)                           | (22)                                    |
| <b>Balance as at 31 March 2025</b>                                    | <b>(62)</b>                             |

**The Company's exposure to foreign currency risk at the end of reporting period are as under:**
**As at 31 March 2025**
**(₹ in lakhs)**

| Particulars                                                                 | USD           | EURO          | JPY            | Others     |
|-----------------------------------------------------------------------------|---------------|---------------|----------------|------------|
| <b>Financial liabilities</b>                                                |               |               |                |            |
| Trade payables                                                              | 181           | 332           | 1,826          | 6          |
| Creditors for capital goods                                                 | 13            | -             | 75             | -          |
|                                                                             | <b>194</b>    | <b>332</b>    | <b>1,901</b>   | <b>6</b>   |
| <b>Financial assets</b>                                                     |               |               |                |            |
| Trade receivables                                                           | 4,581         | 10,132        | -              | 49         |
| Inter corporate deposits to related parties (including interest receivable) | 5,482         | -             | -              | -          |
| Balance with government authorities                                         | -             | 633           | -              | -          |
| Bank balance in exchange earners foreign currency account                   | 140           | 29            | -              | -          |
| Guarantee comission receivable                                              | 83            | 77            | -              | 137        |
|                                                                             | <b>10,286</b> | <b>10,871</b> | <b>-</b>       | <b>186</b> |
| <b>Net exposure to foreign currency assets / (liabilities)</b>              | <b>10,092</b> | <b>10,539</b> | <b>(1,901)</b> | <b>180</b> |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

As at 31 March 2024

(₹ in lakhs)

| Particulars                                                                 | USD           | EURO          | JPY            | Others     |
|-----------------------------------------------------------------------------|---------------|---------------|----------------|------------|
| <b>Financial liabilities</b>                                                |               |               |                |            |
| Trade payables                                                              | 191           | 132           | 1,101          | 7          |
| Creditors for capital goods                                                 | -             | -             | 79             | -          |
|                                                                             | <b>191</b>    | <b>132</b>    | <b>1,180</b>   | <b>7</b>   |
| <b>Financial assets</b>                                                     |               |               |                |            |
| Trade receivables                                                           | 5,074         | 9,334         | -              | -          |
| Inter corporate deposits to related parties (including interest receivable) | 7,725         | -             | -              | -          |
| Balance with government authorities                                         | -             | 1,442         | -              | -          |
| Bank balance in earners' exchange foreign currency account                  | 350           | 480           | -              | -          |
| Guarantee comission receivable                                              | 107           | -             | -              | -          |
|                                                                             | <b>13,256</b> | <b>11,256</b> | -              | -          |
| <b>Net exposure to foreign currency assets / (liabilities)</b>              | <b>13,065</b> | <b>11,124</b> | <b>(1,180)</b> | <b>(7)</b> |

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in above currencies with all other variables held constant. The below impact on the 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 2025  |                | 31 March 2024  |                |
|------------|----------------|----------------|----------------|----------------|
|            | Increase by 2% | Decrease by 2% | Increase by 2% | Decrease by 2% |
| USD        | 202            | (202)          | 261            | (261)          |
| EUR        | 211            | (211)          | 222            | (222)          |
| JPY        | (38)           | 38             | (24)           | 24             |
| Others(*)  | 4              | (4)            | (0)            | 0              |

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

### (2) Cash flow and fair value interest rate risk

The Company's interest rate risk is mainly due to the borrowing acquired at floating interest rate. The Company's policy is to maintain most of its borrowing at fixed rate using interest rate swaps to hedge the exposure. During the year ended 31 March 2025 and 31 March 2024, 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.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

The Company's variable rate borrowings structure at the end of reporting period are as follows:

(₹ in lakhs)

| Particulars              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------|------------------------|------------------------|
| Variable rate borrowings | -                      | 4,187                  |
| <b>Total</b>             | <b>-</b>               | <b>4,187</b>           |

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in lakhs)

| Particulars                                        | 31 March 2025 |                     | 31 March 2024 |                     |
|----------------------------------------------------|---------------|---------------------|---------------|---------------------|
|                                                    | Balance       | % of<br>total loans | Balance       | % of<br>total loans |
| Variable rate loan                                 | -             | -                   | 4,187         | 33.03%              |
| Interest rate swaps                                | -             | -                   | -             | -                   |
| <b>Net exposure to cashflow interest rate risk</b> | <b>-</b>      | <b>-</b>            | <b>4,187</b>  | <b>33.03%</b>       |

### Sensitivity analysis - variable rate borrowing

(₹ in lakhs)

| Interest rate               | Impact on profit before tax |                        |
|-----------------------------|-----------------------------|------------------------|
|                             | As at<br>31 March 2025      | As at<br>31 March 2024 |
| Increase by 50 basis points | -                           | (21)                   |
| Decrease by 50 basis points | -                           | 21                     |

### (3) Price risk

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

(₹ in lakhs)

| Sensitivity                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|------------------------|------------------------|
| Impact on profit after tax for 5% increase in price of underlying shares | 32                     | 66                     |
| Impact on profit after tax for 5% decrease in price of underlying shares | (32)                   | (66)                   |

## 45 Capital management

### (i) Risk management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manages 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.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### (ii) The capital composition is as follows:

(₹ in lakhs)

| Particulars                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------|------------------------|------------------------|
| Gross debt (long term and short term borrowings)                      | 7,081                  | 12,674                 |
| Add - lease liabilities (current and non current) (refer note 51(iv)) | 316                    | 501                    |
| Less - cash and cash equivalents                                      | (3,997)                | (4,295)                |
| <b>Net debt (A)</b>                                                   | <b>3,400</b>           | <b>8,880</b>           |
| <b>Equity (B)</b>                                                     | <b>87,898</b>          | <b>84,651</b>          |
| <b>Gearing ratio (A / B) (%)</b>                                      | <b>3.87%</b>           | <b>10.49%</b>          |

### (iii) Dividends

(₹ in lakhs)

| Particulars                                                                                                                                                                                        | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Equity shares (face value of ₹ 2 each)</b>                                                                                                                                                      |                        |                        |
| Final dividend paid for the financial year ended 31 March 2024 of ₹ Nil per share (31 March 2023 - ₹ 1)                                                                                            | -                      | 969                    |
| Interim dividend paid for the financial year ended 31 March 2025 of ₹ 2.5 per share (31 March 2024 - 4.1)                                                                                          | 2,423                  | 3,974                  |
| <b>Dividends not recognised at the end of the reporting period</b>                                                                                                                                 |                        |                        |
| In addition to the above, at year end the directors have recommended the payment of final dividend for the financial year ended 31 March 2025 - ₹ 4.3 per share (31 March 2024 - ₹ Nil per share). | 4,168                  | -                      |

### 46 Net debt reconciliation

(₹ in lakhs)

| Particulars                                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------|------------------------|------------------------|
| Borrowings (current and non-current)                            | 7,081                  | 12,674                 |
| Lease liabilities (current and non current) (refer note 51(iv)) | 316                    | 501                    |
|                                                                 | 7,397                  | 13,175                 |
| Less - cash and cash equivalents                                | (3,997)                | (4,295)                |
|                                                                 | 3,400                  | 8,880                  |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Net debt movement

(₹ in lakhs)

| Particulars                         | Liabilities                                       |                                                          | Assets                              | Total<br>(A+B-C) |
|-------------------------------------|---------------------------------------------------|----------------------------------------------------------|-------------------------------------|------------------|
|                                     | Borrowings<br>(current and<br>non-current)<br>(A) | Lease liabilities<br>(current and<br>non-current)<br>(B) | Cash and cash<br>equivalents<br>(C) |                  |
| <b>Net debt as at 1 April 2023</b>  | <b>29,702</b>                                     | <b>670</b>                                               | <b>3,951</b>                        | <b>26,421</b>    |
| Cash flows (net)                    | (17,028)                                          | (169)                                                    | 568                                 | (17,765)         |
| Finance cost recognised             | 1,896                                             | 58                                                       | -                                   | 1,954            |
| Finance cost paid                   | (1,896)                                           | (58)                                                     | -                                   | (1,954)          |
| Exchange (loss) / gain (net)        | -                                                 | -                                                        | (224)                               | 224              |
| <b>Net debt as at 31 March 2024</b> | <b>12,674</b>                                     | <b>501</b>                                               | <b>4,295</b>                        | <b>8,880</b>     |
| Cash flows (net)                    | (5,682)                                           | (185)                                                    | (238)                               | (5,629)          |
| Finance cost recognised             | 806                                               | 40                                                       | -                                   | 846              |
| Finance cost paid                   | (781)                                             | (40)                                                     | -                                   | (821)            |
| Exchange (loss) / gain (net)        | 64                                                | -                                                        | (60)                                | 124              |
| <b>Net debt as at 31 March 2025</b> | <b>7,081</b>                                      | <b>316</b>                                               | <b>3,997</b>                        | <b>3,400</b>     |

### 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<br>NRB Holdings Limited (Dubai)                                 |
| Step-down subsidiaries | NRB Bearings USA Inc.<br>NRB Bearings Europe GmbH<br>NRB Bearings (Thailand) Limited |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key management personnel (KMP)                                                                     | Ms. Harshbeena Zaveri, Vice Chairman and Managing Director<br>Mr. Satish Chellaram Rangani, Non-executive Director<br>Mr. Tashwinder Singh, Independent Director (upto 10 August 2024)<br>Mr. Ashank Datta Desai, Independent Director<br>Mr. Rustom Desai, Independent Director<br>Ms. Vishakha Maheshwari, Independent Director (upto 1 August 2024)<br>Mr. Jayavardhan Dhar Diwan, Independent Director (w.e.f. 27 May 2024)<br>Ms. Bapsy Dastur, Independent Director (w.e.f. 27 May 2024)<br>Mr. Devesh Singh Sahney, Director (upto 29 September 2023)<br>Mr. Pankaj Khemka, Chief Financial Officer (upto 31 December 2023)<br>Mr. Raman Malhotra, Chief Financial Officer (w.e.f. 15 February 2024)<br>Ms. Shruti Joshi, Company Secretary (upto 25 March 2025)<br>Mr. Kishor Talreja, Company Secretary (w.e.f. 25 April 2025) |
| 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<br>First Engineering Technologies Private Limited<br>First Technology BV                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Employee benefits Trust                                                                            | NRB Bearings Limited - Staff Gratuity Fund<br>NRB Bearings Limited - Officer's Gratuity Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**(ii) Transactions with related parties during the year -**
**(₹ in lakhs)**

| Name of Related Party | Nature of Transaction                      | Transactions during the year |               | Receivable / Advances as at |               | Payable as at |               |
|-----------------------|--------------------------------------------|------------------------------|---------------|-----------------------------|---------------|---------------|---------------|
|                       |                                            | 31 March 2025                | 31 March 2024 | 31 March 2025               | 31 March 2024 | 31 March 2025 | 31 March 2024 |
| SNL Bearings Limited  | Sale of finished goods                     | 133                          | 28            | -                           | -             | -             | -             |
|                       | Sale of property, plant and equipment      | 23                           | 7             | -                           | -             | -             | -             |
|                       | Purchase of raw materials                  | 1,614                        | 1,579         | -                           | -             | 363           | 152           |
|                       | Reimbursement of expenses from the Company | 59                           | 4             | -                           | 4             | -             | -             |
|                       | Dividend received on equity shares         | 186                          | 172           | -                           | -             | -             | -             |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

|                                                |                                                                         |        |        |       |       |    |    |
|------------------------------------------------|-------------------------------------------------------------------------|--------|--------|-------|-------|----|----|
| NRB Bearings (Thailand) Limited (#)            | Sale of finished goods                                                  | 502    | 874    | 224   | 896   | -  | -  |
|                                                | Sale of property, plant and equipment                                   | 12     | 4      | -     | -     | -  | -  |
|                                                | Purchase of raw materials                                               | 8,512  | 7,133  | -     | -     | -  | -  |
|                                                | Reimbursement of expenses from the Company                              | 24     | -      | -     | -     | -  | -  |
|                                                | Advances given for purchase of raw materials                            | -      | -      | 1,580 | 2,110 | -  | -  |
|                                                | Inter corporate deposits repayment received                             | -      | 1,282  | -     | -     | -  | -  |
|                                                | Interest income on inter corporate deposits                             | -      | 26     | -     | -     | -  | -  |
|                                                | Guarantee extended during the year                                      | 4,272  | 5,349  | -     | -     | -  | -  |
|                                                | Guarantee commission receivable                                         | 72     | 107    | 220   | 107   | -  | -  |
| NRB Industrial Bearings Limited                | Sale of finished goods                                                  | -      | -      | 18    | 18    | -  | -  |
|                                                | Rent income                                                             | 73     | -      | -     | -     | -  | -  |
|                                                | Consideration paid for Intercompany Agreement                           | 5,512  | -      | -     | -     | -  | -  |
| NRB Holdings Limited                           | Inter corporate deposit disbursed                                       | -      | 4,970  | -     | -     | -  | -  |
|                                                | Inter corporate deposit renewal                                         | -      | 2,321  | -     | -     | -  | -  |
|                                                | Inter corporate deposit repaid                                          | 2,450  | -      | -     | -     | -  | -  |
|                                                | Interest income on inter corporate deposits                             | 625    | 500    | -     | -     | -  | -  |
|                                                | Inter corporate deposits receivable (including interest)                | -      | -      | 5,482 | 7,725 | -  | -  |
|                                                | Sale of Investments in equity shares of NRB Bearings (Thailand) Limited | -      | 4,708  | -     | -     | -  | -  |
| NRB Bearings Europe GmbH                       | Sales promotion expenses (Selling and distribution expense)             | -      | 103    | -     | -     | 56 | 53 |
|                                                | Sale of finished goods                                                  | 12,438 | 10,650 | 6,313 | 6,551 | -  | -  |
|                                                | Guarantee extended during the year                                      | 3,681  | -      | -     | -     | -  | -  |
|                                                | Guarantee commission receivable                                         | 1      | -      | 77    | -     | -  | -  |
| NRB Bearings USA Inc                           | Advance given for sales promotion expenses                              | -      | 78     | -     | 179   | -  | -  |
|                                                | Sale of finished goods                                                  | 3,888  | 3,205  | 2,104 | 2,233 | -  | -  |
| First Engineering Technologies Private Limited | Sale of finished goods                                                  | -      | -      | 4     | 4     | -  | -  |
|                                                | Purchase of raw materials/ components                                   | 3      | 3      | -     | -     | -  | -  |
| First Technology BV                            | Legal and professional fees                                             | 346    | 319    | -     | -     | -  | -  |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

|                                                                                             |                                                        |     |       |   |   |    |     |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------|-----|-------|---|---|----|-----|
| New Indo Trading Company                                                                    | Service charges                                        | 4   | 5     | - | - | -  | -   |
| (Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name) | Dividend paid (including interim dividend)             | 845 | 1,724 | - | - | -  | -   |
| Ms. Harshbeena Zaveri                                                                       | Remuneration                                           | 276 | 251   | - | - | -  | -   |
|                                                                                             | Commission                                             | 59  | 125   | - | - | 59 | 125 |
|                                                                                             | Dividend paid                                          | 301 | 577   | - | - | -  | -   |
| Mr. S. C. Rangani                                                                           | Remuneration                                           | -   | 135   | - | - | -  | -   |
|                                                                                             | Sitting fees and commission                            | 4   | -     | - | - | -  | -   |
| Mr. D. S. Sahney                                                                            | Sitting fees and commission                            | -   | 1     | - | - | -  | 6   |
|                                                                                             | Dividend paid                                          | 21  | 43    | - | - | -  | -   |
| Mr. Pankaj Khemka                                                                           | Remuneration                                           | -   | 67    | - | - | -  | -   |
| Mr. Raman Malhotra                                                                          | Remuneration                                           | 62  | 18    | - | - | -  | -   |
| Ms. Shruti Joshi                                                                            | Remuneration                                           | 90  | 85    | - | - | -  | -   |
| Other KMPs (Directors)                                                                      | Sitting fees and commission to non-executive directors | 52  | 50    | - | - | 30 | 30  |
| Trust                                                                                       | Contribution to gratuity fund trust                    | -   | 150   | - | - | -  | -   |

(#) 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.

### 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 22).
- All the related party transactions are made on terms equivalent to those that prevail in an arm's length transaction, for which prior approval of Audit Committee has been obtained.
- Foreign currency transactions are reported in INR using exchange rate as at the transaction date. Foreign currency balances are restated in INR using year end exchange rates.

### (iii) Additional disclosure pursuant to Circular CRD/GEN/2003/1 dated 6 February 2003 of The Stock Exchange, Mumbai

(₹ in lakhs)

| Particulars                                                                                     | Balance as at |               | Maximum amount outstanding during the year ended |               |
|-------------------------------------------------------------------------------------------------|---------------|---------------|--------------------------------------------------|---------------|
|                                                                                                 | 31 March 2025 | 31 March 2024 | 31 March 2025                                    | 31 March 2024 |
| Loans and advances (including interest receivable) in the nature of loans to subsidiary company |               |               |                                                  |               |
| NRB Bearings (Thailand) Limited (refer note 18 and note 53(b))                                  | -             | -             | -                                                | 1,238         |
| NRB Holdings limited (NHL) (refer note 10, note 18 and note 53(b))                              | 5,482         | 7,725         | 5,482                                            | 7,725         |

No shares are held by the subsidiary in the Company.

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025****Note -**

- (i) No amounts pertaining to related parties have either been written off or written back during the year.
- (ii) The loan given to the subsidiary company was for the purpose of making payment of suppliers and meeting operating expenses of the subsidiary company.
- (iii) Refer note 49 for guarantee given towards the borrowings availed by the subsidiary companies.

**(iv) Key management personnel (KMP) compensation****(₹ in lakhs)**

| <b>Particulars</b>            | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|-------------------------------|-------------------------------------|-------------------------------------|
| Short term employee benefits  | <b>458</b>                          | 658                                 |
| Post-employment benefits      | <b>29</b>                           | 23                                  |
| <b>Total compensation (*)</b> | <b>487</b>                          | <b>681</b>                          |

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

**(v) Salaries and employer benefits**

The KMP's are covered under the Company's gratuity policy, leave encashment policy and bonus policy along with other eligible employees of the Company. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially are not mentioned in the aforementioned disclosures as these are computed for the Company as a whole.

**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)**

| <b>Particulars</b>            | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|-------------------------------|--------------------------------|--------------------------------|
| Property, plant and equipment | -                              | 12,005                         |
| Current assets                | <b>67,129</b>                  | 71,077                         |

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

| <b>Particulars</b>                                        | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|-----------------------------------------------------------|--------------------------------|--------------------------------|
| <b>Claim against the Company not acknowledged as debt</b> |                                |                                |
| Income tax                                                | <b>4,403</b>                   | 4,064                          |
| Sales tax, value added tax and local body tax             | <b>228</b>                     | 233                            |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                 |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--|
| <p>The Honourable Supreme Court, has passed a judgement 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 &amp; 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 standalone 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 has 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.</p> | <p>Amount not ascertainable</p> |  |
| <p><b>Other money for which the Company is contingently liable</b></p> <p>Outstanding Gurantees furnished to Banks and Financial Institutions including in respect of Letters of Credit and Corporate Guarantee (refer note (v) below)</p> <ul style="list-style-type: none"> <li>- in respect of step down subsidiaries (corporate guarantees) <ul style="list-style-type: none"> <li>(i) NRB Bearings (Thailand) Limited <b>9,962</b> 5,349</li> <li>(ii) NRB Bearings Europe GmbH <b>3,681</b> -</li> </ul> </li> <li>- in respect of Others (letters of credit) <b>1,126</b> 1,341</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                 |  |
| <p><b>Commitments</b></p> <p>Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) <b>1,529</b> 1,819</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                 |  |

**Notes -**

- (i) The Company is contesting all of the above demands in respect of Income tax, Sales tax, Value added tax and Local body tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.
- (ii) The above disclosure has been made on the basis of information available with the Company.
- (iii) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (iv) The amounts disclosed above represent the best possible estimates arrived at on the basis of the available information and do not include any penalty payable.
- (v) The guarantee given towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods and working capital purposes.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 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 ₹ 613 lakhs (31 March 2024: ₹ 578 lakhs) is recognised as expense and included in "Note 36 - Employee benefits expenses"**

(₹ in lakhs)

| Particulars                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| (i) Employer's contribution to provident fund (Including EDLI and Admin Charges) | 390                         | 367                         |
| (ii) Employer's contribution to family pension fund                              | 171                         | 161                         |
| (iii) Employer's contribution to superannuation fund                             | 46                          | 47                          |
| (iv) Employer's contribution to employee state insurance corporation             | 6                           | 3                           |
| <b>Total</b>                                                                     | <b>613</b>                  | <b>578</b>                  |

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

#### Contribution to gratuity fund (funded scheme)

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

- (i) **Actuarial assumptions**

| Particulars                             | Year ended<br>31 March 2025                       | Year ended<br>31 March 2024                       |
|-----------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Expected return on plan assets          | 6.55% - 6.79%                                     | 7.19% - 7.23%                                     |
| Discount rate (per annum)               | 6.55% - 6.79%                                     | 7.19% - 7.23%                                     |
| Rate of salary increase(#)              | 6% - 10%                                          | 6% - 10%                                          |
| Attrition / withdrawal rate (per annum) | 2% - 17%                                          | 2% - 11%                                          |
| Retirement Age                          | 58 years - 60 years                               | 58 years - 60 years                               |
| Mortality rate                          | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |
| Mortality rate after employment         | N.A.                                              | N.A.                                              |

# takes into account the inflation, seniority, promotions and other relevant factors.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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)

|                                                                                                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Present value of obligation at the beginning of the year                                                                                     | 3,470                  | 3,333                  |
| Interest expense                                                                                                                             | 250                    | 248                    |
| Current service cost                                                                                                                         | 169                    | 152                    |
| Actuarial losses on obligations - due to change in demographic assumptions / due to change in financial assumptions/ due to experience (net) | 118                    | 28                     |
| Benefit paid directly by the employer                                                                                                        | -                      | (51)                   |
| Benefit paid directly by the fund                                                                                                            | (340)                  | (240)                  |
| <b>Present value of obligation at the end of the year</b>                                                                                    | <b>3,667</b>           | <b>3,470</b>           |

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

| Particulars                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------|------------------------|------------------------|
| Fair value of plan assets at beginning of the year      | 3,569                  | 3,183                  |
| Interest income                                         | 258                    | 237                    |
| Contributions by the employer                           | -                      | 150                    |
| Benefit Paid from the fund                              | (340)                  | (240)                  |
| Return on plan assets excluding interest income         | 12                     | 239                    |
| <b>Fair value of plan assets at the end of the year</b> | <b>3,499</b>           | <b>3,569</b>           |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

| Particulars                                                                                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Present value of the defined benefit obligation at the end of the year                              | 3,667                  | 3,470                  |
| Less: Fair value of plan assets at the end of the year                                              | (3,499)                | (3,569)                |
| <b>Net liabilities / (assets) recognised in the standalone balance sheet (refer note 31 and 21)</b> | <b>168</b>             | <b>(99)</b>            |
| <b>Recognised under (assets) / provisions</b>                                                       |                        |                        |
| Non current (assets) / provision                                                                    | -                      | -                      |
| Current (assets) / provision                                                                        | 168                    | (99)                   |

### (v) Net interest expense (₹ in Lakhs)

| Particulars                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Interest expenses                   | 250                         | 248                         |
| Interest income                     | (258)                       | (237)                       |
| <b>Net interest (income) / cost</b> | <b>(8)</b>                  | <b>11</b>                   |

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

| Particulars                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Current service cost                | 169                         | 152                         |
| Net interest (income) / expense     | (8)                         | 11                          |
| <b>Net gratuity cost recognised</b> | <b>161</b>                  | <b>163</b>                  |

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

| Particulars                                                                                  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Actuarial losses                                                                             | 118                         | 28                          |
| Return on plan assets, excluding amount recognised in net interest expense                   | (12)                        | (239)                       |
| <b>Total remeasurement expense / (credit) for the year recognised in OCI (refer note 42)</b> | <b>106</b>                  | <b>(211)</b>                |

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

| Particulars                                                                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------|------------------------|------------------------|
| Net (liabilities) / assets recognised at the beginning of the year                  | 99                     | (150)                  |
| Company contributions                                                               | -                      | 150                    |
| Benefits paid directly by Company                                                   | -                      | 51                     |
| (Loss) / gain recognised in other comprehensive income                              | (106)                  | 211                    |
| Expenses recognised in standalone statement of profit and loss                      | (161)                  | (163)                  |
| <b>Net (liabilities) / assets recognised at the end of the year (refer note 31)</b> | <b>(168)</b>           | <b>99</b>              |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### (ix) Major categories of plan assets (as percentage of total plan assets)

(₹ in lakhs)

| Particulars              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------|-----------------------------|-----------------------------|
| Funds managed by insurer | 100%                        | 100%                        |
| <b>Total</b>             | <b>100%</b>                 | <b>100%</b>                 |

### (x) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in lakhs)

| Particulars                              | 31 March 2025 |          | 31 March 2024 |          |
|------------------------------------------|---------------|----------|---------------|----------|
|                                          | Decrease      | Increase | Decrease      | Increase |
| Change in discount rate by - / + 1%      | 204           | 180      | 211           | 187      |
| Change in salary growth rate by - / + 1% | 182           | 202      | 188           | 209      |
| Change in attrition rate by - / + 1%     | 1             | 1        | 4             | 3        |

The present value of the defined benefit obligation is 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<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------|------------------------|------------------------|
| 1 year                                                            | 808                    | 473                    |
| 2 to 5 years                                                      | 1,518                  | 1,621                  |
| 6 to 10 years                                                     | 1,213                  | 1,303                  |
| More than 10 years                                                | 2,285                  | 2,544                  |

### (xii) General descriptions of significant defined plans

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

### (c) Other long term benefits:

Compensated absences recognised in the standalone statement of profit and loss for the current year, under the Note 36 - Employee benefits expense, is ₹ 161 lakhs (31 March 2024: ₹ 197 lakhs). Liability towards provision for compensated absences as at 31 March 2025 of ₹ 941 lakhs (31 March 2024 - ₹ 907 lakhs).

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

(₹ in lakhs)

| Particulars                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------|------------------------|------------------------|
| <b>Opening provision at the beginning of the year</b> | <b>907</b>             | <b>844</b>             |
| Add : Provision created during the year               | <b>161</b>             | 197                    |
| Less : Amount paid during the year                    | <b>(127)</b>           | (134)                  |
| <b>Closing provision at the end of the year</b>       | <b>941</b>             | <b>907</b>             |

**Note** - The liability of ₹ 941 lakhs (31 March 2024 - ₹ 907 lakhs) is classified as "Current" in accordance with the guidance note issued by the Institute of Chartered Accountants of India 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 ₹ 136 lakhs (31 March 2024 - ₹ 153 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% (31 March 2024 - 10%)

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

#### (i) Right-of-use assets (ROU)

(Included in property, plant and equipment)

(₹ in lakhs)

| Particulars                        | Buildings and flats | Total        |
|------------------------------------|---------------------|--------------|
| <b>Gross carrying value</b>        |                     |              |
| <b>Balance as at 1 April 2023</b>  | <b>977</b>          | <b>977</b>   |
| Additions                          | -                   | -            |
| Disposals                          | -                   | -            |
| <b>Balance as at 31 March 2024</b> | <b>977</b>          | <b>977</b>   |
| Additions                          | 25                  | 25           |
| Disposals                          | -                   | -            |
| <b>Balance as at 31 March 2025</b> | <b>1,002</b>        | <b>1,002</b> |
| <b>Accumulated depreciation</b>    |                     |              |
| <b>Balance as at 1 April 2023</b>  | <b>349</b>          | <b>349</b>   |
| Charge for the year                | 196                 | 196          |
| Disposal / adjustment              | -                   | -            |
| <b>Balance as at 31 March 2024</b> | <b>545</b>          | <b>545</b>   |
| Charge for the year                | 196                 | 196          |
| Disposal / adjustment              | -                   | -            |
| <b>Balance as at 31 March 2025</b> | <b>741</b>          | <b>741</b>   |
| <b>Net carrying value</b>          |                     |              |
| <b>Balance as at 31 March 2024</b> | <b>432</b>          | <b>432</b>   |
| <b>Balance as at 31 March 2025</b> | <b>261</b>          | <b>261</b>   |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

| Particulars                                                                                                                                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Interest cost on lease liabilities                                                                                                                                      | 40                          | 58                          |
| Depreciation on right of use assets                                                                                                                                     | 196                         | 196                         |
| 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 39) | 136                         | 153                         |

### Note - Breakdown of rent

(₹ in lakhs)

| Particulars                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------|-----------------------------|-----------------------------|
| Short-term lease expense   | 50                          | 86                          |
| Low value lease expense    | 86                          | 67                          |
| <b>Total lease expense</b> | <b>136</b>                  | <b>153</b>                  |

### (iii) Cash outflow from leases (₹ in lakhs)

| Particulars                                                                                                                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Cash payments for the principal portion of the lease liability within financing activities                                                                                       | 185                         | 169                         |
| Cash payments for the interest portion of the lease liability within financing activities                                                                                        | 40                          | 58                          |
| 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 | 136                         | 153                         |

### (iv) Lease liabilities (₹ in lakhs)

| Particulars                                | Amount     |
|--------------------------------------------|------------|
| <b>Balance as at 1 April 2023</b>          | 670        |
| Add: Movement during the year              | -          |
| Add: Interest cost accrued during the year | 58         |
| Less: payment of lease liabilities         | (227)      |
| <b>Balance as at 31 March 2024</b>         | <b>501</b> |
| Add: Movement during the year              | -          |
| Add: Interest cost accrued during the year | 40         |
| Less: Payment of lease liabilities         | (225)      |
| <b>Balance as at 31 March 2025</b>         | <b>316</b> |

**Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025**

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------|------------------------|------------------------|
| Non-current  | 78                     | 293                    |
| Current      | 238                    | 208                    |
| <b>Total</b> | <b>316</b>             | <b>501</b>             |

**(v) Maturity analysis of lease liabilities**
**Maturity analysis – contractual discounted cash flows**
**As at 31 March 2025**

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Buildings and flats      | 238                 | 71                       | 7                        | -               |
| <b>Total</b>             | <b>238</b>          | <b>71</b>                | <b>7</b>                 | <b>-</b>        |

**As at 31 March 2024**

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Buildings and flats      | 208                 | 232                      | 61                       | -               |
| <b>Total</b>             | <b>208</b>          | <b>232</b>               | <b>61</b>                | <b>-</b>        |

**Maturity analysis – contractual undiscounted cash flows**
**As at 31 March 2025**

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Buildings and flats      | 257                 | 72                       | 8                        | -               |
| <b>Total</b>             | <b>257</b>          | <b>72</b>                | <b>8</b>                 | <b>-</b>        |

**As at 31 March 2024**

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Buildings and flats      | 248                 | 249                      | 62                       | -               |
| <b>Total</b>             | <b>248</b>          | <b>249</b>               | <b>62</b>                | <b>-</b>        |

- (vi) There are several lease agreements with extension and termination options for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise the extension options and not to exercise the termination options, the Company has opted to include such extended term and ignore the termination option in determination of the lease term.

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### 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<br>31 March 2025                                                                                                                                                                           | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| (i) Amount required to be spent by the Company during the year                                                 | 228                                                                                                                                                                                                   | 170                         |
| (ii) Amount of expenditure incurred on:                                                                        |                                                                                                                                                                                                       |                             |
| (a) Construction/acquisition of any asset                                                                      | -                                                                                                                                                                                                     | -                           |
| (b) On purposes other than (a) above - paid in cash                                                            | 228                                                                                                                                                                                                   | 170                         |
| (iii) Shortfall at the end of the year                                                                         | -                                                                                                                                                                                                     | -                           |
| (iv) Total of previous years shortfall                                                                         | -                                                                                                                                                                                                     | -                           |
| (v) Reason for shortfall                                                                                       | NA                                                                                                                                                                                                    | NA                          |
| (vi) Nature of CSR activities                                                                                  | Promotion of education, Promoting gender equality and empowering women, Employment enhancing vocational skills and promoting social business projects including ensuring environmental sustainability |                             |
| (vii) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard | NA                                                                                                                                                                                                    | NA                          |

The amount spent towards CSR does not involve any long term project and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

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

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

(₹ in lakhs)

| Particulars                                                                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Guarantee in the form of corporate guarantee given to bank on behalf of step down subsidiaries: |                        |                        |
| - NRB Bearings (Thailand) Limited                                                               | 9,962                  | 5,349                  |
| - NRB Bearings Europe GmbH                                                                      | 3,681                  | -                      |
| <b>Total</b>                                                                                    | <b>13,643</b>          | <b>5,349</b>           |

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

##### Movement in inter corporate deposit for the year ended 31 March 2025

(₹ in lakhs)

| Name of borrower                  | Rate of interest | Opening balance as at 1 April 2024 | Issued during the year | Interest accrued during the year | Repayment during the year | Foreign exchange adjustment | Closing balance as at 31 March 2025 |
|-----------------------------------|------------------|------------------------------------|------------------------|----------------------------------|---------------------------|-----------------------------|-------------------------------------|
| NRB Holdings Limited (subsidiary) | 8.50%            | 7,725                              | -                      | 625                              | (2,450)                   | (418)                       | 5,482                               |
|                                   |                  | <b>7,725</b>                       | <b>-</b>               | <b>625</b>                       | <b>(2,450)</b>            | <b>(418)</b>                | <b>5,482</b>                        |

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

### Movement in inter corporate deposit for the year ended 31 March 2024

(₹ in lakhs)

| Name of borrower                                       | Rate of interest | Opening balance as at 1 April 2023 | Issued during the year | Interest accrued during the year | Repayment during the year | Foreign exchange adjustment | Closing balance as at 31 March 2024 |
|--------------------------------------------------------|------------------|------------------------------------|------------------------|----------------------------------|---------------------------|-----------------------------|-------------------------------------|
| NRB Bearings (Thailand) Limited (step down subsidiary) | 8.23%            | 1,284                              | -                      | 26                               | (1,282)                   | (28)                        | -                                   |
| NRB Holdings Limited (subsidiary)                      | 8.50%            | 2,341                              | 4,970                  | 500                              | (172)                     | 86                          | 7,725                               |
|                                                        |                  | <b>3,625</b>                       | <b>4,970</b>           | <b>526</b>                       | <b>(1,454)</b>            | <b>58</b>                   | <b>7,725</b>                        |

#### Notes -

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 2025 and 31 March 2024:

| Particulars                                 | Numerator            | Denominator                                                             | 31 March 2025 | 31 March 2024 | Variance |
|---------------------------------------------|----------------------|-------------------------------------------------------------------------|---------------|---------------|----------|
| Current ratio (in times)                    | Current assets       | Current liabilities                                                     | 3.31          | 3.00          | 10%      |
| Debt-equity ratio (in times)                | Debt                 | Net worth                                                               | 0.08          | 0.15          | (46%)    |
| Debt service coverage ratio (in times)      | EBITDA               | Finance costs + principal repayments of borrowings within next one year | 14.78         | 4.56          | 224%     |
| Return on equity ratio (in %)               | Profit after tax     | Average net worth                                                       | 6.80%         | 33.66%        | (80%)    |
| Inventory turnover ratio (in times)         | Cost of goods sold   | Average inventories                                                     | 2.29          | 2.13          | 7%       |
| Trade receivables turnover ratio (in times) | Net credit sales     | Average trade receivables                                               | 4.07          | 3.72          | 10%      |
| Trade payables turnover ratio (in times)    | Net credit purchases | Average trade payables                                                  | 6.18          | 5.09          | 21%      |
| Net capital turnover ratio (in times)       | Net sales            | Average Working capital                                                 | 2.25          | 2.12          | 6%       |
| Net profit ratio (in %)                     | Profit after tax     | Revenue from operations                                                 | 5.45%         | 24.49%        | (78%)    |
| Return on capital employed (in %)           | EBIT                 | Capital Employed                                                        | 9.13%         | 12.94%        | (29%)    |
| Return on investment                        | Profit before tax    | Total assets                                                            | 7.24%         | 28.03%        | (74%)    |

#### Notes -

- (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 and tax
- (iv) Cost of goods sold = Cost of materials consumed + Changes in inventories of finished goods and work-in-progress
- (v) Net purchase = Purchases of raw material
- (vi) Working capital = Current assets - Current liabilities
- (vii) EBIT = Earnings before finance costs and tax
- (viii) Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

## Material accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2025

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

| Ratio                                  | Variance | Reason                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Debt-equity ratio (in times)           | (46%)    | The Company has repaid all its non-current borrowings during the current year, which leads to significant reduction in the debt-equity ratio (debt included in numerator) and significant improvement in the debt service coverage ratio (debt included in the denominator).                                                                                                                                                                                                               |
| Debt service coverage ratio (in times) | 224%     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Return on equity ratio (in %)          | (80%)    | During the financial year ended 31 March 2025, the Company experienced a significant decline in profitability, with net profits before and after tax decreasing by approximately 75–77% compared to the previous year ended 31 March 2024. This reduction is primarily attributable to exceptional items recognized during the year (refer Note 40 for details). The substantial impact of these exceptional items has led to a corresponding deterioration in these key financial ratios. |
| Net profit ratio (in %)                | (78%)    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Return on capital employed (in %)      | (29%)    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Return on investment                   | (74%)    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### 55 Disclosure for struck off companies

The Company does not have any transactions and outstanding balances for the current year and previous year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### 56 Other regulatory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency.
- (iii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (iv) The Company has not made any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Company has not been declared a wilful defaulter by any bank.
- (vi) The Company has sanctioned borrowings / facilities from bank on the basis of security of current assets. The monthly returns or statements of current assets filed by the Company with bank are in agreement with the books of account.
- (vii) The Company has complied with the number of layers prescribed under section 2(87) of the Act.
- (viii) The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2025 and 31 March 2024.
- (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 2025.
- (xi) The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which use accounting software for maintaining their books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the year ended 31 March 2025 and 31 March 2024, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of books of account. However, the audit trail (edit log) at the application level for the accounting software was enabled and operating for all relevant transactions recorded in the software.

## 57 Segment reporting

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

## 58 Earnings per share

The earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by weighted average number of equity shares outstanding during the year.

| Particulars                                                                    | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Net profit after tax for the year (₹ in lakhs)                                 | <b>5,868</b>                | 25,047                      |
| Profit attributable to equity share holders (₹ in lakhs)                       | <b>5,868</b>                | 25,047                      |
| Weighted average number of equity shares outstanding during the year (numbers) | <b>96,922,600</b>           | 96,922,600                  |
| Basic (in ₹)                                                                   | <b>6.06</b>                 | 25.85                       |
| Diluted (in ₹)                                                                 | <b>6.06</b>                 | 25.85                       |
| Face value per share (in ₹)                                                    | <b>2</b>                    | 2                           |

### Note -

The Company does not have any outstanding dilutive potential equity shares as at 31 March 2025 and 31 March 2024. Consequently, basic and diluted earnings per share of the Company remain the same.

This is the summary of material 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

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Place : Mumbai**  
**Date : 14 May 2025**

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

**Ashank Desai**  
Chairman  
DIN : 00017767

**Raman Malhotra**  
Chief Financial Officer

**Place : Mumbai**  
**Date : 14 May 2025**

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

**Kishor Talreja**  
Company Secretary

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

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of NRB Bearings Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

1. We have audited the accompanying consolidated financial statements of **NRB Bearings Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed below, which comprise the consolidated balance sheet as at **31 March 2025**, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flows statements and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

- a. SNL Bearings Limited
  - b. NRB Holdings Limited (UAE)
  - c. NRB Bearings (Thailand) Limited\*
  - d. NRB Bearings Europe GmbH\*
  - e. NRB Bearings USA Inc\*
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor on separate financial statements/consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matter**

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of other auditor on separate financial statements/consolidated 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

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

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><u>Existence and valuation of inventories of the Holding Company</u></b></p> <p>Refer Note 2.1 (i) to the accompanying consolidated financial statements for material accounting policy on inventories and Note 12 for details of inventory as at 31 March 2025.</p> <p>As at 31 March 2025, total value of inventories amounting to ₹ 43,725 lakhs, comprising of raw material, work-in-progress, stores and spares and finished goods, represent 33% of the total assets of the Group. Such inventories are stored at various locations which include plants and warehouses situated nationwide and carried at cost or net realizable value (NRV), whichever is lower.</p>                                                                                                                                               | <p>Our audit procedures relating to existence and valuation of inventories included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Understood the Holding Company's management process of physical verification, valuation of inventories, identifying slow-moving obsolete inventory and NRV assessment and assessed the appropriateness of Company's accounting policy for valuation of inventory in accordance with Ind AS 2.</li> <li>• Evaluated the design and tested the operating effectiveness of the Holding Company's key manual and IT application controls over physical verification, valuation of inventories, identifying slow-moving and non-moving obsolete inventory and NRV assessment.</li> </ul>                |
| <p><b>A) Physical verification of inventories</b></p> <p>The management of the Holding Company has undertaken the physical verification of inventories at periodic intervals during the year and shortage/excess, if any are recorded in the books of accounts. Owing to multiple plant locations and significant amount of inventories held at such locations, significant attention and audit efforts are spent by us to obtain comfort on existence of such inventories.</p>                                                                                                                                                                                                                                                                                                                                                  | <p><b>A) Physical verification of inventories</b></p> <ul style="list-style-type: none"> <li>• Inspected Holding Company's management inventory count records and observed physical verification conducted by management for locations selected based on materiality and risk considerations.</li> <li>• Performed independent test counts to corroborate the Holding Company's management count for the selected locations.</li> <li>• Ensured that necessary adjustments have been made in the books of account basis the results of the physical counts performed by the Holding Company's management.</li> </ul>                                                                                                                                                         |
| <p><b>B) Valuation of inventories</b></p> <p>Raw material costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress cost consists of direct material, labour and allocation of various production and administration overheads.</p> <p>The valuation of inventories under work-in-progress and finished goods is complex as it is carried out across locations in excel spreadsheets based on the quantitative inputs received from the respective departments and the valuation process involves Holding Company's management judgement and estimation around inputs used for overhead allocation basis various criteria, cost drivers, product mix and allocation of expenses through various stages of production.</p> | <p><b>B) Valuation of inventories</b></p> <ul style="list-style-type: none"> <li>• Verified the expenses considered as cost of conversion including estimates for apportionment of the cost of conversion on the different classes of finished goods and work-in-progress inventories, corroborated the same with underlying records such as, books of account, purchase register, cost and productions records etc. and recomputed the arithmetical accuracy thereof for calculating the overhead rates considered as part of the finished goods and work-in-progress inventories for a sample of items.</li> <li>• Tested on a sample basis, the appropriateness of capturing of cost of overheads from various processes and basis of allocation of overheads.</li> </ul> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>C) Slow-moving / Obsolete / NRV (Net Realisable Value) assessment</b></p> <p>At the end of each reporting period, management of the Holding Company assesses whether there is adequate provision for inventories on account of lower NRV and for slow-moving / obsolete inventories. The Holding Company's provisioning policy is based on past trends of usage of materials and sales forecasts which further involves estimation and uncertainty. An allowance of ₹ 6,550 lakhs is created as at 31 March 2025, for obsolescence of slow and non-moving inventories.</p> <p>Owing to complexities as stated above, significance of carrying amount of inventories and significant management assumptions, estimates and judgements involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit.</p> | <p><b>C) Slow-moving / Obsolete / NRV (Net Realisable Value) assessment</b></p> <ul style="list-style-type: none"> <li>• Tested inventories ageing obtained through system reports.</li> <li>• Understood the management's basis for classification of such inventories as slow and non-moving / obsolete inventories and ensured the same is consistently applied and evaluated the management's assessment for provisioning and estimating NRV by performing an independent age-wise analysis of the inventory items, comparing with subsequent and recent selling prices.</li> <li>• Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the requirements of applicable accounting standards.</li> </ul> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. 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.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the respective entities included in the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors of the companies included in the Group 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**

10. 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.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Holding Company;
  - Conclude on the appropriateness of Holding Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 / financial statement 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 auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
12. 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.

13. We also provide those charged with governance of the Holding Company 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.
14. From the matters communicated with those charged with governance of the Holding Company, 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**

15. We did not audit the consolidated financial statements of one subsidiary (NRB Holdings Limited, UAE), whose consolidated financial statements reflects total assets of ₹ 36,820 lakhs as at 31 March 2025, total revenues of ₹ 34,449 lakhs and net cash outflows amounting to ₹ 219 lakhs for the year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements have been audited by other auditor whose report has been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, are based solely on the report of other auditor.

Further, the subsidiary is located outside India whose consolidated financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Holding Company's management has converted the consolidated financial statements of such subsidiary, located outside India from accounting principles generally accepted in their respective 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 amounts and disclosures included in respect of such subsidiary located outside India, is based on the report of other auditor 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 report of the other auditor.

#### **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 Holding Company and its one subsidiary incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. 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 2025 and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective order reports of such companies.
18. 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 aforesaid consolidated financial statements;
  - b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, 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 report of other auditor;

- 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 one subsidiary incorporated in India and taken on record by the Board of Directors of the respective companies covered under the Act, none of the directors of the respective companies, are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act.
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18 (b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary incorporated in India covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditor:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.;
  - 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 incorporated in India during the year ended 31 March 2025;
  - iv.
    - a. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, on the date of this audit report, as disclosed in note 57(ix) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary incorporated in India to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or such subsidiary incorporated in India, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, on the date of this audit report, as disclosed in note 57(iii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary incorporated in India from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or such subsidiary, incorporated in India shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by one of its subsidiary company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 45 (iii) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company and one of its subsidiary have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As stated in note 57(x) to the consolidated financial statements and based on our examination which included test checks of the Holding Company and its one subsidiary which are companies incorporated in India and audited under the Act, except for matters mentioned below, the Holding Company and such subsidiary, in respect of financial year commencing on 1 April 2024, have used an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below. Furthermore, the audit trails have been preserved by the Holding Company and its subsidiary as per the statutory requirements for record retention.

| Nature of exception noted                                                                                                                                                                                                         | Details of exception                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software. | The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company and its subsidiary company incorporated in India. |

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

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 25106815BMJIFX6921**

**Place:** Mumbai  
**Date:** 14 May 2025

**Annexure I****Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

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 2025**, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its 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 its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the 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 (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to 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 its subsidiary, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to 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 its 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 financial statements.

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

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

**Opinion**

8. In our opinion, the Holding Company and its 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 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the IFC Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**UDIN: 25106815BMJIFX6921**

**Place:** Mumbai

**Date:** 14 May 2025

**Consolidated Balance Sheet as at 31 March 2025**

(₹ in lakhs)

| Sr. No    | Particulars                                                                            | Note No. | As at 31 March 2025 | As at 31 March 2024 |
|-----------|----------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>I</b>  | <b>ASSETS</b>                                                                          |          |                     |                     |
| <b>1</b>  | <b>Non-current assets</b>                                                              |          |                     |                     |
|           | Property, plant and equipment                                                          | 3        | 37,375              | 33,248              |
|           | Capital work-in-progress                                                               | 3(a)     | 3,936               | 4,313               |
|           | Investment property                                                                    | 4        | -                   | -                   |
|           | Goodwill                                                                               |          | 48                  | 48                  |
|           | Other intangible assets                                                                | 5        | 232                 | 374                 |
|           | Intangible assets under development                                                    | 6        | 21                  | 34                  |
|           | Financial assets                                                                       |          |                     |                     |
|           | (i) Investments                                                                        | 7        | 2,348               | 2,366               |
|           | (ii) Loans(*)                                                                          | 8        | 0                   | 0                   |
|           | (iii) Other financial assets                                                           | 9        | 382                 | 1,078               |
|           | Non-current income tax assets (net)                                                    | 10       | 2,946               | 2,923               |
|           | Other non-current assets                                                               | 11       | 488                 | 765                 |
|           | <b>Total non-current assets</b>                                                        |          | <b>47,776</b>       | <b>45,149</b>       |
| <b>2</b>  | <b>Current assets</b>                                                                  |          |                     |                     |
|           | Inventories                                                                            | 12       | 43,725              | 41,813              |
|           | Financial assets                                                                       |          |                     |                     |
|           | (i) Investments                                                                        | 13       | 3,448               | 2,042               |
|           | (ii) Trade receivables                                                                 | 14       | 21,557              | 17,211              |
|           | (iii) Cash and cash equivalents                                                        | 15       | 5,356               | 5,879               |
|           | (iv) Bank balances other than cash and cash equivalents                                | 16       | 243                 | 4,188               |
|           | (v) Loans                                                                              | 17       | 17                  | 18                  |
|           | (vi) Other financial assets                                                            | 18       | 24                  | 14                  |
|           | Current income tax assets (net)                                                        | 20       | 1,200               | 197                 |
|           | Other current assets                                                                   | 19       | 7,261               | 7,410               |
|           | <b>Total current assets</b>                                                            |          | <b>82,831</b>       | <b>78,772</b>       |
|           | <b>Total assets</b>                                                                    |          | <b>1,30,607</b>     | <b>1,23,921</b>     |
| <b>II</b> | <b>EQUITY AND LIABILITIES</b>                                                          |          |                     |                     |
| <b>1</b>  | <b>Equity</b>                                                                          |          |                     |                     |
|           | Equity share capital                                                                   | 21       | 1,938               | 1,938               |
|           | Other equity                                                                           | 22       | 89,879              | 84,053              |
|           | <b>Equity attributable to owners of parent</b>                                         |          | <b>91,817</b>       | <b>85,991</b>       |
|           | Non-controlling interest                                                               |          | 1,829               | 1,608               |
|           | <b>Total equity</b>                                                                    |          | <b>93,646</b>       | <b>87,599</b>       |
| <b>2</b>  | <b>Liabilities</b>                                                                     |          |                     |                     |
|           | <b>Non-current liabilities</b>                                                         |          |                     |                     |
|           | Financial liabilities                                                                  |          |                     |                     |
|           | (i) Borrowings                                                                         | 23       | -                   | 2,684               |
|           | (ii) Lease liabilities                                                                 | 54       | 85                  | 300                 |
|           | (iii) Other financial liabilities                                                      | 24       | 95                  | 95                  |
|           | Deferred-tax liabilities (net)                                                         | 41       | 1,858               | 2,167               |
|           | Other non-current liabilities                                                          | 25       | -                   | 7                   |
|           | <b>Total non-current liabilities</b>                                                   |          | <b>2,038</b>        | <b>5,253</b>        |
| <b>3</b>  | <b>Current liabilities</b>                                                             |          |                     |                     |
|           | Financial liabilities                                                                  |          |                     |                     |
|           | (i) Borrowings                                                                         | 26       | 18,399              | 14,652              |
|           | (ii) Lease liabilities                                                                 | 54       | 238                 | 208                 |
|           | (iii) Trade payables                                                                   | 27       |                     |                     |
|           | Total outstanding dues of micro enterprises and small enterprises                      |          | 1,733               | 2,045               |
|           | Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 8,640               | 7,592               |
|           | (iv) Other financial liabilities                                                       | 28       | 2,757               | 4,145               |
|           | Other current liabilities                                                              | 29       | 1,350               | 1,268               |
|           | Provisions                                                                             | 30       | 1,163               | 957                 |
|           | Current tax liabilities (net)                                                          | 31       | 643                 | 202                 |
|           | <b>Total current liabilities</b>                                                       |          | <b>34,923</b>       | <b>31,069</b>       |
|           | <b>Total liabilities</b>                                                               |          | <b>36,961</b>       | <b>36,322</b>       |
|           | <b>Total equity and liabilities</b>                                                    |          | <b>1,30,607</b>     | <b>1,23,921</b>     |

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

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

This is the consolidated Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman  
DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director  
DIN : 00209069

## Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(₹ in lakhs, except per share data)

| Particulars                                                                           | Note No. | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---------------------------------------------------------------------------------------|----------|--------------------------|--------------------------|
| <b>Income</b>                                                                         |          |                          |                          |
| Revenue from operations                                                               | 32       | 1,19,861                 | 1,09,403                 |
| Other income                                                                          | 33       | 2,464                    | 1,778                    |
| <b>Total income</b>                                                                   |          | <b>1,22,325</b>          | <b>1,11,181</b>          |
| <b>Expenses</b>                                                                       |          |                          |                          |
| Cost of materials consumed                                                            | 34       | 46,159                   | 44,322                   |
| Changes in inventories of finished goods and work-in-progress                         | 35       | (385)                    | (2,450)                  |
| Employee benefits expense                                                             | 36       | 19,153                   | 17,062                   |
| Finance costs                                                                         | 37       | 1,108                    | 2,227                    |
| Depreciation and amortisation expenses                                                | 38       | 4,758                    | 4,332                    |
| Other expenses                                                                        | 39       | 35,010                   | 32,844                   |
| <b>Total expenses</b>                                                                 |          | <b>1,05,803</b>          | <b>98,337</b>            |
| <b>Profit before exceptional items and tax</b>                                        |          | <b>16,522</b>            | <b>12,844</b>            |
| Exceptional items- (loss) / gain (net)                                                | 40       | (5,189)                  | 18,743                   |
| <b>Profit before tax</b>                                                              |          | <b>11,333</b>            | <b>31,587</b>            |
| <b>Tax expense / (credit):</b>                                                        | 41       |                          |                          |
| Current tax                                                                           |          | 3,157                    | 6,628                    |
| Deferred tax (net)                                                                    |          | (254)                    | 794                      |
| Tax pertaining to earlier years                                                       |          | 198                      | 14                       |
|                                                                                       |          | <b>3,101</b>             | <b>7,436</b>             |
| <b>Profit for the year</b>                                                            |          | <b>8,232</b>             | <b>24,151</b>            |
| <b>Other comprehensive (loss)/income</b>                                              | 42       |                          |                          |
| (i) Items that will not be reclassified subsequently to profit or loss (net of taxes) |          | (133)                    | 387                      |
| (ii) Items that will be reclassified subsequently to profit or loss (net of taxes)    |          | 438                      | (172)                    |
|                                                                                       |          | <b>305</b>               | <b>215</b>               |
| <b>Total comprehensive income for the year</b>                                        |          | <b>8,537</b>             | <b>24,366</b>            |
| <b>Profit for the year attributable to:</b>                                           |          |                          |                          |
| -Owners of the parent                                                                 |          | 7,944                    | 23,943                   |
| -Non controlling interest                                                             |          | 288                      | 208                      |
| <b>Other comprehensive income for the year attributable to:</b>                       |          |                          |                          |
| -Owners of the parent                                                                 |          | 305                      | 215                      |
| -Non controlling interest (*)                                                         |          | (0)                      | 0                        |
| <b>Total comprehensive income for the year attributable to:</b>                       |          |                          |                          |
| -Owners of the parent                                                                 |          | 8,249                    | 24,158                   |
| -Non controlling interest                                                             |          | 288                      | 208                      |
| <b>Earnings per equity share (face value of ₹ 2 each)</b>                             | 58       |                          |                          |
| Basic (in ₹)                                                                          |          | 8.20                     | 24.71                    |
| Diluted (in ₹)                                                                        |          | 8.20                     | 24.71                    |

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

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

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman  
DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

**Harshbeena Zaveri**

Vice Chairman and  
Managing Director  
DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director  
DIN : 00209069

**Consolidated statement of cash flows for the year ended 31 March 2025**

(₹ in lakhs)

| Sr. No.  | Particulars                                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------|--------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A</b> | <b>Cash flows from operating activities</b>                                                      |                             |                             |
|          | <b>Profit before tax (after exceptional items)</b>                                               | <b>11,333</b>               | 31,587                      |
|          | <b>Adjustments for:</b>                                                                          |                             |                             |
|          | Depreciation and amortisation expenses                                                           | <b>4,758</b>                | 4,332                       |
|          | Liabilities no longer required written back                                                      | <b>(218)</b>                | (452)                       |
|          | Foreign exchange loss (unrealised) (net)                                                         | <b>184</b>                  | 959                         |
|          | Fair valuation loss / (gain) on derivative instrument measured at FVTPL                          | <b>(11)</b>                 | 13                          |
|          | Fair valuation gain on financial assets measured at FVTPL                                        | <b>(116)</b>                | (238)                       |
|          | Finance costs                                                                                    | <b>1,108</b>                | 2,227                       |
|          | Interest income                                                                                  | <b>(128)</b>                | (104)                       |
|          | Dividend income                                                                                  | <b>(15)</b>                 | (13)                        |
|          | Gain on sale of current investments                                                              | <b>(248)</b>                | (11)                        |
|          | Profit on sale of property, plant and equipments (net)                                           | <b>(69)</b>                 | (29)                        |
|          | Gain on sale of assets classified as held for sale (exceptional item)                            | -                           | (17,768)                    |
|          | Rent income                                                                                      | <b>(258)</b>                | (156)                       |
|          | Property, plant and equipments written off                                                       | -                           | 24                          |
|          | Provision / (reversal) for doubtful trade receivables and bad debts written off                  | <b>68</b>                   | (168)                       |
|          | Provision for gratuity                                                                           | <b>174</b>                  | 178                         |
|          | Provision for leave encashment                                                                   | <b>177</b>                  | 211                         |
|          | Changes in foreign currency translation reserve                                                  | <b>505</b>                  | (154)                       |
|          | Provision towards slow moving and non-moving inventories (including inventories written off)     | <b>713</b>                  | 647                         |
|          | Loss of inventories due to fire (exceptional item)                                               | -                           | 1,658                       |
|          | Impairment loss on property, plant and equipments damaged due to fire (exceptional item)         | -                           | 418                         |
|          | Insurance claim received on property, plant and equipment damaged due to fire (exceptional item) | <b>(750)</b>                | (1,250)                     |
|          | <b>Operating profit before working capital changes</b>                                           | <b>17,207</b>               | <b>21,911</b>               |
|          | <b>Changes in working capital:</b>                                                               |                             |                             |
|          | Adjustment for decrease / (increase) in assets                                                   |                             |                             |
|          | - Trade receivables                                                                              | <b>(4,326)</b>              | 4,453                       |
|          | - Inventories                                                                                    | <b>(2,625)</b>              | (7,216)                     |
|          | - Other non-current financial assets                                                             | <b>203</b>                  | 178                         |
|          | - Other current financial assets and loans                                                       | <b>(5)</b>                  | 10                          |
|          | - Other non-current assets                                                                       | <b>140</b>                  | 137                         |
|          | - Other current assets                                                                           | <b>149</b>                  | (621)                       |
|          | Adjustment in (decrease) / increase in liabilities                                               |                             |                             |
|          | - Other non-current liabilities                                                                  | <b>(7)</b>                  | (5)                         |
|          | - Other non-current and current financial liabilities                                            | <b>816</b>                  | (789)                       |
|          | - Trade payables                                                                                 | <b>868</b>                  | (2,904)                     |
|          | - Provisions                                                                                     | <b>(252)</b>                | (263)                       |
|          | - Other current liabilities                                                                      | <b>82</b>                   | 332                         |
|          | <b>Cash generated from operations before tax</b>                                                 | <b>12,251</b>               | <b>15,223</b>               |
|          | Direct taxes paid                                                                                | <b>(3,883)</b>              | (3,707)                     |
|          | <b>Net cash generated from operating activities (A)</b>                                          | <b>8,368</b>                | <b>11,516</b>               |

**Consolidated statement of cash flows for the year ended 31 March 2025 - (continued)**

(₹ in lakhs)

| Sr. No.  | Particulars                                                                                                                                                                                   | Year ended 31 March 2025 | Year ended 31 March 2024 |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>B</b> | <b>Cash flow from investing activities</b>                                                                                                                                                    |                          |                          |
|          | Purchase of property, plant and equipment and intangible assets (including movement of capital work-in-progress, Intangible assets under development, capital advances and capital creditors) | <b>(8,190)</b>           | (4,936)                  |
|          | Sale proceeds of property, plant and equipment                                                                                                                                                | <b>69</b>                | 29                       |
|          | Insurance claimed received on property, plant & equipments damaged due to fire                                                                                                                | <b>750</b>               | 1,250                    |
|          | Sale proceeds of assets held for sale                                                                                                                                                         | -                        | 17,821                   |
|          | Taxes on gains from sale of assets held for sale                                                                                                                                              | -                        | (3,076)                  |
|          | Proceeds from / (investments in) bank deposits                                                                                                                                                | <b>2,132</b>             | (858)                    |
|          | Investments in equity instruments / mutual funds (net)                                                                                                                                        | <b>(1,331)</b>           | (287)                    |
|          | Gains from sale of investments in equity instruments / mutual funds                                                                                                                           | <b>248</b>               | -                        |
|          | Taxes on gains from sale of investments in equity instruments / mutual funds                                                                                                                  | <b>(57)</b>              | -                        |
|          | Rent received                                                                                                                                                                                 | <b>258</b>               | 156                      |
|          | Interest received                                                                                                                                                                             | <b>128</b>               | 104                      |
|          | Dividend received                                                                                                                                                                             | <b>15</b>                | 13                       |
|          | <b>Net cash (used in) / generated from investing activities (B)</b>                                                                                                                           | <b>(5,978)</b>           | <b>10,216</b>            |
| <b>C</b> | <b>Cash flow from financing activities</b>                                                                                                                                                    |                          |                          |
|          | Repayment of non current borrowings (including current maturities)                                                                                                                            | <b>(4,187)</b>           | (3,878)                  |
|          | Proceeds from current borrowings                                                                                                                                                              | <b>37,033</b>            | -                        |
|          | Repayment of current borrowings                                                                                                                                                               | <b>(32,121)</b>          | (10,991)                 |
|          | Finance costs paid                                                                                                                                                                            | <b>(867)</b>             | (2,058)                  |
|          | Payment towards interest portion of lease liabilities                                                                                                                                         | <b>(41)</b>              | (59)                     |
|          | Payment towards principal portion of lease liabilities                                                                                                                                        | <b>(185)</b>             | (170)                    |
|          | Movement in unclaimed dividend balance                                                                                                                                                        | <b>(2,306)</b>           | (1,555)                  |
|          | Dividend paid on equity shares (including unclaimed)                                                                                                                                          | <b>(117)</b>             | (3,388)                  |
|          | Dividend paid on equity shares to non controlling interest                                                                                                                                    | <b>(67)</b>              | (62)                     |
|          | <b>Net cash used in financing activities (C)</b>                                                                                                                                              | <b>(2,858)</b>           | <b>(22,161)</b>          |
|          | <b>Net decrease in cash and cash equivalents (A+B+C)</b>                                                                                                                                      | <b>(468)</b>             | <b>(429)</b>             |
|          | Add: Balance of cash and cash equivalents at the beginning of the year                                                                                                                        | <b>5,879</b>             | 6,531                    |
|          | Add: Effects of exchange rate changes on cash and cash equivalents                                                                                                                            | <b>(55)</b>              | <b>(223)</b>             |
|          | <b>Closing balance of cash and cash equivalents (refer note 15)</b>                                                                                                                           | <b>5,356</b>             | <b>5,879</b>             |

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

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

(₹ in lakhs)

| Particulars                                       | As at 31 March 2025 | As at 31 March 2024 |
|---------------------------------------------------|---------------------|---------------------|
| Balances with banks in:                           |                     |                     |
| - Current accounts                                | <b>4,682</b>        | 4,545               |
| - EEFC account                                    | <b>169</b>          | 830                 |
| Cash on hand                                      | <b>5</b>            | 4                   |
| Margin money deposits with maturity upto 3 months | <b>500</b>          | 500                 |
| <b>Total cash and cash equivalents</b>            | <b>5,356</b>        | <b>5,879</b>        |

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

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

This is the consolidated statement of cash flows referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

For and on behalf of the Board of Directors

**Ashank Desai**

Chairman

DIN : 00017767

**Raman Malhotra**

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

**Harshbeena Zaveri**

Vice Chairman and

Managing Director

DIN : 00003948

**Kishor Talreja**

Company Secretary

**S. C. Rangani**

Non-Executive Director

DIN : 00209069

## Consolidated Statement of Changes in Equity for the year ended 31 March 2025

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

(₹ in lakhs)

| Particulars                                     | Number of shares   | Amount       |
|-------------------------------------------------|--------------------|--------------|
| <b>Balance as at 1 April 2023</b>               | 9,69,22,600        | 1,938        |
| Changes in equity share capital during the year | -                  | -            |
| <b>Balance as at 31 March 2024</b>              | 9,69,22,600        | 1,938        |
| Changes in equity share capital during the year | -                  | -            |
| <b>Balance as at 31 March 2025</b>              | <b>9,69,22,600</b> | <b>1,938</b> |

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

(₹ in lakhs)

| Particulars                                                                                                                 | Reserves and surplus            |                    |                    |                                       |                      | Other reserves                                                            |                                  |                                               |                          |                                 | Total          |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|--------------------|---------------------------------------|----------------------|---------------------------------------------------------------------------|----------------------------------|-----------------------------------------------|--------------------------|---------------------------------|----------------|
|                                                                                                                             | Securi-<br>ties<br>pre-<br>mium | General<br>reserve | Capital<br>reserve | Capital<br>redemp-<br>tion<br>reserve | Retained<br>earnings | Fair Value<br>gain / (loss)<br>on equity<br>instruments<br>through<br>OCI | Cash<br>flow<br>hedge<br>reserve | Foreign<br>currency<br>translation<br>reserve | Total<br>other<br>equity | Non-<br>controlling<br>interest |                |
| <b>Balance as at 1 April 2023</b>                                                                                           | <b>848</b>                      | <b>12,725</b>      | <b>15</b>          | <b>1,011</b>                          | <b>49,337</b>        | <b>415</b>                                                                | <b>147</b>                       | <b>340</b>                                    | <b>64,838</b>            | <b>1,462</b>                    | <b>66,300</b>  |
| <b>Transactions during the year</b>                                                                                         |                                 |                    |                    |                                       |                      |                                                                           |                                  |                                               |                          |                                 |                |
| Profit for the year                                                                                                         | -                               | -                  | -                  | -                                     | 23,943               | -                                                                         | -                                | -                                             | 23,943                   | 208                             | <b>24,151</b>  |
| Other comprehensive income / (loss)<br>(refer note 42) (*)                                                                  | -                               | -                  | -                  | -                                     | 158                  | 229                                                                       | (19)                             | (153)                                         | 215                      | 0                               | <b>215</b>     |
| Interim dividend paid @ ₹ 4.1 per<br>equity share (31 March 2023 - ₹ Nil<br>per equity share) (refer note 45(iii))          | -                               | -                  | -                  | -                                     | (3,974)              | -                                                                         | -                                | -                                             | (3,974)                  | -                               | <b>(3,974)</b> |
| Final dividend paid for FY 2022-23 @<br>₹ 1 per equity share<br>(FY 2021-22 - ₹ 2 per equity share)<br>(refer note 45(iii)) | -                               | -                  | -                  | -                                     | (969)                | -                                                                         | -                                | -                                             | (969)                    | -                               | <b>(969)</b>   |
| Dividend paid to non controlling<br>interest                                                                                | -                               | -                  | -                  | -                                     | -                    | -                                                                         | -                                | -                                             | -                        | (62)                            | <b>(62)</b>    |
| <b>Balance as at 31 March 2024</b>                                                                                          | <b>848</b>                      | <b>12,725</b>      | <b>15</b>          | <b>1,011</b>                          | <b>68,495</b>        | <b>644</b>                                                                | <b>128</b>                       | <b>187</b>                                    | <b>84,053</b>            | <b>1,608</b>                    | <b>85,661</b>  |
| <b>Transactions during the year</b>                                                                                         |                                 |                    |                    |                                       |                      |                                                                           |                                  |                                               |                          |                                 |                |
| Profit for the year                                                                                                         | -                               | -                  | -                  | -                                     | 7,944                | -                                                                         | -                                | -                                             | 7,944                    | 288                             | <b>8,232</b>   |
| Other comprehensive income / (loss)<br>(refer note 42) (*)                                                                  | -                               | -                  | -                  | -                                     | (77)                 | (56)                                                                      | (67)                             | 505                                           | 305                      | (0)                             | <b>305</b>     |
| Less - Interim dividend paid @ ₹ 2.5<br>per equity share (31 March 2024 - ₹<br>4.1 per equity share)(refer note<br>45(iii)) | -                               | -                  | -                  | -                                     | (2,423)              | -                                                                         | -                                | -                                             | (2,423)                  | -                               | <b>(2,423)</b> |
| Dividend paid to non-controlling<br>interest                                                                                | -                               | -                  | -                  | -                                     | -                    | -                                                                         | -                                | -                                             | -                        | (67)                            | <b>(67)</b>    |
| <b>Balance as at 31 March 2025</b>                                                                                          | <b>848</b>                      | <b>12,725</b>      | <b>15</b>          | <b>1,011</b>                          | <b>73,939</b>        | <b>588</b>                                                                | <b>61</b>                        | <b>692</b>                                    | <b>89,879</b>            | <b>1,829</b>                    | <b>91,708</b>  |

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

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

This is the consolidated 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

#### Bharat Shetty

Partner

Membership No.: 106815

Place : Mumbai

Date : 14 May 2025

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

##### Ashank Desai

Chairman  
DIN : 00017767

##### Raman Malhotra

Chief Financial Officer

Place : Mumbai

Date : 14 May 2025

##### Harshbeena Zaveri

Vice Chairman and  
Managing Director  
DIN : 00003948

##### Kishor Talreja

Company Secretary

##### S. C. Rangani

Non-Executive Director  
DIN : 00209069

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

### **1 Company Information**

NRB Bearings Limited ('the Company' or 'the Parent Company' or 'the Holding Company') and its subsidiaries (including step down subsidiaries) (collectively referred to as the 'Group') are mainly engaged in the manufacture and trading of bearing products. The Parent Company is a public limited company domiciled and incorporated in India in 1965. The registered and corporate office of the Parent Company is situated at Dhannur, 15, Sir P. M. Road, Fort, Mumbai 400 001, Maharashtra.

The consolidated financial statements (hereinafter referred to as the 'CFS'/'the consolidated financial statements') for the year ended 31 March 2025 were approved and authorised for issue in accordance with the resolution of the Board of Directors on 14 May 2025.

#### **Basis of Preparation**

The Parent Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended, and the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities Exchange Board of India to the extent applicable. The accounting policies have been consistently applied for all the periods presented in the consolidated financial statements.

The consolidated financial statements have been prepared on an accrual basis using the historical cost convention, except for the following assets and liabilities :

- i) Certain financial assets and liabilities that are measured at fair value;
- ii) Defined benefit plans-plan assets measured at fair value; and
- iii) Derivative financial instrument.

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

The revision to the consolidated financial statements is permitted by the Board of Directors of the Parent Company after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

### **2.1 Material accounting policies**

#### **a. Principles of consolidation**

The consolidated financial statements incorporates the standalone financial statements of the Parent Company, standalone financial statements of the Indian subsidiary and consolidated financial statements of the foreign subsidiary company.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which the control ceases.

The Group combines the standalone financial statements of the parent and its subsidiaries, line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the standalone financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. The 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 2025.

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

Non-controlling interests and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively. The Group treats transactions with non controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amount of the controlling and non controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognised within equity.

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

### **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 Company'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).

For the purposes of presenting the consolidated financial statements, assets and liabilities of Group's foreign operations with functional currency different from that of the Group are translated into Group's functional currency i.e. Indian Rupee (₹), using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in other equity.

### **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.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

Export entitlement from government authority are recognised in the profit and loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Group with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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Sales return can be made by customers having contractual right to return goods only when authorized by the Group. An estimate is made of goods that will be returned and a liability is recognized for this amount using best estimate based on accumulated experience.

**d. Other Income**

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Apart from the above, the subsidiary Company recognises interest income on its security deposits given to the Jharkhand State Electricity Board, on acknowledgement of credit by the Board.

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

Insurance claim is recognised as income in the year the claim is acknowledged or only on receipt of money.

The Group recognises other incomes on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

**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 income tax is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred income tax liabilities are recognised for all taxable temporary differences.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

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

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

### **f. Leases**

#### **Measurement and recognition of leases**

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

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

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### **Group as a lessee**

At lease commencement date, the Group recognises a right-of-use asset and a lease liabilities on the consolidated balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the Group and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liabilities at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or consolidated statement of profit and loss, as the case may be.

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

The Group has elected to account for short-term leases and leases of low-value assets using the exemption / practical expedient given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liabilities, the payments in relation to these are recognised as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Group's benefit.

#### **Group as a lessor**

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

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

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**g. Impairment of non-financial assets**

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

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

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

**h. Cash and cash equivalents**

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

**i. Inventories**

Raw material and components: Valuation of raw material is done on moving average price of cost.

Cost of inventory in raw material comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. Trade discount, rebates and other similar items are deducted in determining the cost of purchase.

Work-in-progress ("WIP") and Finished goods ("FG"): Inventories of Work-in-progress ("WIP") and Finished goods ("FG") are valued at the lower of cost or net realisable value. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of machine hour rates.

Stores and spares: Stores and spares are stated at cost and are charged to the standalone statement of profit and loss, when consumed.

Raw material and components, stores and spares, work in progress and finished goods are stated at "cost or net realisable value whichever is lower".

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

The 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.

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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

Trade receivables are recognised at their transaction price unless those contain significant financing component determined in accordance with Ind AS 115 and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### **Measurement**

At initial recognition, the Group measures a financial asset, except trade receivables, at fair value plus or minus the transaction costs. In case of financial assets classified at 'fair value through profit and loss', the initial recognition is done at fair value in accordance of Ind AS 109 Financial Instruments. Further, as an exception to these principles, according to Ind AS 109 Financial Instruments, financial assets in the form of trade receivables, are initially measured at their transaction price (as defined in Ind AS 115 Revenue from contracts with customers) unless those contain a significant financing component determined in accordance with Ind AS 115 Revenue from contracts with customers.

### **Measurement of debt instruments**

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in consolidated statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in consolidated statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and 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 and loss (FVPTL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and 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 and 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 and 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.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all trade receivables that do not constitute a financing component. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**De-recognition of financial assets**

A financial asset is derecognised only when

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

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

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

**k. Derivatives**

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

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

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

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

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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

### **l. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise 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.

Capital work-in-progress includes property, plant and equipment under construction and not ready for intended use as on the balance sheet date.

Schedule II to the Companies Act, 2013 prescribes useful lives for property, plant and equipment and allows Companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the consolidated financial statements. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

Depreciation/ amortisation on property plant and equipment's has been provided on the straight-line method as per the useful life assessed based on technical advice, taking into account the nature of the asset, the estimated use of the asset on the basis of management's best estimation of getting economic benefits from those class of assets. Depreciation/ amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

The Group uses its external technical expertise along with historical and industry trends for arriving at the economic life of an asset.

| <b>Class of asset</b>                                                   | <b>Useful life based on SLM (Range)</b> |
|-------------------------------------------------------------------------|-----------------------------------------|
| Leasehold land                                                          | 60 - 90 years                           |
| Buildings and flats / Building on leasehold land / Building Improvement | 15 – 50 years                           |
| Plant and equipment                                                     | 3 – 30 years                            |
| Furniture and fixtures                                                  | 3 – 10 years                            |
| Office / factory equipment                                              | 3 – 10 years                            |
| Electrical installations                                                | 5 – 20 years                            |
| Vehicles                                                                | 5 – 8 years                             |

Assets not yet ready for use are recognised as capital work in progress.

Gains / losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the statement of profit and loss, in the period of disposal.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**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. Right of use assets (ROU' assets)**

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and as determined in line with para (m) above. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

**p. Intangible assets and amortisation**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. The amortisation expense on intangible assets with finite life is recognised in the consolidated statement of profit and loss under the head 'Depreciation and amortisation expense'.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Software's are capitalised at the amounts paid to acquire the respective license for use and the costs incurred towards its development and are amortised, over the period of their useful lives, which is generally considered to be a period not exceeding three / five years, depending upon the nature of the software. The assets' useful lives are reviewed at each financial year end. Amortisation is calculated pro-rata from the date of addition or upto the date of disposal, as the case may be.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on date of disposal and are recognised in the consolidated statement of profit and loss when the asset is derecognised. Amortisation is provided pro rata from the date of addition or upto the date of disposal, as the case may be.

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

Intangible assets under development include intangible assets which are not ready for intended use as on balance sheet date.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****q. Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the combination for the purpose of impairment testing. A CGU is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Group of assets. Goodwill is tested for impairment annually or earlier, if events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of impairment testing, goodwill is allocated to a Cash generating unit (CGU) representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group operating segment. For goodwill impairment testing, the carrying amount of CGU's (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell or its value in use. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro rata on the basis of the carrying amount of such assets in CGU.

**r. Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the 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.

**s. Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in consolidated statement of profit and loss in the period in which they are incurred.

**t. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the 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.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**u. Employee benefits**

**A) Short term employee benefits:** All employee benefits payable within twelve months from the end of the period in which services are rendered are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

**B) Post employment benefits**

**i. Gratuity:** The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan is governed by the Payment of Gratuity Act, 1972 and provides lumpsum payment to eligible employees at retirement, death while in employment or termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service. The Parent Company has established two trusts, one each for its staff and officers and makes contributions to such funds for funding these plans. The Indian subsidiary has obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC.

The Group has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the remeasurement of defined benefit obligation and experience adjustments are charged/ credited to consolidated other comprehensive income. All other costs/reversals are recognised in the consolidated statement of profit and loss.

**ii) Provident fund:** For certain employees of one of its Indian subsidiary, the monthly contribution for Provident Fund is made to a Trust administered by the Group. Both the eligible employees and the Group make monthly contributions to the provident fund equal to a specified percentage of the covered employee's salary. The Group contributes a portion to the Employees' Provident Fund Trust ('the PF trust'). The PF trust invests in specific designated instruments as permitted by Indian Law. The rate at which the annual interest is payable to the beneficiaries by the PF trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the PF trust and the notified interest rate. The Group makes provision for provident fund based on an actuarial valuation done as per projected unit credit method by an actuary. Actuarial gains and losses on shortfall, if any, arising on the remeasurement of defined benefit obligation is charged/ credited to consolidated other comprehensive income.

**iii) Defined contribution plans:**

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

**C) Compensated absences**

Liabilities for compensated absences that are not short term, are determined on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to consolidated statement of profit and loss. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**v. Exceptional items**

When items of income and expense within consolidated statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items (refer note 40) .

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****w. Earnings per share**

Basic earnings per share are calculated by dividing the net profit and 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 and loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares (refer note 58).

**x. Operating cycle and classification of current and non-current items**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as a period not exceeding 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(i) An asset is considered as current when it is:

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
- b) Held primarily for the purpose of trading, or
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) All other assets are classified as non-current.

(iii) Liability is considered as current when it is:

- a) Expected to be settled in the normal operating cycle, or
- b) Held primarily for the purpose of trading, or
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

(iv) All other liabilities are classified as non-current.

**y. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**z. 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 of the Parent Company.

**aa. 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:

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**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 charge in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on technical evaluation performed by management's experts and historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**ii) Income Tax:**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

**iii) Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies / claim / litigations by / against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**iv) Expected credit loss on financial assets:**

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

**v) Deferred Taxes:**

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

**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.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**viii) Defined benefit obligation:**

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

**ix) Leases:**

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

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

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

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

**x) Provisions:**

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

**xi) Fair value measurements:**

Management of the Group applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities. Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

**xii) Impairments of assets:**

In assessing impairment, Group estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.

**xiii) Allowances for slow / Non-moving Inventory and obsolescence:**

An allowance for Inventory is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory allowance is an estimate taking into account various factors, including prevailing sales prices of inventory item and losses associated with usability/ obsolete / slow-moving / redundant inventory items. The Group has, based on these assessments, made adequate provision in the books.

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**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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**xiv) Overhead Costing:**

Management of parent company has applied critical estimates and judgements in the calculation of the Machine Hour Rate (MHR) for overhead costing. These estimates are based on data received, including machine-wise operating hours, utilized hours, power consumption, and labour details. Management of parent company reviews and adjusts these estimates on monthly basis to ensure they reflect the most current and reliable information available.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors includes expectation of future events that may have financial impact on the company and are believed to be reasonable under the circumstances.

**ab. Events occurring after the reporting date:**

Where events occurring after the balance sheet date provide evidence at conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

**2.2 Recent accounting pronouncements**

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year ended 31 March 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and lease back transactions, applicable from 01 April 2024. The Group has assessed that there is no significant impact on its consolidated financial statements.

On 9 May 2025, MCA notified the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1 April 2025. The Group is currently assessing the probable impact of these amendments on its consolidated financial statements.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

**3 Property, plant and equipment**

(₹ in Lakhs)

| Particulars                                    | Free Hold Land | Leasehold Land | Buildings & Flats ## | Plant and equipment | Furniture and fixtures | Office Equipment | Electrical Installation | Leasehold improvement | Vehicles   | Total           |
|------------------------------------------------|----------------|----------------|----------------------|---------------------|------------------------|------------------|-------------------------|-----------------------|------------|-----------------|
| <b>Gross carrying value</b>                    |                |                |                      |                     |                        |                  |                         |                       |            |                 |
| Balance as at 1 April 2023                     | 311            | 194            | 13,908               | 70,436              | 1,089                  | 968              | 1,839                   | 660                   | 539        | 89,944          |
| Additions                                      | -              | -              | 162                  | 2,779               | 285                    | 63               | 46                      | -                     | -          | 3,335           |
| Foreign currency translation reserve           | (13)           | -              | (44)                 | (273)               | (21)                   | (8)              | (14)                    | -                     | -          | (373)           |
| Disposals and discards                         | -              | -              | (1)                  | (185)               | (34)                   | -                | -                       | -                     | (4)        | (224)           |
| <b>Balance as at 31 March 2024</b>             | <b>298</b>     | <b>194</b>     | <b>14,025</b>        | <b>72,757</b>       | <b>1,319</b>           | <b>1,023</b>     | <b>1,871</b>            | <b>660</b>            | <b>535</b> | <b>92,682</b>   |
| Additions                                      | -              | -              | 2,827                | 4,078               | 494                    | 284              | 501                     | -                     | -          | 8,184           |
| Foreign currency translation reserve           | 19             | -              | 96                   | 591                 | 37                     | 15               | 28                      | -                     | -          | 786             |
| Disposals and discards                         | -              | -              | -                    | (162)               | (16)                   | (2)              | (1)                     | -                     | -          | (181)           |
| <b>Balance as at 31 March 2025</b>             | <b>317</b>     | <b>194</b>     | <b>16,948</b>        | <b>77,264</b>       | <b>1,834</b>           | <b>1,320</b>     | <b>2,399</b>            | <b>660</b>            | <b>535</b> | <b>1,01,471</b> |
| <b>Accumulated depreciation / amortisation</b> |                |                |                      |                     |                        |                  |                         |                       |            |                 |
| <b>Balance as at 1 April 2023</b>              | -              | 49             | 4,238                | 47,085              | 1,070                  | 768              | 1,342                   | 192                   | 515        | 55,259          |
| Charge for the year**                          | -              | 2              | 540                  | 3,254               | 217                    | 28               | 84                      | -                     | 11         | 4,136           |
| Foreign currency translation reserve           | -              | -              | (22)                 | (156)               | (20)                   | (5)              | (14)                    | -                     | -          | (217)           |
| Reversal on disposals and discards             | -              | -              | (1)                  | (124)               | (34)                   | -                | -                       | -                     | (3)        | (162)           |
| <b>Balance as at 31 March 2024</b>             | -              | 51             | 4,755                | 50,059              | 1,233                  | 791              | 1,412                   | 192                   | 523        | 59,016          |
| Charge for the year**                          | -              | 2              | 600                  | 3,445               | 84                     | 134              | 117                     | 138                   | 4          | 4,524           |
| Foreign currency translation reserve           | 1              | -              | 37                   | 206                 | 28                     | 9                | 20                      | -                     | -          | 301             |
| Reversal on disposals and discards             | -              | -              | -                    | (147)               | (14)                   | (2)              | (0)                     | -                     | -          | (163)           |
| <b>Balance as at 31 March 2025</b>             | <b>1</b>       | <b>53</b>      | <b>5,392</b>         | <b>53,563</b>       | <b>1,331</b>           | <b>932</b>       | <b>1,549</b>            | <b>330</b>            | <b>527</b> | <b>63,678</b>   |
| Impairment loss allowance (refer note 40)      |                |                |                      |                     |                        |                  |                         |                       |            |                 |
| Balance as at 01 April 2024                    | -              | -              | (70)                 | (348)               | -                      | -                | -                       | -                     | -          | (418)           |
| Charge for the year                            | -              | -              | -                    | -                   | -                      | -                | -                       | -                     | -          | -               |
| <b>Balance as at 31 March 2025</b>             | -              | -              | <b>(70)</b>          | <b>(348)</b>        | -                      | -                | -                       | -                     | -          | <b>(418)</b>    |
| Net carrying value                             |                |                |                      |                     |                        |                  |                         |                       |            |                 |
| <b>Balance as at 31 March 2024</b>             | <b>298</b>     | <b>143</b>     | <b>9,200</b>         | <b>22,350</b>       | <b>86</b>              | <b>232</b>       | <b>459</b>              | <b>468</b>            | <b>12</b>  | <b>33,248</b>   |
| <b>Balance as at 31 March 2025</b>             | <b>316</b>     | <b>141</b>     | <b>11,486</b>        | <b>23,353</b>       | <b>503</b>             | <b>388</b>       | <b>850</b>              | <b>330</b>            | <b>8</b>   | <b>37,375</b>   |

## Buildings includes those buildings which are constructed on leasehold land.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Notes:

- (i) Buildings and flats include cost of shares of an aggregate face value of ₹ 750 (31 March 2024: ₹ 750) in co-operative housing societies viz. 5 shares of ₹ 50 each in Vile Parle Vatika Cooperative Housing Society Limited, 5 shares of ₹ 50 each in The Ganesh Villa Co-operative Housing Society Limited and 5 shares of ₹ 50 each in Vinayak Bhavan Cooperative Housing Society Limited.
- (ii) The title deeds/ leasehold right of land, having gross carrying amount aggregating ₹ 61 lakhs (31 March 2024: ₹ 61 lakhs) and net carrying amount aggregating ₹ 59 lakhs (31 March 2024: ₹ 59 lakhs), have been transferred to and vested in the Parent Company, pursuant to the Schemes of Amalgamation/Arrangement and the procedural formalities for changing the title deeds / leasehold right of land in the name of the Parent Company is in process.
- (iii) The Indian subsidiary Company's buildings are constructed on leasehold land, wherein the lessor, SBL Industries Limited, is under liquidation with its assets under control of the Official Liquidator. The details of the lease period being expired / to be expiring are as follows: Out of the total leasehold land of 1.46 acres and 139,481 sq. ft., the lease period with respect to 1.46 acres and 88,320 sq. ft. land is valid till 29 August 2081, however the lease period for 39,225 sq. ft. and 11,936 sq. ft. lands had expired on 30 September 2017 and 29 August 2012 respectively. The Indian subsidiary Company continues to retain possession as lessee and has been regularly depositing the monthly lease rents.
- (iv) For capital commitments, refer note 51.

\*\* Charge for the year includes charge on account of Right-of-use ('ROU') assets of ₹ 196 lakhs for buildings and flats on leasehold land (31 March 2024 : ₹ 196 lakhs) (refer note 54).

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 3(a) Capital work-in-progress

(₹ in lakhs)

| Particulars                        | Amount       |
|------------------------------------|--------------|
| <b>Balance as at 1 April 2023</b>  | <b>2,833</b> |
| Additions                          | 2,432        |
| Capitalised during the year        | (952)        |
| <b>Balance as at 31 March 2024</b> | <b>4,313</b> |
| Additions *                        | 3,997        |
| Capitalised during the year        | (4,374)      |
| <b>Balance as at 31 March 2025</b> | <b>3,936</b> |

(\*) It includes grinding machine, superfinishing machine, sealed quench furnace as at 31 March 2025.

### Ageing of Capital work in progress

(₹ in lakhs)

| Particulars                        | Amount in capital work-in-progress for a period of |           |           |                   | Total        |
|------------------------------------|----------------------------------------------------|-----------|-----------|-------------------|--------------|
|                                    | Less than 1 year                                   | 1-2 years | 2-3 years | More than 3 years |              |
| <b>Balance as at 31 March 2025</b> |                                                    |           |           |                   |              |
| Project in progress                | 2,821                                              | 832       | 103       | 179               | <b>3,935</b> |
| Projects temporarily suspended     | -                                                  | -         | -         | -                 | -            |
| <b>Balance as at 31 March 2024</b> |                                                    |           |           |                   |              |
| Project in progress                | 2,189                                              | 491       | 1,607     | 26                | <b>4,313</b> |
| Projects temporarily suspended     | -                                                  | -         | -         | -                 | -            |

Note - Basis the assessment performed by Group's management as at 31 March 2025 and as at 31 March 2024, no projects from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

### 4 Investment property

(₹ in lakhs)

| Particulars                        | Amount (₹) |
|------------------------------------|------------|
| <b>Gross carrying value</b>        |            |
| <b>Balance as at 1 April 2023</b>  | <b>41</b>  |
| Additions                          | -          |
| <b>Balance as at 31 March 2024</b> | <b>41</b>  |
| Additions                          | -          |
| <b>Balance as at 31 March 2025</b> | <b>41</b>  |
| <b>Accumulated Depreciation</b>    |            |
| <b>Balance as at 1 April 2023</b>  | <b>41</b>  |
| Change for the year                | -          |
| <b>Balance as at 31 March 2024</b> | <b>41</b>  |
| Change for the year                | -          |
| <b>Balance as at 31 March 2025</b> | <b>41</b>  |
| <b>Net carrying value</b>          |            |
| <b>Balance as at 31 March 2024</b> | <b>-</b>   |
| <b>Balance as at 31 March 2025</b> | <b>-</b>   |

^ Investment property includes only buildings and flats which have been fully depreciated on straight line method over the use full life of such assets as at respective reporting dates

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Notes

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

(₹ in lakhs)

| Particulars                                     | As at<br>31 March 2025             | As at<br>31 March 2024     |
|-------------------------------------------------|------------------------------------|----------------------------|
| <b>Buildings and flats</b>                      |                                    |                            |
| Fair value of investment properties             | <b>1,686</b>                       | 1,606                      |
| Valuation method used by the independent valuer | <b>Replacement<br/>cost method</b> | Replacement cost<br>method |

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

(₹ in lakhs)

| Particulars                                                                                                        | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Rental income derived from investment properties (refer note 33)                                                   | <b>258</b>             | 156                    |
| Direct operating expenses from property (including repairs and maintenance) that generated rental income (*)       | -                      | (0)                    |
| Direct operating expenses from property (including repairs and maintenance) that did not generate rental income(*) | -                      | (0)                    |
| Income arising from investment property before depreciation                                                        | <b>258</b>             | 156                    |
| Depreciation                                                                                                       | -                      | -                      |
| <b>Income from investment property (net)</b>                                                                       | <b>258</b>             | <b>156</b>             |

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

#### Disclosure as per Para 75 (g) under Ind AS - 40 "Investment Property"

The Parent Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements on such properties.

#### (iii) Estimation of fair value

- The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, age of building and trend of fair market rent, ready reckoner rate etc.
- The fair value of investment property have been determined by an independent registered valuer as defined under rule 2 of Companies (Registered Valuers and valuation) Rules 2017, who has professional experience as well as adequate expertise of the location and category of the investment property.

#### (iv) Maturity analysis - Parent 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<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| Within one year                             | <b>173</b>             | 113                    |
| After one year but not more than five years | <b>154</b>             | 80                     |
| More than five years                        | -                      | -                      |
| <b>Total</b>                                | <b>327</b>             | <b>193</b>             |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 5 Other intangible assets

(₹ in lakhs)

| Particulars                          | Amount ( ^ ) |
|--------------------------------------|--------------|
| <b>Gross carrying value</b>          |              |
| <b>Balance as at 1 April 2023</b>    | <b>970</b>   |
| Additions                            | 184          |
| Foreign currency translation reserve | -            |
| Disposals                            | -            |
| <b>Balance as at 31 March 2024</b>   | <b>1,154</b> |
| Additions                            | 103          |
| Foreign currency translation reserve | -            |
| Disposals                            | -            |
| <b>Balance as at 31 March 2025</b>   | <b>1,257</b> |
| <b>Accumulated amortisation</b>      |              |
| Balance as at 1 April 2023           | 584          |
| Amortisation charge for the year     | 196          |
| Foreign currency translation reserve | -            |
| Disposals                            | -            |
| <b>Balance as at 31 March 2024</b>   | <b>780</b>   |
| Amortisation charge for the year     | 234          |
| Foreign currency translation reserve | 11           |
| Disposals                            | -            |
| <b>Balance as at 31 March 2025</b>   | <b>1,025</b> |
| <b>Net carrying value</b>            |              |
| <b>Balance as at 31 March 2024</b>   | <b>374</b>   |
| <b>Balance as at 31 March 2025</b>   | <b>232</b>   |

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

**Note** - For capital commitments, refer note 51.

### 6 Intangible assets under development

(₹ in lakhs)

| Particulars                        | Amount ( ^ ) |
|------------------------------------|--------------|
| <b>Balance as at 1 April 2023</b>  | <b>-</b>     |
| Additions                          | 34           |
| Capitalized during the year        | -            |
| Written off during the year        | -            |
| <b>Balance as at 31 March 2024</b> | <b>34</b>    |
| Additions                          | 21           |
| Capitalised during the year        | (34)         |
| <b>Balance as at 31 March 2025</b> | <b>21</b>    |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Ageing of Intangible assets under development

(₹ in lakhs)

| Particulars                        | Amount in intangible assets under development for a period of |           |           |                   | Total |
|------------------------------------|---------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                                    | Less than 1 year                                              | 1-2 years | 2-3 years | More than 3 years |       |
| <b>Balance as at 31 March 2025</b> |                                                               |           |           |                   |       |
| Project in progress                | 21                                                            | -         | -         | -                 | 21    |
| Projects temporarily suspended     | -                                                             | -         | -         | -                 | -     |
| <b>Balance as at 31 March 2024</b> |                                                               |           |           |                   |       |
| Project in progress                | 34                                                            | -         | -         | -                 | 34    |
| Projects temporarily suspended     | -                                                             | -         | -         | -                 | -     |

**Note** - Basis the assessment performed by Group's management as at 31 March 2025 and as at 31 March 2024, no project from above table are overdue as on said date and cost of such projects are not expected to exceed the overall projected cost for completion.

## 7 Investments - Non-current

| Particulars                                                                          | As at 31 March 2025  |                     | As at 31 March 2024  |                     |
|--------------------------------------------------------------------------------------|----------------------|---------------------|----------------------|---------------------|
|                                                                                      | No. of shares/ units | Amount (₹ in lakhs) | No. of shares/ units | Amount (₹ in lakhs) |
| <b>- Equity investment measured at fair value through other comprehensive income</b> |                      |                     |                      |                     |
| <b><u>(A) Quoted</u></b>                                                             |                      |                     |                      |                     |
| IndusInd Bank Limited (face value ₹ 10 each)                                         | 8,541                | 56                  | 8,541                | 133                 |
| Eicher Motors Limited (face value ₹ 1 each)                                          | 6,000                | 321                 | 6,000                | 241                 |
| Hero Motocorp Limited (face value ₹ 2 each)                                          | 6,250                | 233                 | 6,250                | 296                 |
| <b><u>(B) Unquoted</u></b>                                                           |                      |                     |                      |                     |
| 21st Century Battery Limited (face value ₹ 10 each)                                  | 10,000               | 1                   | 10,000               | 1                   |
| Less: Provision for impairment in value                                              |                      | (1)                 |                      | (1)                 |
|                                                                                      |                      | 610                 |                      | 670                 |
| <b>- Equity investment measured at fair value through profit and loss</b>            |                      |                     |                      |                     |
| <b><u>(A) Unquoted</u></b>                                                           |                      |                     |                      |                     |
| Matternet Inc (face value USD 0.0001 each) #                                         | 2,90,567             | 1,708               | 2,90,567             | 1,668               |
| <b>- Investment in mutual funds measured at fair value through profit and loss</b>   |                      |                     |                      |                     |
| <b><u>(B) Unquoted</u></b>                                                           |                      |                     |                      |                     |
| DSP Flexi Cap Fund - Regular Plan - IDCW                                             | 50,000               | 30                  | 50,000               | 28                  |
| <b>Total</b>                                                                         |                      | 2,348               |                      | 2,366               |

# As per management internal assessment, the cost is considered to be a close indicator of the fair value of such investments as at 31 March 2025. The management believes that, had an independent valuation been carried out, the fair value would not be materially different than cost of such investments.

Refer note 43 for information about fair value measurement

Securities listed on a recognised stock exchange are considered as 'Quoted' for disclosure above.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Notes:

|                                                          |       |  |       |
|----------------------------------------------------------|-------|--|-------|
| Aggregate carrying value of quoted investments (gross)   | 611   |  | 670   |
| Aggregate market value of quoted investments             | 611   |  | 670   |
| Aggregate carrying value of unquoted investments (gross) | 1,739 |  | 1,697 |
| Aggregate amount of impairment in value of investment    | (1)   |  | (1)   |

### Disclosure as per Para 11A under Ind AS - 107 "Financial Instruments: Disclosures"

Equity instruments designated at fair value through other comprehensive income (OCI) include investment in equity shares of non-listed companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

## 8 Loans

(₹ in lakhs)

| Particulars                                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b>                                |                        |                        |
| Loans and advances to employees (*) (refer note below)           | 0                      | 0                      |
| <b>Total</b>                                                     | <b>0</b>               | <b>0</b>               |
| <b>Break up of security details</b>                              |                        |                        |
| Loans receivables considered good - secured                      | -                      | -                      |
| Loans receivables considered good - unsecured (*)                | 0                      | 0                      |
| Loans receivables which have significant increase in credit risk | -                      | -                      |
| Loans receivables - credit impaired                              | -                      | -                      |
| <b>Total</b>                                                     | <b>0</b>               | <b>0</b>               |
| Loss allowance                                                   | -                      | -                      |
| <b>Total loans</b>                                               | <b>0</b>               | <b>0</b>               |

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

### Notes -

- Refer note 43 for information about fair value measurement and note 44 for information about credit risk.
- There are no loans and advances in the nature of loans granted to promoters, directors and KMP's or to any other persons or firms or private companies in which director or KMP is partner or director or a member.

## 9 Other non-current financial assets

(₹ in lakhs)

| Particulars                                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>(Unsecured, considered good)</b>                                                   |                        |                        |
| Security deposits                                                                     | 282                    | 485                    |
| Margin money deposits with the maturity of more than 12 months (refer note (i) below) | 100                    | 593                    |
| <b>Total</b>                                                                          | <b>382</b>             | <b>1,078</b>           |

### Notes -

- Held as lien by bank against various facilities availed by group companies amounting to ₹ 46 lakhs (31 March 2024: ₹ 420 lakhs).
- Refer note 44 for information about credit risk.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 10 Non-current income tax assets (net)

(₹ in lakhs)

| Particulars                                                                                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------|------------------------|------------------------|
| Advance taxes paid (net of provision for tax ₹ 33,193 lakhs (31 March 2024: ₹ 26,816 lakhs)) | 2,946                  | 2,923                  |
| <b>Total</b>                                                                                 | <b>2,946</b>           | <b>2,923</b>           |
| <b>Income Tax Asset at the Beginning of the year</b>                                         | <b>2,923</b>           | <b>2,948</b>           |
| Add: Income tax refund (net)                                                                 | 24                     | (30)                   |
| Less: Tax pertaining to earlier years                                                        | (198)                  | (14)                   |
| Add: Reclassified from current income tax asset                                              | 197                    | 19                     |
| <b>Income tax assets (net) at the end of the year</b>                                        | <b>2,946</b>           | <b>2,923</b>           |

### 11 Other non-current assets

(₹ in lakhs)

| Particulars                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------|------------------------|------------------------|
| Capital advances                     | 288                    | 425                    |
| Less: Provision for capital advances | (125)                  | (125)                  |
| Prepaid expenses                     | 36                     | 23                     |
| Balance with government authorities  | 289                    | 442                    |
| <b>Total</b>                         | <b>488</b>             | <b>765</b>             |

### 12 Inventories

(₹ in lakhs)

| Particulars                                                                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Raw materials, packing material and components (including goods-in-transit ₹ 1,206 lakhs (31 March 2024 ₹ 907 lakhs)) | 12,774                 | 12,284                 |
| Work-in-progress                                                                                                      | 6,964                  | 7,284                  |
| Finished goods (including goods-in-transit ₹ 463 lakhs (31 March 2024 ₹ 714 lakhs))                                   | 15,268                 | 14,563                 |
| Stores and spares (including goods-in-transit ₹ 30 lakhs (31 March 2024 - ₹ 22 lakhs))                                | 8,719                  | 7,682                  |
| <b>Total</b>                                                                                                          | <b>43,725</b>          | <b>41,813</b>          |

#### Notes -

- Finished goods inventories of ₹ 646 lakhs (31 March 2024 - ₹ 807 lakhs) is written down to its realisable value of ₹ 491 lakhs (31 March 2024 - ₹ 615 lakhs).
- The provision towards slow moving and obsolete inventories as at 31 March 2025 is ₹ 6,550 lakhs (31 March 2024 - ₹ 4,765 lakhs)
- Also, refer note 26, 40 and note 50.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 13 Investments (Current)

| Particulars                                                                                | As at<br>31 March 2025 |                        | As at<br>31 March 2024 |                        |
|--------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                            | No. of units           | Amount<br>(₹ in lakhs) | No. of units           | Amount<br>(₹ in lakhs) |
| <b>Investment in mutual funds measured at fair value through profit and loss (Quoted):</b> |                        |                        |                        |                        |
| HDFC Ultra Short Term Fund                                                                 | -                      | -                      | 91,37,069              | 1,288                  |
| HDFC Nifty 100 Fund                                                                        | <b>9,99,950</b>        | <b>142</b>             | 9,99,950               | 134                    |
| Kotak Liquid Fund Direct Plan - Growth                                                     | -                      | -                      | 2,575                  | 126                    |
| Kotak Overnight Fund Direct - Growth                                                       | -                      | -                      | 32,112                 | 410                    |
| Kotak Money Market Fund - Direct Plan - Growth<br>(Erstwhile Kotak Floater ST)             | -                      | -                      | 1,420                  | 59                     |
| Nippon India Liquid Fund - Direct Plan Growth Plan<br>- Growth Option - LFAG               | -                      | -                      | 429                    | 25                     |
| ICICI Prudential Overnight Fund Direct Plan Growth (*)                                     | -                      | -                      | 24                     | 0                      |
| HDFC Money Market Fund                                                                     | <b>24,867</b>          | <b>1,422</b>           | -                      | -                      |
| TATA Money Market Fund                                                                     | <b>26,000</b>          | <b>1,226</b>           | -                      | -                      |
| KOTAK NIFTY AAA BOND                                                                       | <b>47,08,616</b>       | <b>507</b>             | -                      | -                      |
| Kotak CRISIL - Ibx financial services                                                      | <b>14,99,925</b>       | <b>151</b>             | -                      | -                      |
| <b>Total</b>                                                                               |                        | <b>3,448</b>           |                        | <b>2,042</b>           |

#### Notes:

Aggregate amount of quoted investments and market value thereof **3,448** 2,042

Aggregate amount of impairment in value of investments - -

#### Notes :-

(i) Refer note 50 and 26 for information about assets pledged as security for current and non-current borrowings.

(ii) Refer note 43 for information about fair value measurements.

(iii) Refer note 44(c) for information about Market risk.

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

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 14 Trade receivables

(₹ in lakhs)

| Particulars                                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------|------------------------|------------------------|
| <b>Receivable from:</b>                                          |                        |                        |
| - Related parties (refer note (ii) below and note 49)            | 22                     | 22                     |
| - Others                                                         | 23,851                 | 19,735                 |
| Less: Allowance for expected credit loss - others                | (2,316)                | (2,546)                |
| <b>Total</b>                                                     | <b>21,557</b>          | <b>17,211</b>          |
| Current portion                                                  | 21,557                 | 17,211                 |
| Non current portion                                              | -                      | -                      |
| <b>Break up of security details</b>                              |                        |                        |
| Trade receivables considered good - secured                      | 112                    | 97                     |
| Trade receivables considered good - unsecured                    | 21,924                 | 17,902                 |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables - credit impaired                              | 1,837                  | 1,758                  |
| <b>Total</b>                                                     | <b>23,873</b>          | <b>19,757</b>          |
| Less: Allowance for expected credit loss - others                | (2,316)                | (2,546)                |
| <b>Total</b>                                                     | <b>21,557</b>          | <b>17,211</b>          |

#### Notes:

- (i) Includes receivables amounting ₹ 4 lakhs (31 March 2024 - ₹ 4 lakhs) from a private company where director of the Group 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 2025 includes trade receivables amounting to ₹ 2,127 lakhs (31 March 2024: ₹ 3,091 lakhs) from customers situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in remittance of receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999. The Parent Company is in the process of recovering these outstanding dues however, wherever required, provision has been made in the books of account. The Parent Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management of the parent company believes that the exposure is not expected to be material. Accordingly, the accompanying consolidated financial statements do not include any consequential adjustments that may arise due to such delay.
- (v) Trade receivables are non interest bearing and are generally on credit terms in line with respective industry norms.
- (vi) Refer note 50 and note 23 for information about assets pledged as security for current and non-current borrowings.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**
**Ageing for trade receivables (gross of allowance for expected credit loss) as at 31 March 2025**
**(₹ in lakhs)**

| Particulars                                                                   | Not due       | Less than 6 months | 6 months to 1 year | 1-2 years  | 2-3 years  | More than 3 years | Total         |
|-------------------------------------------------------------------------------|---------------|--------------------|--------------------|------------|------------|-------------------|---------------|
| Undisputed Trade Receivables – considered good                                | 19,408        | 2,286              | 342                | -          | -          | -                 | 22,036        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -             | -                  | -                  | -          | -          | -                 | -             |
| Undisputed Trade Receivables – credit impaired                                | -             | -                  | -                  | 472        | 239        | 1,126             | 1,837         |
| Disputed Trade Receivables – considered good                                  | -             | -                  | -                  | -          | -          | -                 | -             |
| Disputed Trade Receivables – which have significant increase in credit risk   | -             | -                  | -                  | -          | -          | -                 | -             |
| Disputed Trade Receivables – credit impaired                                  | -             | -                  | -                  | -          | -          | -                 | -             |
| <b>Gross amount of trade receivables</b>                                      | <b>19,408</b> | <b>2,286</b>       | <b>342</b>         | <b>472</b> | <b>239</b> | <b>1,126</b>      | <b>23,873</b> |
| Less: Allowance for expected credit loss                                      |               |                    |                    |            |            |                   | (2,316)       |
| <b>Carrying amount of trade receivables</b>                                   |               |                    |                    |            |            |                   | <b>21,557</b> |

**Ageing for trade receivables (gross of allowance for expected credit loss) as at 31 March 2024**
**(₹ in lakhs)**

| Particulars                                                                   | Not due       | Less than 6 months | 6 months to 1 year | 1-2 years  | 2-3 years  | More than 3 years | Total         |
|-------------------------------------------------------------------------------|---------------|--------------------|--------------------|------------|------------|-------------------|---------------|
| Undisputed Trade Receivables – considered good                                | 11,435        | 5,657              | 889                | 18         | -          | -                 | 17,999        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -             | -                  | -                  | -          | -          | -                 | -             |
| Undisputed Trade Receivables – credit impaired                                | -             | -                  | -                  | 330        | 439        | 989               | 1,758         |
| Disputed Trade Receivables – considered good                                  | -             | -                  | -                  | -          | -          | -                 | -             |
| Disputed Trade Receivables – which have significant increase in credit risk   | -             | -                  | -                  | -          | -          | -                 | -             |
| Disputed Trade Receivables – credit impaired                                  | -             | -                  | -                  | -          | -          | -                 | -             |
| <b>Gross amount of Trade Receivables</b>                                      | <b>11,435</b> | <b>5,657</b>       | <b>889</b>         | <b>348</b> | <b>439</b> | <b>989</b>        | <b>19,757</b> |
| Less: Allowance for Expected Credit Loss                                      |               |                    |                    |            |            |                   | (2,546)       |
| <b>Carrying amount of Trade Receivables</b>                                   |               |                    |                    |            |            |                   | <b>17,211</b> |

**Note -** Unbilled trade receivables amount as at 31 March 2025 is ₹ Nil (31 March 2024: ₹ Nil).

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 15 Cash and cash equivalents

(₹ in lakhs)

| Particulars                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------|------------------------|------------------------|
| Balances with banks in:                                               |                        |                        |
| - Current accounts                                                    | 4,682                  | 4,545                  |
| - EEFC account                                                        | 169                    | 830                    |
| Cash on hand                                                          | 5                      | 4                      |
| Margin money deposits with the original maturity of upto three months | 500                    | 500                    |
| <b>Total</b>                                                          | <b>5,356</b>           | <b>5,879</b>           |

Notes -

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

(ii) Also, refer note 43 and note 50.

(iii) There are no significant cash and cash equivalents which will not be available for use by the Group.

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

(₹ in lakhs)

| Particulars                                                                                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Unclaimed dividend accounts (refer note (i), (ii) and (iii) below)                                             | 67                     | 2,373                  |
| Margin money deposits with the maturity of more than 3 months but less than 12 months (refer note (iii) below) | 176                    | 1,815                  |
| <b>Total</b>                                                                                                   | <b>243</b>             | <b>4,188</b>           |

Notes -

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

(₹ in lakhs)

| Financial year             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------|------------------------|------------------------|
| 2016-17                    | -                      | 4                      |
| 2017-18                    | 12                     | 13                     |
| 2018-19                    | 11                     | 11                     |
| 2019-20                    | 5                      | 5                      |
| 2020-21                    | 6                      | 158                    |
| 2021-22                    | 11                     | 619                    |
| 2022-23                    | 13                     | 311                    |
| 2023-24                    | 4                      | 1,252                  |
| 2024-25 (refer note below) | 5                      | -                      |
| <b>Total</b>               | <b>67</b>              | <b>2,373</b>           |

(ii) The unclaimed dividend transferred to Investor Educations and Protectoin Fund during the year is ₹ 4 lakhs (31 March 2024- ₹ 8 lakhs).

(iii) Held as lien by bank against bank guarantees amounting to ₹ 35 lakhs (31 March 2024: ₹ 155 lakhs).

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

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 17 Loans

(₹ in lakhs)

| Particulars                                                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b>                                    |                        |                        |
| Loans to employees                                                   | 17                     | 18                     |
| <b>Unsecured, credit impaired</b>                                    |                        |                        |
| Loans to employees                                                   | 15                     | 15                     |
|                                                                      | <b>32</b>              | <b>33</b>              |
| Less: Loss allowance                                                 | (15)                   | (15)                   |
| <b>Total</b>                                                         | <b>17</b>              | <b>18</b>              |
| <b>Break up of security details</b>                                  |                        |                        |
| Loans receivables considered good - secured                          | -                      | -                      |
| Loans receivables considered good - unsecured (refer note (i) below) | 17                     | 18                     |
| Loans receivables which have significant increase in credit risk     | -                      | -                      |
| Loans receivables - credit impaired                                  | 15                     | 15                     |
| <b>Total</b>                                                         | <b>32</b>              | <b>33</b>              |
| Loss allowance                                                       | (15)                   | (15)                   |
| <b>Total</b>                                                         | <b>17</b>              | <b>18</b>              |

#### Notes -

- (i) No loans or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.
- (ii) Refer note 44 for information about credit risk and market risk for loans.
- (iii) Refer note 50 and note 23 for information about assets pledged as security for current and non-current borrowings.

### 18 Other financial assets

(₹ in lakhs)

| Particulars       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------|------------------------|------------------------|
| Rent receivable   | 1                      | 5                      |
| Derivative assets | 13                     | -                      |
| Others            | 10                     | 9                      |
| <b>Total</b>      | <b>24</b>              | <b>14</b>              |

Refer note 26 and note 50 for information about assets pledged as security for current borrowings.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 19 Other current assets

(₹ in lakhs)

| Particulars                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------|------------------------|------------------------|
| Advances to suppliers:                          |                        |                        |
| - Others                                        | 1,925                  | 1,965                  |
| - Employees                                     | -                      | 1                      |
| Less: Loss allowance - others                   | (501)                  | (501)                  |
| Other advances                                  | 65                     | 258                    |
| Less: Loss allowance                            | (29)                   | (29)                   |
| Export incentive and duty drawback receivable   | 93                     | 63                     |
| Balance with government authorities             | 5,186                  | 4,974                  |
| Prepaid expenses                                | 522                    | 568                    |
| Gratuity assets (net) (refer note 52(b)(1)(iv)) | -                      | 111                    |
| <b>Total</b>                                    | <b>7,261</b>           | <b>7,410</b>           |

#### Notes

- (i) No loans are due from a private company where directors of the Group are also a director.
- (ii) Refer note 50 and note 23 for information about assets pledged as security for current and non-current borrowings.

### 20 Current tax assets (net)

(₹ in lakhs)

| Particulars              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------|------------------------|------------------------|
| Current tax assets (net) | 1,200                  | 197                    |
| <b>Total</b>             | <b>1,200</b>           | <b>197</b>             |

|                                                              |              |            |
|--------------------------------------------------------------|--------------|------------|
| <b>Current tax assets (net) at the beginning of the year</b> | <b>197</b>   | <b>-</b>   |
| Add: Advance tax and tax deducted at source (TDS)            | 3,330        | 6,469      |
| Less: Provision for tax during the year                      | (2,130)      | (6,272)    |
| Less: Transferred to non-current tax assets                  | (197)        | -          |
| <b>Current tax assets (net) at the end of the year</b>       | <b>1,200</b> | <b>197</b> |

### 21 Equity share capital

(₹ in lakhs)

| Particulars                                                                                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Authorised share capital</b>                                                            |                        |                        |
| 100,000,000 (31 March 2024 : 100,000,000) equity shares of face value ₹ 2 each             | 2,000                  | 2,000                  |
| <b>Total</b>                                                                               | <b>2,000</b>           | <b>2,000</b>           |
| <b>Issued, subscribed and fully paid-up share capital</b>                                  |                        |                        |
| 96,922,600 (31 March 2024 : 96,922,600) Equity Shares of face value ₹ 2 each fully paid up | 1,938                  | 1,938                  |
| <b>Total</b>                                                                               | <b>1,938</b>           | <b>1,938</b>           |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (i) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

| Particulars                                      | As at 31 March 2025 |                     | As at 31 March 2024 |                     |
|--------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                                  | Number of shares    | Amount (₹ in lakhs) | Number of shares    | Amount (₹ in lakhs) |
| Shares outstanding at the beginning of the year  | 9,69,22,600         | 1,938               | 96,922,600          | 1,938               |
| Shares issued during the year                    | -                   | -                   | -                   | -                   |
| <b>Shares outstanding at the end of the year</b> | <b>9,69,22,600</b>  | <b>1,938</b>        | <b>9,69,22,600</b>  | <b>1,938</b>        |

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

- Right to receive dividend as may be approved by the Board / Annual General Meeting. The Company declares and pays dividend in India Rupee. Further, dividend proposed by the Board of Directors is subject to approval of shareholders in the Annual General Meeting (refer note 45(iii))
- The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the Parent Company holding equity shares has a right to attend the General Meeting of the Group and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Parent Company.
- In the event of liquidation, the holders of equity shares will be entitled to receive assets of the Parent Company remaining after distribution of all preferential amounts, The distribution will be in proportion of the number of equity shares held by the shareholders.

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

| Name of Shareholder                                                       | As at 31 March 2025   |              | As at 31 March 2024   |              |
|---------------------------------------------------------------------------|-----------------------|--------------|-----------------------|--------------|
|                                                                           | 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) | 3,38,09,300           | 34.88%       | 3,38,09,300           | 34.88%       |
| Harshbeena Sahney Zaveri                                                  | 1,31,81,323           | 13.60%       | 1,14,67,826           | 11.83%       |
| Nalanda India Equity Fund Limited                                         | 91,98,532             | 9.49%        | 96,82,667             | 9.99%        |
| HDFC Small Cap fund                                                       | 87,48,982             | 9.03%        | 87,48,982             | 9.03%        |
| Mirae Asset Multicap Fund                                                 | -                     | -            | 89,35,301             | 9.22%        |
| Mirae Asset ELSS Tax Saver Fund                                           | 51,48,623             | 5.31%        | -                     | -            |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

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

| Particulars                          | As at 31 March 2025   |               | As at 31 March 2024   |              |                          |
|--------------------------------------|-----------------------|---------------|-----------------------|--------------|--------------------------|
|                                      | Number of shares held | % of Holding  | Number of shares held | % of Holding | % Change during the Year |
| <b>Name of promoters</b>             |                       |               |                       |              |                          |
| Trilochan Singh Sahney Trust 1       | <b>3,38,09,300</b>    | <b>34.88%</b> | 3,38,09,300           | 34.88%       | -                        |
| Harshbeena S Zaveri                  | <b>1,31,81,323</b>    | <b>13.60%</b> | 1,14,67,826           | 11.83%       | 14.94%                   |
| Trilochan Singh Sahney (Late)        | <b>1,000</b>          | <b>0.00%</b>  | 1,000                 | 0.00%        | -                        |
| Devesh Singh Sahney                  | -                     | -             | 8,50,089              | 0.88%        | (100%)                   |
| <b>Name of promoter group</b>        |                       |               |                       |              |                          |
| Aarti Devesh Sahney                  | -                     | -             | 4,11,900              | 0.42%        | (100%)                   |
| Bhupinder Singh Sahney               | <b>33,230</b>         | <b>0.03%</b>  | 28,580                | 0.03%        | 16.27%                   |
| Jasjiv Singh Devinder Singh Sahney   | <b>3,03,495</b>       | <b>0.31%</b>  | 3,03,495              | 0.31%        | -                        |
| Mallika Sahney                       | -                     | -             | 4,920                 | 0.01%        | (100%)                   |
| Sahir Zaveri                         | <b>19,752</b>         | <b>0.02%</b>  | 19,752                | 0.02%        | -                        |
| Aziz Yousuf Zaveri                   | <b>14,99,731</b>      | <b>1.55%</b>  | 14,58,547             | 1.50%        | 2.82%                    |
| Anupa Rajiv Sahney                   | <b>7,73,021</b>       | <b>0.80%</b>  | 7,73,021              | 0.80%        | -                        |
| Szww General Trading Private Limited | <b>5</b>              | <b>0.00%</b>  | 5                     | 0.00%        | -                        |
| <b>Total</b>                         | <b>4,96,20,857</b>    | <b>51.19%</b> | 4,91,28,435           | 50.69%       |                          |

| Particulars                          | As at 31 March 2024   |               | As at 31 March 2023   |               |                          |
|--------------------------------------|-----------------------|---------------|-----------------------|---------------|--------------------------|
|                                      | Number of shares held | % of Holding  | Number of shares held | % of Holding  | % Change during the Year |
| <b>Name of promoters</b>             |                       |               |                       |               |                          |
| Trilochan Singh Sahney Trust 1       | <b>3,38,09,300</b>    | <b>34.88%</b> | 3,38,09,300           | 34.88%        | -                        |
| Harshbeena S Zaveri                  | <b>1,14,67,826</b>    | <b>11.83%</b> | 1,12,66,892           | 11.62%        | 1.78%                    |
| Devesh Singh Sahney                  | <b>8,50,089</b>       | <b>0.88%</b>  | 8,50,089              | 0.88%         | -                        |
| Trilochan Singh Sahney (Late)        | <b>1,000</b>          | <b>0.00%</b>  | 1,000                 | 0.00%         | -                        |
| <b>Name of promoter group</b>        |                       |               |                       |               |                          |
| Aarti Devesh Sahney                  | <b>4,11,900</b>       | <b>0.42%</b>  | 4,11,900              | 0.42%         | -                        |
| Bhupinder Singh Sahney               | <b>28,580</b>         | <b>0.03%</b>  | 26,680                | 0.03%         | 7.12%                    |
| Jasjiv Singh Devinder Singh Sahney   | <b>3,03,495</b>       | <b>0.31%</b>  | 3,03,495              | 0.31%         | -                        |
| Mallika Sahney                       | <b>4,920</b>          | <b>0.01%</b>  | 4,920                 | 0.01%         | -                        |
| Sahir Zaveri                         | <b>19,752</b>         | <b>0.02%</b>  | 19,752                | 0.02%         | -                        |
| Aziz Yousuf Zaveri                   | <b>14,58,547</b>      | <b>1.50%</b>  | 10,96,521             | 1.13%         | 33.02%                   |
| Anupa Rajiv Sahney                   | <b>7,73,021</b>       | <b>0.80%</b>  | 7,73,021              | 0.80%         | -                        |
| Szww General Trading Private Limited | <b>5</b>              | <b>0.00%</b>  | -                     | -             | 100.00%                  |
| <b>Total</b>                         | <b>4,91,28,435</b>    | <b>50.69%</b> | <b>4,85,63,570</b>    | <b>50.11%</b> |                          |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

Note - As per records of the parent company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

- (v) The Parent Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2025. Also, no shares were issued for consideration other than cash during five years immediately preceding 31 March 2025.

## 22 Other equity

### Summary of other equity balance

(₹ in lakhs)

|                                                                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|------------------------|------------------------|
| Securities premium                                                       | 848                    | 848                    |
| General reserve                                                          | 12,725                 | 12,725                 |
| Capital reserve                                                          | 15                     | 15                     |
| Capital redemption reserve                                               | 1,011                  | 1,011                  |
| Retained earnings                                                        | 73,939                 | 68,495                 |
| Fair value gain on equity instruments through other comprehensive income | 588                    | 644                    |
| Foreign currency translation reserve                                     | 692                    | 187                    |
| Cash flow hedge reserve                                                  | 61                     | 128                    |
| <b>Total</b>                                                             | <b>89,879</b>          | <b>84,053</b>          |

### Nature and purpose of reserves

#### (i) Securities premium

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>848</b>             | <b>848</b>             |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>848</b>             | <b>848</b>             |

Amount received (on issue of shares) in excess of the face value has been classified as securities premium. This reserve will be utilised in accordance with the provision of the Act.

#### (ii) General reserve

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>12,725</b>          | <b>12,725</b>          |
| Add - changes during the year               |                        |                        |
| <b>Balance at the end of the year</b>       | <b>12,725</b>          | <b>12,725</b>          |

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is distributable reserve.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (iii) Capital reserve

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>15</b>              | 15                     |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>15</b>              | <b>15</b>              |

### (iv) Capital redemption reserve

(₹ in lakhs)

|                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b> | <b>1,011</b>           | 1,011                  |
| Add - changes during the year               | -                      | -                      |
| <b>Balance at the end of the year</b>       | <b>1,011</b>           | <b>1,011</b>           |

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision of the Companies Act, 2013.

### (v) Retained earnings

(₹ in lakhs)

|                                                                                                                        | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                                                            | <b>68,495</b>          | 49,337                 |
| Add: Profit for the year                                                                                               | <b>7,944</b>           | 23,943                 |
| Less: Other comprehensive income for the year (refer note 42)                                                          | <b>(77)</b>            | 158                    |
| Less - Interim dividend paid @ ₹ 2.5 per equity share<br>(31 March 2024 - ₹ 4.1 per equity share) (refer note 45(iii)) | <b>(2,423)</b>         | (3,974)                |
| Less: Final dividend on equity shares for FY 2023-24 of ₹ NIL<br>(previous year - ₹ 1) per equity share                | -                      | (969)                  |
| <b>Balance at the end of the year</b>                                                                                  | <b>73,939</b>          | <b>68,495</b>          |

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

### (vi) Fair value gain / (loss) on equity instruments through OCI

(₹ in lakhs)

|                                                                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                              | <b>644</b>             | 415                    |
| Change in fair value of equity instrument (net of taxes) (refer note 42) | <b>(56)</b>            | 229                    |
| <b>Balance at the end of the year</b>                                    | <b>588</b>             | <b>644</b>             |

The Group has elected to recognise changes in the fair value of equity investments in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserves within equity and will be transferred to retained earnings on derecognition of these equity instruments.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (vii) Foreign currency translation reserve

(₹ in lakhs)

|                                               | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>   | <b>187</b>             | 340                    |
| Add: Addition during the year (refer note 42) | <b>505</b>             | (153)                  |
| <b>Balance at the end of the year</b>         | <b>692</b>             | <b>187</b>             |

The exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The same will be cumulatively reclassified to consolidated statement of profit and loss when the foreign operation is disposed off.

### (viii) Cash flow hedge reserve

(₹ in lakhs)

|                                                                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                | <b>128</b>             | 147                    |
| Add: Change in fair value of derivative hedging instrument (refer note 42) | <b>(67)</b>            | (19)                   |
| <b>Balance at the end of the year</b>                                      | <b>61</b>              | <b>128</b>             |

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

### (ix) Non controlling interest (NCI)

(₹ in lakhs)

|                                                                                                                                  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                                                                      | <b>1,608</b>           | 1,462                  |
| Profit for the year                                                                                                              | <b>288</b>             | 208                    |
| Other comprehensive (loss) / income (net of taxes) (*)                                                                           | <b>(0)</b>             | 0                      |
| Final Dividend on equity shares for the year ended 31 March 2024 of ₹ 7 per equity share (31 March 2023: ₹ 6.5 per equity share) | <b>(67)</b>            | (62)                   |
| <b>Balance at the end of the year</b>                                                                                            | <b>1,829</b>           | <b>1,608</b>           |

It represents the Non Controlling Interest in the Indian Subsidiary of the Group

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

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 23 Borrowings (non-current)

(₹ in lakhs)

**Particulars**

| As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------|------------------------|
| -                      | 2,661                  |
| -                      | 23                     |
| -                      | <b>2,684</b>           |

(₹ in lakhs)

| Particulars                                              | Security                                                                                                                                                  | Terms of repayment of principal                 | No. of installment outstanding |               | Rate of interest (per annum) (#) | As at 31 March 2025 | As at 31 March 2024 |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------|---------------|----------------------------------|---------------------|---------------------|
|                                                          |                                                                                                                                                           |                                                 | 31 March 2025                  | 31 March 2024 |                                  |                     |                     |
| <b>a) Term loan from banks (*)</b>                       |                                                                                                                                                           |                                                 |                                |               |                                  |                     |                     |
| 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. | Fully repaid as at 31 March 2025                | -                              | 5             | 1 year MCLR+0.50%                | -                   | 965                 |
| Vehicle loan                                             | Secured by first exclusive charge by way of hypothecation over vehicle purchased during the previous year.                                                | Fully repaid as at 31 March 2025                | -                              | 9             | 7.73%                            | -                   | 3                   |
| 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. | Fully repaid as at 31 March 2025                | -                              | 15            | 8.6% (1 year MCLR + 0%)          | -                   | 3,222               |
|                                                          |                                                                                                                                                           |                                                 |                                | <b>Total</b>  |                                  | -                   | <b>4,190</b>        |
| <b>Comprises of</b>                                      |                                                                                                                                                           |                                                 |                                |               |                                  | -                   | 2,661               |
| Long term borrowings                                     |                                                                                                                                                           |                                                 |                                |               |                                  | -                   | 1,529               |
| Current maturities of long term debt(^) (refer note 26)  |                                                                                                                                                           |                                                 |                                |               |                                  | -                   | <b>4,190</b>        |
| <b>b) Deferred sales tax loan</b>                        |                                                                                                                                                           |                                                 |                                |               |                                  |                     |                     |
| Deferred sales tax loan                                  | Unsecured                                                                                                                                                 | Annual installments to be completed by May 2025 | 1                              | 2             | -                                | 23                  | 73                  |
|                                                          |                                                                                                                                                           |                                                 |                                | <b>Total</b>  |                                  | 23                  | <b>73</b>           |
| <b>Comprises of</b>                                      |                                                                                                                                                           |                                                 |                                |               |                                  | -                   | 23                  |
| Long term borrowings                                     |                                                                                                                                                           |                                                 |                                |               |                                  | 23                  | 50                  |
| Current maturities of long term debt (^) (refer note 26) |                                                                                                                                                           |                                                 |                                |               |                                  | <b>23</b>           | <b>73</b>           |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

\* The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50.

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

Note - Refer note 26 and note 46 for cash flow changes in liabilities arising from financial activities.

### 24 Other non-current financial liabilities

(₹ in lakhs)

| Particulars       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------|------------------------|------------------------|
| Security deposits | 95                     | 95                     |
| <b>Total</b>      | <b>95</b>              | <b>95</b>              |

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

### 25 Other non-current liabilities

(₹ in lakhs)

| Particulars           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------|------------------------|------------------------|
| Prepaid rent received | -                      | 7                      |
| <b>Total</b>          | <b>-</b>               | <b>7</b>               |

### 26 Borrowings (current)

(₹ in lakhs)

| Particulars                                                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------|------------------------|------------------------|
| <b>Loans from banks - repayable on demand</b>                          |                        |                        |
| - Packing credit loan (refer note (ii) below) (secured)                |                        | 7,508                  |
| - Working capital demand loan (secured) (refer note (vii) below)       | <b>16,184</b>          | 4,659                  |
| - Buyers credit - repayable on demand (refer note (iii) below) secured | <b>1,372</b>           | -                      |
| - Credit card dues (unsecured)                                         | <b>820</b>             | 906                    |
| <b>Current maturities of non-current borrowings (refer note 23)</b>    |                        |                        |
| - Term loans from banks                                                | -                      | 1,529                  |
| - Deferred sales tax loan                                              | <b>23</b>              | 50                     |
| <b>Total</b>                                                           | <b>18,399</b>          | <b>14,652</b>          |

### Cash flow changes in liabilities arising from financial activities :

(₹ in lakhs)

| Particulars                                                          | Borrowings<br>(current and<br>non-current) | Lease<br>Liabilities<br>(current and<br>non-current) |
|----------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------|
| <b>As at 1 April 2023</b>                                            | 32,205                                     | 678                                                  |
| Non cash movement - additions to / reassessment of lease liabilities | -                                          | -                                                    |
| Cash flows (net)                                                     | (14,869)                                   | (170)                                                |
| <b>As at 31 March 2024</b>                                           | <b>17,336</b>                              | <b>508</b>                                           |
| Non cash movement - additions to / reassessment of lease liabilities |                                            |                                                      |
| Cash flows (net)                                                     | 1,063                                      | (186)                                                |
| <b>As at 31 March 2025</b>                                           | <b>18,399</b>                              | <b>322</b>                                           |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Notes -

- (i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 50.
- (ii) Packing credit loan amounting to ₹ Nil lakhs (31 March 2024 - ₹ 7,508 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 5.15% (31 March 2024 - 6.21%).
- (iii) Buyer's credit amounting to ₹ 1,372 lakhs (31 March 2024 - ₹ Nil lakhs) is secured by way of bank guarantees. The weighted average interest rate on buyer's credit is 4.69% (31 March 2024 - Nil).
- (iv) The statement of current assets filed by the Group with banks are in agreement with the books of account.
- (v) Refer note 44 for liquidity risk and market risk.
- (vi) Refer note 45 for capital management.
- (vii) Working capital demand loan amounting to ₹ 16,184 lakhs (31 March 2024 - ₹ 4,659 lakhs) is secured by way of mortgage of a residential property of the Company situated in Mumbai. The weighted average interest rate on working capital demand loan is 8.22% (31 March 2024 - 6.21%).
- (viii) Refer note 46 for debt reconciliation.

## 27 Trade payables

(₹ in lakhs)

| Particulars                                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------------|------------------------|------------------------|
| Total outstanding dues of micro enterprises and small enterprises (refer note (v) below) | 2,119                  | 2,045                  |
| Total outstanding dues of creditors other than micro enterprises and small enterprises   | 8,254                  | 7,592                  |
| <b>Total</b>                                                                             | <b>10,373</b>          | <b>9,637</b>           |

### 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 ₹ 1,676 lakhs (31 March 2024 - ₹ 1,646 lakhs).
- (iv) The outstanding balances as at 31 March 2025 includes trade payables amounting to ₹ 301 lakhs (31 March 2024: ₹ 191 lakhs), to vendors situated outside India. These balances are pending for settlement / adjustments and have resulted in delays in payments of payables, beyond the timeline stipulated by the FED Master Direction No. 17/ 2016-17, under the Foreign Exchange Management Act, 1999. The Parent Company is in the process of making the payment for outstanding payables. The Parent Company is also in the process of regularising these defaults with the appropriate authority. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable. However, management of the Parent Company believes that the exposure is not expected to be material. Accordingly, the Consolidated financial statements do not include any consequential adjustments that may arise due to such delay.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**
**Ageing for trade payables outstanding from the date of transaction as at 31 March 2025 (₹ in lakhs)**

| Particulars            | Not due      | Less than 1 year | 1-2 year  | 2-3 year | More than 3 years | Total         |
|------------------------|--------------|------------------|-----------|----------|-------------------|---------------|
| MSME(*)                | 2,102        | 3                | -         | 2        | 12                | <b>2,119</b>  |
| Others                 | 5,084        | 1,409            | 85        | -        | 42                | <b>6,620</b>  |
| Disputed dues (MSMEs)  | -            | -                | -         | -        | -                 | -             |
| Disputed dues (Others) | -            | -                | -         | -        | -                 | -             |
|                        | <b>7,186</b> | <b>1,412</b>     | <b>85</b> | <b>2</b> | <b>54</b>         | <b>8,739</b>  |
| Add - Unbilled dues    |              |                  |           |          |                   | <b>1,634</b>  |
|                        |              |                  |           |          |                   | <b>10,373</b> |

**Ageing for trade payables outstanding from the date of transaction as at 31 March 2024 (₹ in lakhs)**

| Particulars            | Not due    | Less than 1 year | 1-2 year   | 2-3 year  | More than 3 years | Total        |
|------------------------|------------|------------------|------------|-----------|-------------------|--------------|
| MSME                   | 218        | 1,575            | 238        | 10        | 4                 | <b>2,045</b> |
| Others                 | 56         | 5,769            | 39         | 89        | 36                | <b>5,989</b> |
| Disputed dues (MSMEs)  | -          | -                | -          | -         | -                 | -            |
| Disputed dues (Others) | -          | -                | -          | -         | -                 | -            |
|                        | <b>274</b> | <b>7,344</b>     | <b>277</b> | <b>99</b> | <b>40</b>         | <b>8,034</b> |
| Add - Unbilled dues    |            |                  |            |           |                   | 1,603        |
|                        |            |                  |            |           |                   | <b>9,637</b> |

**28 Other current financial liabilities (₹ in lakhs)**

| Particulars                                       | As at 31 March 2025 | As at 31 March 2024 |
|---------------------------------------------------|---------------------|---------------------|
| Derivative liability                              | -                   | 21                  |
| Deposits from dealers                             | <b>215</b>          | 200                 |
| Unpaid dividends (refer note (ii) below)          | <b>67</b>           | 2,373               |
| Creditors for capital goods                       | <b>108</b>          | 83                  |
| Employee related liabilities (refer note 49 (ii)) | <b>2,273</b>        | 1,450               |
| Other financial liabilities                       | <b>94</b>           | 18                  |
| <b>Total</b>                                      | <b>2,757</b>        | <b>4,145</b>        |

**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.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 29 Other current liabilities

(₹ in lakhs)

| Particulars                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------|------------------------|------------------------|
| Statutory dues                          | 711                    | 735                    |
| Prepaid rent                            | 22                     | 14                     |
| Revenue received in advance             | 447                    | 339                    |
| Contract liabilities (Unearned revenue) | 124                    | 169                    |
| Other advances                          | 46                     | 11                     |
| <b>Total</b>                            | <b>1,350</b>           | <b>1,268</b>           |

| Changes in contract liabilities are as follows:                                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Balance at the beginning of the year</b>                                                         | <b>169</b>             | <b>113</b>             |
| Revenue recognised that was included in the contract liability balance at the beginning of the year | (169)                  | (113)                  |
| Increase due to invoicing during the year, excluding amounts recognised as revenue during the year  | 124                    | 169                    |
| <b>Balance at the end of the year</b>                                                               | <b>124</b>             | <b>169</b>             |

### 30 Provisions

(₹ in lakhs)

| Particulars                               | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------|------------------------|------------------------|
| <b>Provision for employee benefits</b>    |                        |                        |
| - Compensated absences (refer note 52(c)) | 994                    | 957                    |
| - Gratuity (refer note 52(b)(1)(iv))      | 169                    | -                      |
| <b>Total</b>                              | <b>1,163</b>           | <b>957</b>             |

### 31 Current tax liabilities (net)

(₹ in lakhs)

| Particulars                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------|------------------------|------------------------|
| Current tax liabilities (net) | 643                    | 202                    |
| <b>Total</b>                  | <b>643</b>             | <b>202</b>             |

| Particulars                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------|------------------------|------------------------|
| <b>Current tax liabilities (net) movement:</b>        |                        |                        |
| <b>Current tax liabilities (net) at the beginning</b> | <b>202</b>             | <b>171</b>             |
| Add: Provision for tax during the year                | 1,027                  | 373                    |
| Less: Tax paid                                        | (586)                  | (342)                  |
| <b>Current tax liabilities (net) at the end</b>       | <b>643</b>             | <b>202</b>             |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 32 Revenue from operations

(₹ in lakhs)

| Particulars                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------|-----------------------------|-----------------------------|
| <b>Sale of products (also refer note 49(ii))</b> |                             |                             |
| Finished goods - Bearings                        | 1,17,715                    | 1,07,213                    |
| <b>Other operating revenues</b>                  |                             |                             |
| Scrap sales                                      | 1,705                       | 1,722                       |
| Export incentives                                | 397                         | 423                         |
| Other operating income                           | 44                          | 45                          |
| <b>Total</b>                                     | <b>1,19,861</b>             | <b>1,09,403</b>             |

#### (i) Disaggregated revenue

##### Revenue based on geography

(₹ in lakhs)

| Particulars   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------|-----------------------------|-----------------------------|
| Within India  | 93,924                      | 80,572                      |
| Outside India | 25,937                      | 28,831                      |
| <b>Total</b>  | <b>1,19,861</b>             | <b>1,09,403</b>             |

##### Revenue based on timing of recognition

(₹ in Lakhs)

| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Revenue recognition at a point in time  | 1,19,861                    | 1,09,403                    |
| Revenue recognition over period of time | -                           | -                           |
| <b>Total</b>                            | <b>1,19,861</b>             | <b>1,09,403</b>             |

##### Reconciliation of revenue from operations with contract price

(₹ in lakhs)

| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Contract price                          | 1,21,658                    | 1,11,235                    |
| Less : Discounts, Incentives and others | (1,797)                     | (1,832)                     |
| <b>Total</b>                            | <b>1,19,861</b>             | <b>1,09,403</b>             |

#### Notes -

- There is no reconciliation between the contract price and revenue from customers. Also, there is no contract assets generated during the year.
- Refer note 44(a) for information regarding revenue from top customer and top 5 customers of the group.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 33 Other income

(₹ in lakhs)

| Particulars                                                                       | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Dividend income on financial assets measured at FVOCI                             | 13                          | 10                          |
| Dividend income on financial assets measured at FVTPL                             | 2                           | 3                           |
| Interest income on financial assets measured at amortised cost (on bank deposits) | 128                         | 104                         |
| Fair value changes on financial assets measured at FVTPL                          | 116                         | 238                         |
| Profit on sale of property, plant and equipment (net)                             | 69                          | 29                          |
| Rent income                                                                       | 258                         | 156                         |
| Net gain on foreign currency transactions and translation                         | 1,209                       | 480                         |
| Profit on sale of investment                                                      | 248                         | 11                          |
| Fair valuation gain on derivative instrument measured at FVTPL                    | 11                          | -                           |
| Interest on electricity deposit                                                   | 19                          | 11                          |
| Insurance claim received                                                          | 10                          | 34                          |
| Liabilities no longer required written back (net)                                 | 218                         | 452                         |
| Reversal of provision for doubtful trade receivables                              | -                           | 168                         |
| Others                                                                            | 163                         | 82                          |
| <b>Total</b>                                                                      | <b>2,464</b>                | <b>1,778</b>                |

### 34 Cost of materials consumed

(₹ in lakhs)

| Particulars                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Opening stock                       | 12,284                      | 11,333                      |
| Add: Purchases                      | 46,649                      | 45,273                      |
| Less: Closing stock (refer note 12) | (12,774)                    | (12,284)                    |
| <b>Total</b>                        | <b>46,159</b>               | <b>44,322</b>               |

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

(₹ in lakhs)

| Particulars                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Opening inventories</b>                 |                             |                             |
| Finished goods                             | 7,284                       | 8,814                       |
| Work-in-progress                           | 14,563                      | 10,583                      |
|                                            | <b>21,847</b>               | <b>19,397</b>               |
| <b>Closing inventories (refer note 12)</b> |                             |                             |
| Finished goods                             | (15,268)                    | (7,284)                     |
| Work-in-progress                           | (6,964)                     | (14,563)                    |
|                                            | <b>(22,232)</b>             | <b>(21,847)</b>             |
| <b>Total</b>                               | <b>(385)</b>                | <b>(2,450)</b>              |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****36 Employee benefits expense****(₹ in lakhs)**

| <b>Particulars</b>                                           | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and wages *                                         | <b>17,112</b>                       | 15,194                              |
| Directors sitting fees and commission                        | <b>289</b>                          | 78                                  |
| Contribution to provident and other funds (refer note 52(a)) | <b>1,116</b>                        | 709                                 |
| Staff welfare expenses                                       | <b>636</b>                          | 1,081                               |
| <b>Total</b>                                                 | <b>19,153</b>                       | <b>17,062</b>                       |

\* Includes amount paid to key managerial personnel amounting to ₹ 1,793 lakhs (31 March 2024 - ₹ 1,506 lakhs) (refer note 49)

**37 Finance costs****(₹ in lakhs)**

| <b>Particulars</b>                                                   | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest expense on financial liabilities measured at amortised cost |                                     |                                     |
| - Long term borrowings                                               | <b>233</b>                          | 643                                 |
| - Short term borrowings                                              | <b>725</b>                          | 1,415                               |
| Interest on lease liability (refer note 54 (ii))                     | <b>41</b>                           | 59                                  |
| Interest payable to MSME vendors                                     | <b>74</b>                           | 86                                  |
| Other borrowing costs                                                | <b>35</b>                           | 24                                  |
| <b>Total</b>                                                         | <b>1,108</b>                        | <b>2,227</b>                        |

**38 Depreciation and amortisation expenses****(₹ in lakhs)**

| <b>Particulars</b>                                      | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|---------------------------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation on property, plant and equipment           | <b>4,328</b>                        | 3,940                               |
| Depreciation on right to use assets (refer note 54(ii)) | <b>196</b>                          | 196                                 |
| Amortisation on intangible assets                       | <b>234</b>                          | 196                                 |
| <b>Total</b>                                            | <b>4,758</b>                        | <b>4,332</b>                        |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 39 Other expenses

(₹ in lakhs)

| Particulars                                                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spare parts                         | 7,806                       | 7,979                       |
| Processing charges                                            | 1,567                       | 1,464                       |
| Power and fuel                                                | 5,019                       | 4,808                       |
| Repairs and maintenance -                                     |                             |                             |
| Buildings                                                     | 270                         | 315                         |
| Plant and equipments                                          | 1,088                       | 939                         |
| Others                                                        | 188                         | 342                         |
| Office & administrative expense                               | 2,545                       | 2,577                       |
| Rent (refer note 54(ii))                                      | 482                         | 455                         |
| Rates and taxes                                               | 404                         | 152                         |
| Legal and professional fees                                   | 2,282                       | 2,103                       |
| Selling and distribution expenses                             | 6,279                       | 5,033                       |
| Information technology expenses                               | 573                         | 450                         |
| Provision for doubtful debts (refer note 45(a))               | 68                          | -                           |
| Contract labour                                               | 5,100                       | 4,880                       |
| Fair valuation loss on derivative contracts measured at FVPTL | -                           | 13                          |
| Auditors' remuneration                                        | 207                         | 178                         |
| Expenditure on corporate social responsibility                | 249                         | 189                         |
| Miscellaneous expenses                                        | 883                         | 967                         |
| <b>Total</b>                                                  | <b>35,010</b>               | <b>32,844</b>               |

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

(₹ in lakhs)

| Particulars                                                                                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| ii) Waluj fire impact (refer note i below)                                                             |                             |                             |
| - Loss of inventories due to fire (refer note 12)                                                      | -                           | (1,658)                     |
| - Impairment loss (allowance) on property, plant and equipments damaged due to fire                    |                             |                             |
| a) Plant and equipments and other accessories (refer note 3)                                           | -                           | (348)                       |
| b) Building and other civil structures (refer note 3)                                                  | -                           | (70)                        |
| - Claim received from insurance company                                                                | 750                         | 3,051                       |
| <b>ii) Gain on sale of land and building (net) (refer note ii below)</b>                               | -                           | 17,768                      |
| <b>iii) Compensation pursuant to inter-company agreement (refer note 49 (ii) and note (iii) below)</b> | (5,512)                     | -                           |
| <b>iv) Ineligible input tax credit - Waluj fire and Thane sale related (refer note (iv) below)</b>     | (427)                       | -                           |
| <b>Total</b>                                                                                           | <b>(5,189)</b>              | <b>18,743</b>               |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****Notes :-**

- (i) A fire incident had occurred at one of the Parent Company's plant situated at Waluj, Aurangabad on 8 May 2023, wherein the Parent Company had made an assessment of loss amounting to ₹ 2,076 lakhs with respect to the damage caused to inventories, plant and equipment and other accessories, buildings, and other civil structures. The Parent Company believes it has adequate insurance coverage to cover these losses.

During the year ended 31 March 2025, the Insurance Company had disbursed a total amount of ₹ 750 lakhs as an interim payment against plant and equipments and other accessories, buildings and other civil structures (31 March 2024: ₹ 3,051 lakhs i.e., ₹ 1,801 lakhs as final payment against inventories and ₹ 1,250 lakhs as an interim payment against plant and equipment and other accessories, buildings and other civil structures), which is classified as an exceptional gain for the year ended 31 March 2025.

Additionally, the management of the Parent Company has filed a claim with the surveyor to recover operational losses caused due to fire. The same is under discussion and the claim will be recognised when the recoverability is reasonably ascertained."

- (ii) The Board of Directors of the Parent Company at its meeting held on 22 January 2022 had approved sale/transfer/disposal of freehold land and building situated at 2nd Pokhran Road, Majiwade, Thane-400 610, Maharashtra. During the year ended 31 March 2024, the Parent Company disposed the said freehold land and building having WDV of ₹ 53 lakhs at an agreed consideration of ₹ 19,605 lakhs adjusted by incidental expenses of ₹ 1,784 lakhs (being stamp duty and brokerage expenses) resulting into a net gain (pre-tax) of ₹ 17,768 lakhs. The related tax liability on this gain was ₹ 2,689 lakhs and consequently the post tax gain amounted to ₹ 15,079 lakhs, which forms part of profit after tax. These gains were classified as an exceptional item for the year ended 31 March 2024.
- (iii) The Committee of Directors of the Parent Company at its meeting held on 20 January 2025 have approved the execution of an Inter-Company Agreement ('Agreement') dated 20 January 2025 between the Parent Company and NRB Industrial Bearings Limited (NIBL), a related party, which mainly covers the following:
- (a) As per the scheme of demerger dated 24 August 2012 executed between the Parent Company and NIBL, NIBL presently uses the marks "NRB Industrial" and "NRB Industrial Bearings" in which the word "NRB" is used in a red color combination, stylization, font and pattern. NIBL shall be entitled to the continued usage of the same in terms of the scheme of demerger and the word 'NRB' attached to Industrial only in red colour specified in the scheme of demerger, strictly in the manner, font, styling and colour in accordance with the terms detailed in the Agreement and with related restrictions at all times. At any point of time, if there is a change of control of NIBL, the aforesaid right to use shall be discontinued and shall be revoked in accordance with the terms detailed in the Agreement;
- (b) Immediate release by NIBL of the right to use the immovable property of the Parent Company situated at 2nd and 3rd floor, Dhannur, 15 Sir P M Road, Fort, Mumbai 400 001 along with granting vacant possession of the same and the shifting of their registered office by NIBL, in accordance with the terms detailed in the Agreement; and
- (c) Non-solicitation of each other's employees by both entities in accordance with the terms detailed in the Agreement.

Further, the Parent Company has also received an intimation of a proposed realignment of shares within the "Promoter / Promoter Group" as contemplated under the Memorandum Recording Family Settlement dated 20 January 2025 that would result in the realignment of shares held in the Parent Company and a realignment of the beneficial interest in the Trilochan Singh Sahney Trust 1 which holds shares in the Parent Company. Such change is not expected to have any impact on the consolidated financial statement of the Parent Company for the current period or the subsequent period in which such transactions would be executed.

The Parent Company has made a payment to NIBL of ₹ 5,512 lakhs on 14 February 2025, upon completion of conditions precedent as specified in the Agreement, which is classified as an exceptional loss for the year ended 31 March 2025.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

- (iv) During the year ended 31 March 2025, the Parent Company has reversed the input tax credits amounting to ₹ 394 lakhs and ₹ 33 lakhs on account of loss of inventories due to fire and brokerage paid for sale of land and building at Thane respectively. These credits have been reversed under section 16 of the CGST Act, 2017 from the available balances in the electronic credit ledger while filing the Goods and Services Tax (GST) annual return for the financial year 2023-24, which are classified as an exceptional loss for the year ended 31 March 2025.

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

(₹ in lakhs)

| Particulars                                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Current tax expense</b>                                                                       |                             |                             |
| Current tax for the year                                                                         | 3,157                       | 6,628                       |
| Tax pertaining to earlier year                                                                   | 198                         | 14                          |
| <b>Total current tax expense</b>                                                                 | <b>3,355</b>                | <b>6,642</b>                |
| <b>Deferred tax (credit) / expense</b>                                                           |                             |                             |
| Relating to origination and reversal of temporary differences recognised through profit and loss | (254)                       | 794                         |
| Relating to origination and reversal of temporary differences recognised through OCI             | (55)                        | 73                          |
| <b>Total deferred tax expenses (net)</b>                                                         | <b>(309)</b>                | <b>867</b>                  |
| <b>Total</b>                                                                                     | <b>3,046</b>                | <b>7,509</b>                |

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

(₹ in lakhs)

| Particulars                                                                                              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Profit before income tax expense</b>                                                                  | <b>11,333</b>          | 31,587                 |
| Tax at the rate of 25.17% (31 March 2024 - 25.17%)                                                       | 2,853                  | 7,950                  |
| <b><u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u></b> |                        |                        |
| Non deductible expenses for tax purpose                                                                  | 81                     | 64                     |
| Additional allowances for tax purpose                                                                    | (224)                  | 217                    |
| Effect of difference in tax rate - Gain on sale of freehold land                                         | -                      | (924)                  |
| Tax on income at different rate as per applicable jurisdiction                                           | -                      | 54                     |
| Tax adjustment in respect of earlier years                                                               | 198                    | 14                     |
| Others                                                                                                   | 138                    | 134                    |
| <b>Income tax expense</b>                                                                                | <b>3,046</b>           | <b>7,509</b>           |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**
**(ii) Deferred tax related to the following:**
**(₹ in lakhs)**

| <b>Deferred tax liabilities (net)</b>                                       | <b>As at<br/>31 March<br/>2023</b> | <b>Recognised<br/>through<br/>profit<br/>and loss<br/>and OCI</b> | <b>As at<br/>31<br/>March<br/>2024</b> | <b>Recognised<br/>through<br/>profit<br/>and loss<br/>and OCI</b> | <b>As at<br/>31<br/>March<br/>2025</b> |
|-----------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------|----------------------------------------|
| <b>Deferred tax liabilities on account of:</b>                              |                                    |                                                                   |                                        |                                                                   |                                        |
| Difference between book and tax depreciation                                | <b>(2,384)</b>                     | (430)                                                             | <b>(2,814)</b>                         | 93                                                                | <b>(2,721)</b>                         |
| IND AS 116 (Right of Use Asset)                                             | <b>(158)</b>                       | 50                                                                | <b>(108)</b>                           | 43                                                                | <b>(65)</b>                            |
| Financial liabilities measured at amortised cost (*)                        | <b>(3)</b>                         | 0                                                                 | <b>(3)</b>                             | -                                                                 | <b>(3)</b>                             |
| Equity investment measured at fair value through other comprehensive income | -                                  | (25)                                                              | <b>(25)</b>                            | 6                                                                 | <b>(19)</b>                            |
| Equity investment measured at fair value through profit & loss              | -                                  | (154)                                                             | <b>(154)</b>                           | 151                                                               | <b>(3)</b>                             |
| Unrealised capital gain on mutual funds                                     | <b>(40)</b>                        | 17                                                                | <b>(23)</b>                            | 28                                                                | <b>5</b>                               |
| Others                                                                      | -                                  | (78)                                                              | <b>(78)</b>                            | -                                                                 | <b>(78)</b>                            |
| <b>Total deferred tax liabilities</b>                                       | <b>(2,585)</b>                     | <b>(620)</b>                                                      | <b>(3,205)</b>                         | <b>321</b>                                                        | <b>(2,884)</b>                         |
| <b>Deferred tax assets on account of:</b>                                   |                                    |                                                                   |                                        |                                                                   |                                        |
| Provision for gratuity                                                      | <b>38</b>                          | (57)                                                              | <b>(19)</b>                            | 70                                                                | <b>51</b>                              |
| Provident fund contribution                                                 | <b>23</b>                          | -                                                                 | <b>23</b>                              | -                                                                 | <b>23</b>                              |
| Provision for doubtful trade receivables                                    | <b>740</b>                         | (112)                                                             | <b>628</b>                             | (45)                                                              | <b>583</b>                             |
| Voluntary retirement compensation                                           | <b>13</b>                          | -                                                                 | <b>13</b>                              | -                                                                 | <b>13</b>                              |
| Provision for compensated absence                                           | <b>225</b>                         | 19                                                                | <b>244</b>                             | 8                                                                 | <b>252</b>                             |
| Lease liabilities                                                           | <b>171</b>                         | (43)                                                              | <b>128</b>                             | (47)                                                              | <b>81</b>                              |
| Amortisation of borrowings                                                  | -                                  | (1)                                                               | <b>(1)</b>                             | -                                                                 | <b>(1)</b>                             |
| Fair valuation of derivative contracts / others                             | <b>75</b>                          | (53)                                                              | <b>22</b>                              | 2                                                                 | <b>24</b>                              |
| <b>Total deferred tax assets</b>                                            | <b>1,285</b>                       | <b>(247)</b>                                                      | <b>1,038</b>                           | <b>(12)</b>                                                       | <b>1,026</b>                           |
| <b>Total deferred tax liabilities (net)</b>                                 | <b>1,300</b>                       | <b>867</b>                                                        | <b>2,167</b>                           | <b>(309)</b>                                                      | <b>1,858</b>                           |

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

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.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 42 Other comprehensive income (OCI)

(₹ in lakhs)

| Particulars                                                                           | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>- Items that will not be reclassified to profit or loss</b>                        |                             |                             |
| Actuarial (loss) / gain on remeasurements of the net defined benefit plans            | (107)                       | 212                         |
| (Loss)/ gain on fair value equity instruments                                         | (59)                        | 254                         |
| Income tax relating to items that will not be reclassified to profit or loss          | 33                          | (79)                        |
|                                                                                       | <b>(133)</b>                | <b>387</b>                  |
| <b>- Items that will be reclassified to profit or loss</b>                            |                             |                             |
| Exchange differences in translating the financial statements of a foreign operation's | 505                         | (153)                       |
| Remeasurement of gains on derivative hedging instruments                              | (89)                        | (26)                        |
| Income tax relating to items that may be reclassified to profit or loss               | 22                          | 7                           |
|                                                                                       | <b>438</b>                  | <b>(172)</b>                |
| <b>Total</b>                                                                          | <b>305</b>                  | <b>215</b>                  |

### 43 Fair value measurements

#### Financial instruments by category -

(₹ in lakhs)

| Particulars                                                         | 31 March 2025 |       |                     | 31 March 2024 |       |                     |
|---------------------------------------------------------------------|---------------|-------|---------------------|---------------|-------|---------------------|
|                                                                     | FVOCI         | FVTPL | Amor-<br>tised cost | FVOCI         | FVTPL | Amor-<br>tised cost |
| <b><u>Financial assets - non-current</u></b>                        |               |       |                     |               |       |                     |
| Investments (*)                                                     | 610           | 1,738 | -                   | 670           | 1,668 | -                   |
| Loans (**)                                                          | -             | -     | 0                   | -             | -     | 0                   |
| Other financial assets                                              | -             | -     | 382                 | -             | -     | 1,078               |
| <b><u>Financial assets - current</u></b>                            |               |       |                     |               |       |                     |
| Investments                                                         | -             | 3,448 | -                   | -             | 2,042 | -                   |
| Trade receivables (*)                                               | -             | -     | 21,557              | -             | -     | 17,211              |
| Cash and cash equivalents                                           | -             | -     | 5,356               | -             | -     | 5,879               |
| Bank balances other than cash and cash equivalents                  | -             | -     | 243                 | -             | -     | 4,188               |
| Loans (*)                                                           | -             | -     | 17                  | -             | -     | 18                  |
| Other financial assets                                              | -             | -     | 24                  | -             | -     | 14                  |
| <b><u>Financial liabilities - non-current</u></b>                   |               |       |                     |               |       |                     |
| Borrowings                                                          | -             | -     | -                   | -             | -     | 2,684               |
| Lease liabilities                                                   | -             | -     | 85                  | -             | -     | 300                 |
| Other financial liabilities                                         | -             | -     | 95                  | -             | -     | 95                  |
| <b><u>Financial liabilities - current</u></b>                       |               |       |                     |               |       |                     |
| Borrowings (including current maturities of non-current borrowings) | -             | -     | 18,399              | -             | -     | 14,652              |
| Lease liabilities                                                   | -             | -     | 238                 | -             | -     | 208                 |
| Trade payables                                                      | -             | -     | 10,373              | -             | -     | 9,637               |
| Other financial liabilities                                         | -             | -     | 2,757               | -             | -     | 4,145               |

## **Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

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

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

### **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.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

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

(₹ in lakhs)

| Particulars                                        | 31 March 2025 |         |         | 31 March 2024 |         |         |
|----------------------------------------------------|---------------|---------|---------|---------------|---------|---------|
|                                                    | Level 1       | Level 2 | Level 3 | Level 1       | Level 2 | Level 3 |
| <b>Financial assets</b>                            |               |         |         |               |         |         |
| Investment in mutual fund measured at FVTPL        | 3,478         | -       | -       | 2,042         | -       | -       |
| Investments in equity instrument measured at FVTPL | -             | 1,738   | -       | -             | 1,668   | -       |
| Investments in equity instrument measured at FVOCI | 610           | -       | -       | 670           | -       | -       |
| Derivative asset measured at FVTPL                 | -             | 13      | -       | -             | -       | -       |
| <b>Financial liabilities</b>                       |               |         |         |               |         |         |
| Derivative liabilities measured at FVTPL           | -             | -       | -       | -             | 21      | -       |

### 44 Financial risk management

The Group's principal financial liabilities comprise borrowings, lease liability, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, market risk and liquidity risk. The senior management of the group oversees the management of these risks.

#### (a) Credit risk

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

#### Credit risk management

##### Trade receivables

To manage credit risk, the Group provides credit on the basis of industry norms. 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.

##### Other financial assets

The Group periodically monitors the recoverability and credit risks of its other financial assets. The Group evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

The Group has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Group and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**
**Expected credit loss for trade receivables as on 31 March 2025**

(₹ in lakhs)

| Particulars                                       | Not due       | Less than 1 year | More than 1 year | Credit Impaired | Total         |
|---------------------------------------------------|---------------|------------------|------------------|-----------------|---------------|
| <b>Gross trade receivables (a)</b>                | <b>19,408</b> | <b>2,628</b>     | -                | <b>1,837</b>    | <b>23,873</b> |
| Expected loss rate                                | 0.56%         | 14.08%           | 0%               | 100.00%         |               |
| Expected credit loss (b)                          | 109           | 370              | -                | 1,837           | <b>2,316</b>  |
| <b>Carrying amount of trade receivables (a-b)</b> | <b>19,299</b> | <b>2,258</b>     | -                | -               | <b>21,557</b> |

**Expected credit loss for trade receivables as on 31 March 2024**

(₹ in lakhs)

| Particulars                                       | Not due       | Less than 1 year | More than 1 year | Credit Impaired | Total         |
|---------------------------------------------------|---------------|------------------|------------------|-----------------|---------------|
| <b>Gross trade receivables (a)</b>                | <b>11,435</b> | <b>6,546</b>     | <b>18</b>        | <b>1,758</b>    | <b>19,757</b> |
| Expected loss rate                                | 0.65%         | 10.91%           | 0.00%            | 100.00%         |               |
| Expected credit loss (b)                          | 74            | 714              | -                | 1,758           | 2,546         |
| <b>Carrying amount of trade receivables (a-b)</b> | <b>11,361</b> | <b>5,832</b>     | <b>18</b>        | -               | <b>17,211</b> |

**Expected credit loss for other financial assets as on 31 March 2025**

(₹ in lakhs)

| Particulars                                        | Loans     | Cash and cash Equivalents | Bank balances other than cash and cash equivalents | Other financial assets |
|----------------------------------------------------|-----------|---------------------------|----------------------------------------------------|------------------------|
| Estimated gross carrying amount at default         | 17        | 5,356                     | 243                                                | 24                     |
| Expected credit loss                               |           |                           |                                                    |                        |
| <b>Carrying amount net of expected credit loss</b> | <b>17</b> | <b>5,356</b>              | <b>243</b>                                         | <b>24</b>              |

**Expected credit loss for other financial assets as on 31 March 2024**

(₹ in lakhs)

| Particulars                                        | Loans     | Cash and cash Equivalents | Bank balances other than cash and cash equivalents | Other financial assets |
|----------------------------------------------------|-----------|---------------------------|----------------------------------------------------|------------------------|
| Estimated gross carrying amount at default         | 18        | 5,879                     | 4,188                                              | 14                     |
| Expected credit loss                               | -         | -                         | -                                                  | -                      |
| <b>Carrying amount net of expected credit loss</b> | <b>18</b> | <b>5,879</b>              | <b>4,188</b>                                       | <b>14</b>              |

**Movement in provision of doubtful debts**

(₹ in lakhs)

| Particulars                                                   | As at 31 March 2025 | As at 31 March 2024 |
|---------------------------------------------------------------|---------------------|---------------------|
| Opening provision                                             | <b>2,546</b>        | 2,938               |
| Add - Creation / (reversal) of provision made during the year | <b>68</b>           | (118)               |
| Less - bad debts written off                                  | <b>(298)</b>        | (274)               |
| <b>Closing provision</b>                                      | <b>2,316</b>        | <b>2,546</b>        |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Movement in provision for loans

(₹ in lakhs)

| Particulars                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------|------------------------|------------------------|
| Opening provision                               | 15                     | 15                     |
| Add - additional provision made during the year | -                      | -                      |
| Less - bad debts written off                    | -                      | -                      |
| <b>Closing provision</b>                        | <b>15</b>              | <b>15</b>              |

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

| Particulars                  | For the year<br>ended 31<br>March 2025 | For the year<br>ended 31<br>March 2024 |
|------------------------------|----------------------------------------|----------------------------------------|
| Revenue from Top customer    | 12.00%                                 | 5.00%                                  |
| Revenue from Top 5 customers | 26.00%                                 | 17.00%                                 |

### B. Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

#### Liquidity risk management

The Group's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (except lease liabilities which are at discounted value) at each reporting date:

#### Maturities of financial liabilities

As at 31 March 2025

(₹ in lakhs)

| Particulars                                                                    | Within<br>1 year | Between 1<br>and 2 years | Beyond<br>2 years | Total         |
|--------------------------------------------------------------------------------|------------------|--------------------------|-------------------|---------------|
| <b>Non-derivative</b>                                                          |                  |                          |                   |               |
| Short term borrowings (including current maturities of non-current borrowings) | 18,399           | -                        | -                 | 18,399        |
| Trade payables                                                                 | 10,373           | -                        | -                 | 10,373        |
| Lease liabilities (current and non-current)                                    | 238              | 71                       | 14                | 323           |
| Other non-current financial liabilities                                        | -                | -                        | 95                | 95            |
| Other current financial liabilities                                            | 2,757            | -                        | -                 | 2,757         |
| <b>Derivative</b>                                                              |                  |                          |                   |               |
| Derivative liabilities                                                         | -                | -                        | -                 | -             |
| <b>Total</b>                                                                   | <b>31,767</b>    | <b>71</b>                | <b>109</b>        | <b>31,947</b> |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**
**As at 31 March 2024**
**(₹ in lakhs)**

| Particulars                                                                    | Within 1 year | Between 1 and 2 years | Beyond 2 years | Total         |
|--------------------------------------------------------------------------------|---------------|-----------------------|----------------|---------------|
| <b>Non-derivative</b>                                                          |               |                       |                |               |
| Non-current borrowings                                                         | -             | 1,193                 | 1,491          | <b>2,684</b>  |
| Short term borrowings (including current maturities of non-current borrowings) | 14,652        | -                     | -              | <b>14,652</b> |
| Trade payables                                                                 | 9,637         | -                     | -              | <b>9,637</b>  |
| Lease liabilities (current and non-current)                                    | 208           | 232                   | 68             | <b>508</b>    |
| Other non-current financial liabilities                                        | -             | -                     | 95             | <b>95</b>     |
| Other current financial liabilities                                            | 4,124         | -                     | -              | <b>4,124</b>  |
| <b>Derivative</b>                                                              |               |                       |                |               |
| Derivative liability                                                           | 21            | -                     | -              | <b>21</b>     |
| <b>Total</b>                                                                   | <b>28,642</b> | <b>1,425</b>          | <b>1,654</b>   | <b>31,721</b> |

**(c) Market risk**

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

**(1) Foreign currency risk**

The Group is exposed to foreign exchange risk on their receivables, payables which are held in USD, EUR, Thai Baht, CHF and JPY. The Group's exposure arises mainly on import of raw material and capital items and export of finished goods. The Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The Group uses forward contracts, options and cross currency swap to hedge its exposure to foreign currency risk. The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Impact of hedging activities

#### (i) Disclosures of effects of hedge accounting on consolidated balance sheet -

As at 31 March 2025

(₹ in lakhs, except price per rate)

| Type of hedge and risks       | Notional amount | Carrying amount of hedging instruments |             | Maturity dates      | Hedge ratio | Weighted average strike price/rate | Change in fair value of hedging instruments | Change in value of hedged item used as the basis for recognising hedge effectiveness |
|-------------------------------|-----------------|----------------------------------------|-------------|---------------------|-------------|------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------|
|                               |                 | Assets                                 | Liabilities |                     |             |                                    |                                             |                                                                                      |
| <b>Cash flow hedge</b>        |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| Foreign exchange risk         |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| <u>Derivative instruments</u> |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| (i) Cross currency swaps      | EUR 30          | 13                                     | -           | Oct 2020 - Jul 2025 | 1:1         | 87.30                              | (39)                                        | (39)                                                                                 |

As at 31 March 2024

(₹ in lakhs, except price per rate)

| Type of hedge and risks       | Notional amount | Carrying amount of hedging instruments |             | Maturity dates      | Hedge ratio | Weighted average strike price/rate | Change in fair value of hedging instruments | Change in value of hedged item used as the basis for recognising hedge effectiveness |
|-------------------------------|-----------------|----------------------------------------|-------------|---------------------|-------------|------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------|
|                               |                 | Assets                                 | Liabilities |                     |             |                                    |                                             |                                                                                      |
| <b>Cash flow hedge</b>        |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| Foreign exchange risk         |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| <u>Derivative instruments</u> |                 |                                        |             |                     |             |                                    |                                             |                                                                                      |
| (i) Cross currency swaps      | EUR 30          | -                                      | 21.00       | Oct 2020 - Jul 2025 | 1:1         | 87.30                              | (53)                                        | 53                                                                                   |

#### (ii) Disclosure of effects of hedge accounting on consolidated statement of profit and loss

For the year ended 31 March 2025

(₹ in lakhs)

| Type of hedge          | Change in value of hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised | Amount reclassified from cash flow hedge reserve | Line item affected on reclassification |
|------------------------|--------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------|----------------------------------------|
| <b>Cash flow hedge</b> |                                                                                |                                  |                                                  |                                        |
| Foreign exchange risk  | (39)                                                                           | -                                | (127)                                            | Revenue                                |

For the year ended 31 March 2024

(₹ in lakhs)

| Type of hedge          | Change in value of hedging instrument recognised in other comprehensive income | Hedge ineffectiveness recognised | Amount reclassified from cash flow hedge reserve | Line item affected on reclassification |
|------------------------|--------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------|----------------------------------------|
| <b>Cash flow hedge</b> |                                                                                |                                  |                                                  |                                        |
| Foreign exchange risk  | (53)                                                                           | -                                | (79)<br>13                                       | Revenue<br>Foreign exchange loss       |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (iii) Movement in cash flow hedging reserve

(₹ in lakhs)

| Particulars                                                          | Foreign currency and interest rate risk |
|----------------------------------------------------------------------|-----------------------------------------|
| <b>Cash flow hedge reserve</b>                                       |                                         |
| <b>Balance as at 1 April 2023</b>                                    | <b>(147)</b>                            |
| Add - Changes in fair value of hedging instruments                   | (53)                                    |
| Less - Amounts reclassified to consolidated statement profit or loss | 79                                      |
| Less - Deferred tax relating to above (net)                          | (7)                                     |
| <b>Balance as at 31 March 2024</b>                                   | <b>(128)</b>                            |
| Add - Changes in fair value of hedging instruments                   | (39)                                    |
| Less - Amounts reclassified to consolidated statement profit or loss | 127                                     |
| Less - Deferred tax relating to above (net)                          | (22)                                    |
| <b>Balance as at 31 March 2025</b>                                   | <b>(62)</b>                             |

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

### As at 31 March 2025

(₹ in lakhs)

|                                                                     | USD           | JPY            | EURO          | Others          |
|---------------------------------------------------------------------|---------------|----------------|---------------|-----------------|
| <b>Financial liabilities</b>                                        |               |                |               |                 |
| Trade payables                                                      | 2,561         | 1,826          | 421           | 6               |
| Creditors for capital goods                                         | 13            | 75             | -             | -               |
| Loan payable                                                        | -             | -              | -             | 16,184          |
|                                                                     | <b>2,574</b>  | <b>1,901</b>   | <b>421</b>    | <b>16,190</b>   |
| <b>Financial assets</b>                                             |               |                |               |                 |
| Trade receivables                                                   | 10,208        | -              | 10,135        | 49              |
| Balance with government authorities                                 | -             | -              | 633           | -               |
| Bank balance in Exchange Earners' Foreign Currency ('EEFC') account | 140           | -              | 29            | -               |
|                                                                     | <b>10,348</b> | <b>-</b>       | <b>10,797</b> | <b>49</b>       |
| <b>Net exposure to foreign currency assets / (liabilities)</b>      | <b>7,774</b>  | <b>(1,901)</b> | <b>10,376</b> | <b>(16,141)</b> |

### As at 31 March 2024

(₹ in lakhs)

|                                                                     | USD          | JPY            | EURO         | Others         |
|---------------------------------------------------------------------|--------------|----------------|--------------|----------------|
| <b>Financial liabilities</b>                                        |              |                |              |                |
| Trade payables                                                      | 412          | 1,101          | 787          | 1,388          |
| Capital creditors                                                   | -            | 79             | -            | -              |
| Loan payable                                                        | -            | -              | -            | 4,658          |
|                                                                     | <b>412</b>   | <b>1,180</b>   | <b>787</b>   | <b>6,046</b>   |
| <b>Financial assets</b>                                             |              |                |              |                |
| Trade receivables                                                   | 3,457        | -              | 4,844        | 445            |
| Balance with government authorities                                 | 7            | -              | 1,484        | 323            |
| Bank balance in Exchange Earners' Foreign Currency ('EEFC') account | 966          | -              | 1,012        | 399            |
|                                                                     | <b>4,430</b> | <b>-</b>       | <b>7,340</b> | <b>1,167</b>   |
| <b>Net exposure to foreign currency assets / (liabilities)</b>      | <b>4,018</b> | <b>(1,180)</b> | <b>6,553</b> | <b>(4,879)</b> |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 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 2025  |                | 31 March 2024  |                |
|------------|----------------|----------------|----------------|----------------|
|            | Increase by 2% | Decrease by 2% | Increase by 2% | Decrease by 2% |
| USD        | 155            | (155)          | 80             | (80)           |
| EUR        | 208            | (208)          | 131            | (131)          |
| JPY        | (38)           | 38             | (24)           | 24             |
| Others     | (323)          | 323            | (98)           | 98             |

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

### (2) Cash flow and fair value interest rate risk

The Group's interest rate risk is mainly due to the long term borrowing acquired at floating interest rate. The Group's policy is to maintain most of its borrowing at fixed rate using interest rate swaps to achieve this when necessary. During 31 March 2025 and 31 March 2024, the Group's borrowing at variable rate were mainly denominated in INR and USD.

The fixed rate borrowing are carried at amortised cost, hence they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates.

The Group's borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

| Particulars              | As at 31 March 2025 | As at 31 March 2024 |
|--------------------------|---------------------|---------------------|
| Variable rate borrowings | -                   | 4,187               |
| <b>Total</b>             | <b>-</b>            | <b>4,187</b>        |

As at the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in lakhs)

| Particulars                                        | 31 March 2025 |                  | 31 March 2024 |                  |
|----------------------------------------------------|---------------|------------------|---------------|------------------|
|                                                    | Balance       | % of total loans | Balance       | % of total loans |
| Variable rate loan                                 | -             | -                | 4,187         | 24.15%           |
| Interest rate swaps                                | -             | -                | -             | -                |
| <b>Net exposure to cashflow interest rate risk</b> | <b>-</b>      | <b>-</b>         | <b>4,187</b>  | <b>24.15%</b>    |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Sensitivity analysis - variable rate borrowing

(₹ in lakhs)

| Interest rate               | Impact on profit before tax |               |
|-----------------------------|-----------------------------|---------------|
|                             | 31 March 2025               | 31 March 2024 |
| Increase by 50 basis points | -                           | (21)          |
| Decrease by 50 basis points | -                           | 21            |

### (3) Price risk

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

(₹ in lakhs)

| Sensitivity                                                               | 31 March 2025 | 31 March 2024 |
|---------------------------------------------------------------------------|---------------|---------------|
| Impact on profit before tax for 5% increase in price of underlying shares | 174           | 219           |
| Impact on profit before tax for 5% decrease in price of underlying shares | (174)         | (219)         |

## 45 Capital management

### (i) Risk management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### (ii) The capital composition is as follows:

(₹ in lakhs)

| Particulars                                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------|------------------------|------------------------|
| Gross debt (long term and short term borrowings)  | 18,399                 | 17,336                 |
| Less: cash and cash equivalents                   | (5,356)                | (5,879)                |
| Add - lease liabilities (current and non current) | 323                    | 508                    |
| <b>Net debt (A)</b>                               | <b>13,366</b>          | <b>11,965</b>          |
| <b>Equity (B)</b>                                 | <b>93,646</b>          | <b>87,599</b>          |
| <b>Gearing ratio (A / B) (%)</b>                  | <b>14.27%</b>          | <b>13.66%</b>          |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (iii) Dividends

(₹ in lakhs)

| Particulars                                                                                                                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Equity Shares (face value of Rs. 2 each)</b>                                                                                                                         |                        |                        |
| Final dividend for the year ended 31 March 2024 of ₹ Nil per share (31 March 2023 - ₹ 1)                                                                                | -                      | 969                    |
| Interim dividend for the year ended 31 March 2025 of ₹ 2.5 per share (31 March 2024 - ₹ 4.1)                                                                            | 2,423                  | 3,974                  |
| <b>Dividends not recognised at the end of the reporting period</b>                                                                                                      |                        |                        |
| In addition to the above, at year end the directors have recommended the payment of a final dividend of ₹ 4.3 per equity share (31 March 2024 - ₹ Nil per equity share) | 4,168                  | -                      |

### 46 Net debt reconciliation

(₹ in lakhs)

| Particulars                                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------|------------------------|------------------------|
| Borrowings (current and non-current)                            | <b>18,399</b>          | 17,336                 |
| Lease liabilities (current and non current) (refer note 54(iv)) | <b>323</b>             | 508                    |
|                                                                 | <b>18,722</b>          | <b>17,844</b>          |
| Less - cash and cash equivalents                                | <b>5,356</b>           | 5,879                  |
| <b>Net debt movement</b>                                        | <b>13,366</b>          | <b>11,965</b>          |

(₹ in lakhs)

| Particulars                         | Liabilities                                       |                            | Assets                              | Total<br>(A+B-C) |
|-------------------------------------|---------------------------------------------------|----------------------------|-------------------------------------|------------------|
|                                     | Borrowings<br>(current and<br>non-current)<br>(A) | Lease<br>obligation<br>(B) | Cash and cash<br>equivalents<br>(C) |                  |
| <b>Net debt as at 1 April 2023</b>  | <b>32,205</b>                                     | <b>678</b>                 | <b>6,531</b>                        | <b>26,352</b>    |
| Cash flows (net)                    | (14,869)                                          | (170)                      | (428)                               | (14,611)         |
| Finance cost paid                   | (2,058)                                           | (59)                       | -                                   | (2,117)          |
| Finance cost incurred               | 2,058                                             | 59                         | -                                   | 2,117            |
| Exchange (loss) / gain (net)        | -                                                 | -                          | (224)                               | 224              |
| <b>Net debt as on 31 March 2024</b> | <b>17,336</b>                                     | <b>508</b>                 | <b>5,879</b>                        | <b>11,965</b>    |
| Cash flows                          | 725                                               | (185)                      | (468)                               | 1,008            |
| Finance cost paid                   | (867)                                             | (41)                       | -                                   | (908)            |
| Finance cost incurred               | 867                                               | 41                         | -                                   | 908              |
| Exchange gain / (loss) (net)        | 338                                               | -                          | (55)                                | 393              |
| <b>Net debt as at 31 March 2025</b> | <b>18,399</b>                                     | <b>323</b>                 | <b>5,356</b>                        | <b>13,366</b>    |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 47 Interest in other entities

The consolidated financial statements present the consolidated accounts of NRB Bearings Limited with its following subsidiaries

(₹ in lakhs)

| Sr. No | Name of the entities                                   | Principal place of business and country of incorporation | Activities                                                                    | Proportion of ownership interest 31 March 2025 | Proportion of ownership interest 31 March 2024 |
|--------|--------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| 1      | SNL Bearings Limited (subsidiary)                      | India                                                    | Manufacture and marketing of bearing products                                 | <b>73.45%</b>                                  | 73.45%                                         |
| 2      | NRB Holdings Limited (subsidiary)                      | UAE                                                      | Marketing of bearing products and customer support services                   | <b>100%</b>                                    | 100%                                           |
| 3      | NRB Bearings Europe GmbH (step-down subsidiary)        | Europe                                                   | Marketing of bearing products, customer support services and trading of goods | <b>100%</b>                                    | 100%                                           |
| 4      | NRB Bearings (Thailand) Limited (step-down subsidiary) | Thailand                                                 | Manufacture and marketing of bearing products                                 | <b>100%</b>                                    | 100%                                           |
| 5      | NRB Bearings USA Inc (step-down subsidiary)            | USA                                                      | Marketing of bearing products, customer support services and trading of goods | <b>100%</b>                                    | 100%                                           |

### 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 2025 | As at 31 March 2024 |
|-------------------------------|---------------------|---------------------|
| Current assets                | <b>5,872</b>        | 4,902               |
| Current liabilities           | <b>(550)</b>        | (499)               |
| <b>Net current assets</b>     | <b>5,322</b>        | <b>4,403</b>        |
| Non - Current assets          | <b>1,631</b>        | 1,750               |
| Non - Current liabilities     | <b>(169)</b>        | (201)               |
| <b>Net non-current assets</b> | <b>1,462</b>        | 1,549               |
| <b>Net total assets</b>       | <b>6,784</b>        | 5,952               |
| <b>Accumulated NCI</b>        | <b>1,829</b>        | 1,608               |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

(₹ in lakhs)

| <b>Summarised statement of profit and loss</b>  | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|-------------------------------------------------|--------------------------------|--------------------------------|
| Revenue                                         | <b>5,119</b>                   | 4,769                          |
| Profit for the year                             | <b>1,086</b>                   | 782                            |
| Other comprehensive income                      | <b>(1)</b>                     | <b>1</b>                       |
| <b>Total comprehensive income</b>               | <b>1,085</b>                   | 783                            |
| Profit allocated to NCI                         | <b>288</b>                     | 208                            |
| Other comprehensive income allocated to NCI (*) | <b>(0)</b>                     | 0                              |

(₹ in lakhs)

| <b>Summarised cash flows</b>                                  | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|---------------------------------------------------------------|--------------------------------|--------------------------------|
| Net cash generated from operating activities                  | <b>391</b>                     | 821                            |
| Net cash used in investing activities                         | <b>(139)</b>                   | (564)                          |
| Net cash used in financing activities                         | <b>(257)</b>                   | (239)                          |
| <b>Net (decrease) / increase in cash and cash equivalents</b> | <b>(5)</b>                     | 18                             |

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

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 49 Related Party Disclosure:

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

- (i) **Names of related parties and description of relationship with the Parent Company and its subsidiary companies (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)**

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key Management Personnel                        | <p><b><u>KMPs - Parent Company:-</u></b></p> <p>Ms. Harshbeena Zaveri, Vice Chairman and Managing Director<br/> Mr. Satish Chellaram Rangani, Director<br/> Mr. Tashwinder Singh, Independent Director (upto 10 August 2024)<br/> Mr. Ashank Datta Desai, Independent Director<br/> Mr. Rustom Desai, Independent Director<br/> Ms. Vishakha Maheshwari, Independent Director (upto 1 August 2024)<br/> Mr. Jayavardhan Dhar Diwan, Independent Director (w.e.f. 27 May 2024)<br/> Ms. Bapsy Dastur, Independent Director (w.e.f. 27 May 2024)<br/> Mr. Devesh Singh Sahney, Director (upto 29 September 2023)<br/> Mr. Pankaj Khemka, Chief Financial Officer (upto 31 December 2023)<br/> Mr. Raman Malhotra, Chief Financial Officer (w.e.f. 15 February 2024)<br/> Ms. Shruti Joshi, Company Secretary (upto 25 March 2025)<br/> Mr. Kishor Talreja, Company Secretary (w.e.f. 25 April 2025)</p> <p><b><u>KMPs - Subsidiary and Step-Down Subsidiary Companies (other than those covered above):-</u></b></p> <p>Mr. Arvinder Singh Kohli, Director<br/> Mr. Claude D'Gama Rose, Independent Director<br/> Ms. Reshmi Ramesh Panicker, Independent Director<br/> Mr. Kaiyomarz Minoo Marfatia, Independent Director<br/> Mr. Ram Narayan Sahu, Chief Financial Officer<br/> Ms. Pooja Jeswani, Company Secretary<br/> Mr. Lalit Mohan Pandey, Chief Financial Officer<br/> Mr. Harshal Patil, Company Secretary (upto 27 October 2023)<br/> Mr. K K P Sinha, Chief Financial Officer (upto 24 February 2024)<br/> Mr. Rustom Desai<br/> Mr. Bernard Francois Jean Chaffiotte<br/> Mr. Sahir Zaveri<br/> Mr. Sohail Shaikh<br/> Mr. Kishore Ochani</p> |
| Trust                                           | <p>SNL Employee Provident Fund Trust<br/> SNL Officer's Provident Fund Trust<br/> NRB Bearings Limited - Staff Gratuity Fund<br/> NRB Bearings Limited - Officer's Gratuity Fund</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| A firm where Ms. Harshbeena Zaveri is a partner | New Indo Trading Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

|                                                                                                           |                                                                                                  |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| Trust exercising significant influence over the Parent Company and in which KMP has significant influence | (Late) Trilochan Singh Sahney Trust 1                                                            |
| Company over which KMP or relative of KMP are able to exercise significant influence                      | NRB Industrial Bearings Limited<br>First Engineering Technologies Pvt Ltd<br>First Technology BV |

**(ii) Transactions with related parties during the year: (₹ in lakhs)**

| Name of Related Party                                                                       | Nature of Transaction                                                       | Transactions during the year |               | Receivable / Advances as at |               | Payable as at |               |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------|---------------|-----------------------------|---------------|---------------|---------------|
|                                                                                             |                                                                             | 31 March 2025                | 31 March 2024 | 31 March 2025               | 31 March 2024 | 31 March 2025 | 31 March 2024 |
| NRB Industrial Bearings Limited                                                             | Sale of finished goods                                                      | -                            | -             | 18                          | 18            | -             | -             |
|                                                                                             | Rent income                                                                 | 73                           | -             | -                           | -             | -             | -             |
|                                                                                             | Consideration paid for Intercompany Agreement                               | 5,512                        | -             | -                           | -             | -             | -             |
| First Engineering Technologies Private Limited                                              | Sale of finished goods                                                      | -                            | -             | 4                           | 4             | -             | -             |
|                                                                                             | Purchase of raw materials                                                   | 3                            | 3             | -                           | -             | -             | -             |
| First Technology BV                                                                         | Legal and professional fees                                                 | 346                          | 319           | -                           | -             | -             | -             |
| New Indo trading                                                                            | Service charges                                                             | 4                            | 5             | -                           | -             | -             | -             |
| (Late) Mr. Trilochan Singh Sahney Trust 1 (shares held by a trustee in his individual name) | Dividend paid                                                               | 845                          | 1,724         | -                           | -             | -             | -             |
| Ms. Harshbeena Zaveri                                                                       | Remuneration, commission and sitting fees                                   | 856                          | 708           | -                           | -             | 63            | 125           |
|                                                                                             | Dividend paid (*)                                                           | 303                          | 579           | -                           | -             | -             | -             |
| Mr. S. C. Rangani                                                                           | Remuneration, commission and sitting fees                                   | 12                           | 135           | -                           | -             | 2             | 2             |
|                                                                                             | Dividend paid                                                               | 0                            | 0             | -                           | -             | -             | -             |
| Mr. D. S. Sahney                                                                            | Commission and sitting fees                                                 | -                            | 1             | -                           | -             | -             | 6             |
|                                                                                             | Dividend paid                                                               | -                            | 43            | -                           | -             | -             | -             |
| Mr. Pankaj Khemka                                                                           | Remuneration                                                                | -                            | 67            | -                           | -             | -             | -             |
| Mr. Raman Malhotra                                                                          | Remuneration                                                                | 62                           | 18            | -                           | -             | -             | -             |
| Ms. Shruti Joshi                                                                            | Remuneration                                                                | 90                           | 85            | -                           | -             | -             | -             |
| Mr. Ram Narayan Sahu                                                                        | Remuneration                                                                | 22                           | 22            | -                           | -             | 2             | 2             |
| Other KMPs (Directors)                                                                      | Sitting fees and commission to non-executive directors                      | 90                           | 69            | -                           | -             | 10            | 33            |
|                                                                                             | Remuneration                                                                | 575                          | 475           | -                           | -             | -             | 5             |
|                                                                                             | Dividend paid (*)                                                           | 0                            | 0             | -                           | -             | -             | -             |
|                                                                                             | Professional fees                                                           | 42                           | 2             | -                           | -             | -             | -             |
| Trusts                                                                                      | Contribution to SNL Bearings - Staff and Officer's provident fund trust (*) | 10                           | 11            | -                           | -             | 0             | 1             |
|                                                                                             | Contribution to NRB Bearings - Staff and Officer's gratuity fund trust      | -                            | 150           | -                           | -             | -             | -             |

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

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****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) Foreign currency transactions are reported in INR using exchange rate as at the transaction date. Foreign currency balances are restated in INR using year end exchange rates.

**(iii) Key managerial personnel compensation****(₹ in lakhs)**

| <b>Particulars</b>            | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|-------------------------------|-------------------------------------|-------------------------------------|
| Short term employee benefits  | <b>1,588</b>                        | 1,483                               |
| Post-employment benefits      | <b>29</b>                           | 23                                  |
| <b>Total compensation (*)</b> | <b>1,617</b>                        | <b>1,506</b>                        |

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

**(iv) Salaries and employer benefits**

The KMPs are covered under the Group's gratuity policy, leave encashment policy, and bonus policy along with other eligible employees of the Group. Proportionate amount of gratuity and compensated absences expenses and provision for gratuity and compensated absences, which are determined actuarially, are not mentioned in the aforementioned disclosures as these are computed for the Group as a whole.

**50 Collateral / Security pledged**

The carrying amount of assets pledged as security for current and non-current borrowings of the Group are as follows:

**(₹ in lakhs)**

| <b>Particulars</b>            | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|-------------------------------|--------------------------------|--------------------------------|
| Property, plant and equipment | -                              | 12,005                         |
| Current assets                | <b>82,831</b>                  | 78,772                         |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 51 Contingent liabilities, capital and other commitments

(₹ in lakhs)

| Particulars                                                                                                                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Claim against the Group not acknowledge as debt</b>                                                                      |                        |                        |
| Income tax                                                                                                                  | <b>4,429</b>           | 4,090                  |
| Sales tax, value added tax and local body tax                                                                               | <b>243</b>             | 248                    |
| <b>Other money for which the company is contingently liable</b>                                                             |                        |                        |
| Bank guarantees in the form of corporate guarantee given to bank by Parent Company                                          |                        |                        |
| - in respect of step down subsidiaries                                                                                      | <b>13,643</b>          | 5,349                  |
| - in respect of others                                                                                                      | <b>1,126</b>           | 1,341                  |
| <b>Commitments</b>                                                                                                          |                        |                        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)            | <b>1,551</b>           | 1,819                  |
| Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances) | <b>2,789</b>           | -                      |

The Honourable Supreme Court, has passed a decision on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group, has been advised to wait for further clarifications in this matter in order to reasonably assess the impact on its consolidated financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present. From November 2020, the Group have started making the deduction and payment of provident fund basis the revised definition of "basic wages". For the period 1 April 2019 to 31 October 2020 the Group have recognised a provision of ₹ 90 lakhs as per the revised definition, for which they are awaiting further clarifications before depositing the same with the authorities.

Amount not determinable

#### 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 ₹ 172 lakhs and ₹ 24 lakhs respectively as at 31 March 2024 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.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

- ii) The Indian subsidiary's factory building is constructed on leasehold land, lessor being SBL Industries Limited, which is under liquidation with its assets under control of the Official Liquidator. For most part of the land, the lease is valid till year 2081, while on some portion of the land, lease had expired, although Company continues to retain possession as monthly lessee. In the FY 2018-19, the Indian subsidiary had filed an application with the Hon'ble High Court requesting to be impleaded as a party. Based on past precedent, there is a reasonable possibility that the Indian subsidiary would be able to use the building for its entire balance useful life. Thus, possibility of any financial impact in the books of account appears to be remote and impairment may not be required.

### Notes -

- (i) The Group is contesting all of the above demands in respect of income tax, sales tax, value added tax and local body tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the consolidated financial statements for the aforesaid demands. The Group believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the consolidated financial position and results of operations and hence no provision has been made in this regard.
- (ii) The above disclosure has been made on the basis of information available with the Group.
- (iii) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (iv) The amounts disclosed above represent the best possible estimates arrived at on the basis of the available information and do not include any penalty payable.
- (v) The guarantee given by the parent company towards the borrowings availed by the subsidiary company was for the purpose of local sourcing of capital goods.

## 52 Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

### (a) Defined Contribution Plan:

**Amount of ₹ 1,116 lakhs (31 March 2024 ₹ 909 lakhs) is recognised as expense and included in "Note No. 36 - Employee Benefits Expenses"**

(₹ in lakhs)

| Particulars                                                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------------------------------|-----------------------------|-----------------------------|
| (i) Employer's contribution to provident fund                       | 412                         | 396                         |
| (ii) Employer's contribution to family pension fund                 | 191                         | 181                         |
| (iii) Employer's contribution to superannuation fund                | 46                          | 47                          |
| iv) Employer's contribution to employee state insurance corporation | 6                           | 3                           |
| v) Contribution by subsidiary companies to other funds              | 461                         | 82                          |
| <b>Total</b>                                                        | <b>1,116</b>                | <b>709</b>                  |

### (b) Defined benefit plan :

The Group has the following defined benefits plans:

| Particulars         | Remarks                    |
|---------------------|----------------------------|
| Gratuity            | Funded through Trust / LIC |
| Provident Fund (PF) | Funded through Trust       |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (1) Gratuity (funded scheme)

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

#### (i) Actuarial assumptions for parent and Indian subsidiary

| Particulars                      | Year ended<br>31 March 2025                                | Year ended<br>31 March 2024                             |
|----------------------------------|------------------------------------------------------------|---------------------------------------------------------|
| Expected return on plan assets   | 6.55% - 6.79%                                              | 7.19% - 7.23%                                           |
| Discount rate (per annum)        | 6.55% - 6.79%                                              | 7.15% - 7.23%                                           |
| Rate of salary increase (#)      | 6% - 10%                                                   | 6% - 10%                                                |
| Rate of employee turnover        | 2% - 17%                                                   | 2% - 11%                                                |
| Mortality rate during employment | Indian Assured<br>Lives Mortality<br>(2012-14)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2012-14) Ultimate |
| Mortality rate after employment  | N.A.                                                       | N.A.                                                    |
| Retirement Age                   | 58 - 60 years                                              | 58 - 60 years                                           |

# takes into account the inflation, seniority, promotions and other relevant factors.

These assumptions were developed by the 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

| Factors                  | Impact                                                                                                                                                    |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Salary increase          | Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation. |
| Discount rate            | Reduction in discount rate in subsequent valuations can increase the obligation.                                                                          |
| Mortality and disability | Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.                                       |
| Withdrawals              | Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.    |

#### (ii) Changes in the present value of defined benefit obligation of group

(₹ in lakhs)

| Particulars                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------|------------------------|------------------------|
| Present value of obligation at the beginning of the year                | 3,747                  | 3,608                  |
| Interest cost                                                           | 270                    | 268                    |
| Current service cost                                                    | 183                    | 168                    |
| Actuarial losses - due to change in demographic / financial assumptions | 115                    | 23                     |
| Benefits paid from the fund                                             | (408)                  | (320)                  |
| <b>Present value of obligation at the end of the year</b>               | <b>3,907</b>           | <b>3,747</b>           |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (iii) Changes in the fair value of plan assets of group

(₹ in lakhs)

| Particulars                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------|------------------------|------------------------|
| Fair value of plan assets at beginning of the year      | 3,858                  | 3,457                  |
| Interest income                                         | 279                    | 257                    |
| Contributions by the employer (*)                       | 0                      | 177                    |
| Benefits paid from the fund                             | (408)                  | (268)                  |
| Return on plan assets, excluding interest income        | 9                      | 235                    |
| <b>Fair value of plan assets at the end of the year</b> | <b>3,738</b>           | <b>3,858</b>           |

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

### (iv) Assets and liabilities recognised in the consolidated balance sheet

(₹ in lakhs)

| Particulars                                                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------|------------------------|------------------------|
| Present value of the defined benefit obligation at the end of the year | 3,907                  | 3,747                  |
| Less: Fair value of plan assets at the end of the year                 | (3,738)                | (3,858)                |
| Net liability / (assets) recognised                                    | 169                    | (111)                  |
| <b>Recognised under provisions / (assets)</b>                          |                        |                        |
| Current provisions / (assets)                                          | 169                    | (111)                  |

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

### (v) Expenses recognised in the consolidated statement of profit and loss

(₹ in lakhs)

| Particulars                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| Current service cost                                    | 183                         | 168                         |
| Net interest (income)/ expense                          | (9)                         | 11                          |
| <b>Net gratuity cost recognised in the current year</b> | <b>174</b>                  | <b>179</b>                  |

### (vi) Expenses recognised in the consolidated statement of other comprehensive income (OCI)

(₹ in lakhs)

| Particulars                                                                | Year ended<br>31 March 2023 | Year ended<br>31 March 2022 |
|----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Actuarial losses - due to change in demographic / financial assumptions    | 115                         | 23                          |
| Return (differential) on plan assets, excluding interest income            | (9)                         | (235)                       |
| <b>Net (income)/expense for the year recognised in OCI (refer note 42)</b> | <b>106</b>                  | <b>(212)</b>                |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (vii) Reconciliation of net assets / (liabilities) recognised

(₹ in lakhs)

| Particulars                                                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------------|------------------------|------------------------|
| Net assets / (liabilities) recognised at the beginning of the period | 111                    | (151)                  |
| Contributions by the employer (*)                                    | 0                      | 177                    |
| Benefits paid by the employer                                        | -                      | 52                     |
| (Loss) / gain recognised in OCI                                      | (106)                  | 212                    |
| Expenses recognised in the consolidated statement of profit and loss | (174)                  | (179)                  |
| <b>Net (liabilities) / asset recognised at the end of the year</b>   | <b>(169)</b>           | <b>111</b>             |

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

### (viii) Categories of assets

(₹ in lakhs)

| Particulars              | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------|------------------------|------------------------|
| Funds managed by insurer | 100%                   | 100%                   |
| <b>Total</b>             | <b>100%</b>            | <b>100%</b>            |

### (ix) Sensitivity analysis

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(₹ in lakhs)

| Particulars                              | As at<br>31 March 2025 |          | As at<br>31 March 2024 |          |
|------------------------------------------|------------------------|----------|------------------------|----------|
|                                          | Decrease               | Increase | Decrease               | Increase |
| Change in discount rate by - / + 1%      | (457)                  | 409      | (498)                  | 451      |
| Change in salary growth rate by - / + 1% | (411)                  | 454      | (452)                  | 496      |
| Change in attrition rate by - / + 1%     | (246)                  | 239      | (282)                  | 276      |

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the consolidated balance sheet. The sensitivity analysis is based on a change in one assumption while not changing any other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

### (x) Maturity profile of defined benefit obligation:

(₹ in lakhs)

| Particulars                                                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------|------------------------|------------------------|
| Weighted average duration (based on discounted cash flows) | 5 years                | 4 years                |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### Maturity analysis of the benefit payments: From the fund:

Expected benefits payable in future years from the date of reporting:

(₹ in lakhs)

| Particulars        | 31 March 2025 | 31 March 2024 |
|--------------------|---------------|---------------|
| 1 year             | 859           | 553           |
| 2 to 5 years       | 1,683         | 1,797         |
| 6 to 10 years      | 1,247         | 1,351         |
| More than 10 years | 2,409         | 2,650         |

### (xi) General descriptions of significant defined plans

The Indian entities in the Group operate separate gratuity plans wherein every employee is entitled to the benefit for each completed year of service as per the respective scheme. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

### (2) Provident fund (PF) :

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the defined benefit plan of Provident fund for the Indian subsidiary based on the following assumptions:-

#### (i) Actuarial assumptions

| Particulars                                          | Year ended<br>31 March 2025                    | Year ended<br>31 March 2024                    |
|------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| Mortality rate                                       | Indian Assured<br>Lives Mortality<br>(2012-14) | Indian Assured<br>Lives Mortality<br>(2012-14) |
| Discount rate (per annum)                            | 6.63%                                          | 7.13%                                          |
| Interest rate guarantee (per annum)                  | 8.25%                                          | 8.25%                                          |
| Average Historic Yield on the Investment (per annum) | 7.53%                                          | 7.96%                                          |
| 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            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------|-----------------------------|-----------------------------|
| Funds managed by trust | 100%                        | 100%                        |

#### (iii) Assets and liabilities relating to defined benefit provident fund

(₹ in lakhs)

| Particulars                                                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------------------------------------------------------|------------------------|------------------------|
| Present value of the defined benefit obligation at the end of the year | 181                    | 199                    |
| Less: Fair value of plan assets at the end of the year                 | (177)                  | (196)                  |
| <b>Net (assets) / liabilities recognised by the Trust</b>              | <b>4</b>               | <b>3</b>               |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### 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                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------|------------------------|------------------------|
| Government of India securities    | 2%                     | 2%                     |
| State Government securities       | 17%                    | 21%                    |
| High quality corporate bonds      | 13%                    | 12%                    |
| Equity shares of listed companies | 12%                    | 12%                    |
| Special deposit Scheme            | 40%                    | 36%                    |
| Funds managed by Insurer          | 1%                     | 1%                     |
| Bank balance and others           | 15%                    | 16%                    |
| <b>Total</b>                      | <b>100%</b>            | <b>100%</b>            |

### v) Sensitivity analysis:

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the consolidated balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(₹ in lakhs)

| Particulars                                       | 31 March 2025 |          | 31 March 2024 |          |
|---------------------------------------------------|---------------|----------|---------------|----------|
|                                                   | Decrease      | Increase | Decrease      | Increase |
| Change in discount rate by - / + 1%               | 181           | 181      | 200           | 197      |
| Change in interest rate guarantee by - / + 1%     | 176           | 189      | 196           | 207      |
| Change in attrition rate - / + 1%                 | 181           | 181      | 199           | 199      |
| Change in expected return on plan assets - / + 1% | 189           | 176      | 206           | 196      |

### (c) Other long term benefits:

Compensated absences recognised in the consolidated statement of profit and loss for the current year, under the employee cost in note 36 - Employee benefits expense, is ₹ 177 lakhs (31 March 2024: ₹ 211 lakhs) liabilities towards provision for compensated absences amounted to ₹ 994 lakhs as at 31 March 2025 (31 March 2024 ₹ 957 lakhs)

**Note** - The liabilities of ₹ 994 lakhs (31 March 2024 - ₹ 957 lakhs) is classified as "Current" in accordance with the guidance note issued by ICAI on schedule III to the Companies Act, 2013.

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025****53 Segment reporting****(a) Primary segment: Business segment**

The Group is primarily engaged in manufacturing of bearings and other activities having similar economic characteristics, primarily operated out of India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. For the purpose of disclosure of segment information, the Group considers these operations as a single business segment as all the product groups are mainly having similar risks and returns.

The information relating to revenue from external customers and location of non-current assets of its single business segment has been disclosed as below:

Geographical non-current assets (property, plant and equipment, other intangible assets, CWIP, other non-current assets) are allocated based on the location of the assets.

**(b) Secondary segment: Geographical segment**

Secondary segments have been identified with reference to geographical areas in which Group operates. Composition of secondary segments is as follows:

- i) within India
- ii) outside India

**(₹ in lakhs)**

| <b>Particulars</b>                               | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|--------------------------------------------------|-------------------------------------|-------------------------------------|
| 1) Segment revenue                               |                                     |                                     |
| - Within India                                   | <b>93,924</b>                       | 80,572                              |
| - Outside India                                  | <b>25,937</b>                       | 28,831                              |
| 2) Carrying amount of segment non current assets |                                     |                                     |
| - Within India                                   | <b>36,171</b>                       | 35,910                              |
| - Outside India                                  | <b>11,605</b>                       | 9,239                               |

**54 Ind AS 116- Lease****As a lessee**

The Group's lease assets primarily consist of lease for building and flats on leasehold land. The Group has recognised ₹ 482 lakhs (31 March 2024 - ₹ 455 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% for the years ended 31 March 2025 and 31 March 2024.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

Information about leases for which the Group is a lease are presented below -

### (i) Right-of-use assets (ROU)

(Included in property, plant and equipment)

(₹ in lakhs)

| Particulars                         | Buildings & flats | Leasehold land | Total        |
|-------------------------------------|-------------------|----------------|--------------|
| <b>Gross carrying value</b>         |                   |                |              |
| As at 1 April 2023                  | 977               | 5              | 982          |
| Additions                           | -                 | -              | -            |
| Disposals                           | -                 | -              | -            |
| <b>Balance at 31 March 2024</b>     | <b>977</b>        | <b>5</b>       | <b>982</b>   |
| Additions                           | 25                | -              | 25           |
| Disposals                           | -                 | -              | -            |
| <b>Balance at 31 March 2025</b>     | <b>1,002</b>      | <b>5</b>       | <b>1,007</b> |
| <b>Accumulated depreciation</b>     |                   |                |              |
| As at 1 April 2023 (*)              | 349               | 0              | 349          |
| Charge for the year (*)             | 196               | 0              | 196          |
| Disposal/adjustment                 | -                 | -              | -            |
| <b>Balance at 31 March 2024 (*)</b> | <b>545</b>        | <b>0</b>       | <b>545</b>   |
| Charge for the year (*)             | 196               | 0              | 196          |
| Disposal/adjustment                 | -                 | -              | -            |
| <b>Balance at 31 March 2025 (*)</b> | <b>741</b>        | <b>0</b>       | <b>741</b>   |
| <b>Net carrying value</b>           |                   |                |              |
| <b>Balance as at 31 March 2024</b>  | <b>432</b>        | <b>5</b>       | <b>437</b>   |
| <b>Balance as at 31 March 2025</b>  | <b>261</b>        | <b>5</b>       | <b>266</b>   |

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

### (ii) Amount recognised in consolidated profit and loss for the year ended 31 March 2025

(₹ in lakhs)

| Particulars                                                                                                                                                                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Interest cost on lease liabilities (refer note 37)                                                                                                                                              | 41                          | 59                          |
| Depreciation on right of use assets (refer note 38)                                                                                                                                             | 196                         | 196                         |
| Rental expense recorded for short-term lease payments and payments for lease for low-value assets not included in the measurement of the lease liabilities (refer note below and refer note 39) | 482                         | 455                         |

### Note - Breakdown of rent

(₹ in lakhs)

| Particulars                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------|-----------------------------|-----------------------------|
| Short-term lease expense   | 396                         | 388                         |
| Low value lease expense    | 86                          | 67                          |
| <b>Total lease expense</b> | <b>482</b>                  | <b>455</b>                  |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

### (iii) Cash outflow from leases

(₹ in lakhs)

| Particulars                                                                                                                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Cash payments for the principal portion of the lease liability within financing activities                                                                                       | 185                         | 170                         |
| Cash payments for the interest portion of the lease liability within financing activities                                                                                        | 41                          | 59                          |
| 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 | 482                         | 455                         |

### (iv) Lease liabilities

(₹ in lakhs)

| Particulars                                | Amount     |
|--------------------------------------------|------------|
| <b>Balance as at 1 April 2023</b>          | 678        |
| Add: Movement during the year              | -          |
| Add; Interest cost accrued during the year | 59         |
| Less; Payment of lease liabilities         | (229)      |
| <b>Balance as at 31 March 2024</b>         | <b>508</b> |
| Add: Movement during the year              | -          |
| Add; Interest cost accrues during the year | 41         |
| Less: Payment of lease liabilities         | (226)      |
| <b>Balance as at 31 March 2025</b>         | <b>324</b> |

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------|------------------------|------------------------|
| Non-current  | 85                     | 300                    |
| Current      | 238                    | 208                    |
| <b>Total</b> | <b>323</b>             | <b>508</b>             |

### (v) Maturity analysis of discounted and undiscounted lease liabilities

#### Maturity analysis – contractual discounted cash flows

As at 31 March 2025

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Land and buildings (*)   | 238                 | 71                       | 7                        | 7               |
| <b>Total</b>             | <b>238</b>          | <b>71</b>                | <b>7</b>                 | <b>7</b>        |

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

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

As at 31 March 2024

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Land and buildings       | 208                 | 232                      | 64                       | 4               |
| <b>Total</b>             | <b>208</b>          | <b>232</b>               | <b>64</b>                | <b>4</b>        |

### Maturity analysis of undiscounted lease liabilities

As at 31 March 2025

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Land and buildings       | 258                 | 73                       | 10                       | 38              |
| <b>Total</b>             | <b>258</b>          | <b>73</b>                | <b>10</b>                | <b>38</b>       |

As at 31 March 2024

(₹ in lakhs)

| Particulars              | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|--------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>Lease liabilities</b> |                     |                          |                          |                 |
| Land and buildings       | 249                 | 250                      | 64                       | 39              |
| <b>Total</b>             | <b>249</b>          | <b>250</b>               | <b>64</b>                | <b>39</b>       |

Notes:

(a) The Group has not entered into any sale and lease back transactions during the year.

(b) There are no significant restrictions or covenants imposed on leases.

- (vi) There are several lease agreements with extension and termination options for which management of the Group exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise the extension options and not to exercise the termination options, the Group has opted to include such extended term and ignore the termination option in determination of the lease term.

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

**55 For Disclosures mandated by Schedule III to Companies Act 2013, by way of additional information, refer below:**

(₹ in lakhs)

| 2024-2025                                     |                                                  |                                    |                                      |                                     |                                     |                                                 |                                     |                            |
|-----------------------------------------------|--------------------------------------------------|------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------------------|-------------------------------------|----------------------------|
| Name of entity                                | Net assets<br>(Total assets - Total liabilities) |                                    | Share in consolidated profit or loss |                                     | Share in other comprehensive income |                                                 | Share in total comprehensive income |                            |
|                                               | Amount                                           | As % of Consolidated Net Asset (%) | Amount                               | As % of Consolidated profit or loss | Amount                              | As % of Consolidated other comprehensive income | Amount                              | As % of Consolidated total |
| <b>Parent company</b>                         |                                                  |                                    |                                      |                                     |                                     |                                                 |                                     |                            |
| NRB Bearings Limited                          | 87,898                                           | 93.86%                             | 5,868                                | 71.28%                              | (198)                               | (64.76%)                                        | 5,670                               | 66.42%                     |
| <b>Indian Subsidiary Company</b>              |                                                  |                                    |                                      |                                     |                                     |                                                 |                                     |                            |
| SNL Bearings Limited                          | 4,955                                            | 5.29%                              | 798                                  | 9.69%                               | (1)                                 | (0.33%)                                         | 797                                 | 9.33%                      |
| <b>Foreign Subsidiary Companies</b>           |                                                  |                                    |                                      |                                     |                                     |                                                 |                                     |                            |
| NRB Bearings Holdings Ltd.                    | 1,856                                            | 1.98%                              | (287)                                | (3.49%)                             | -                                   | -                                               | (287)                               | (3.36%)                    |
| <b>Foreign Step-Down Subsidiary Companies</b> |                                                  |                                    |                                      |                                     |                                     |                                                 |                                     |                            |
| NRB Bearings (Thailand) Limited               | 4,869                                            | 5.20%                              | 1,337                                | 16.24%                              | -                                   | -                                               | 1,337                               | 15.66%                     |
| NRB Bearings Europe GmbH                      | 947                                              | 1.01%                              | 486                                  | 5.90%                               | -                                   | -                                               | 486                                 | 5.69%                      |
| NRB Bearings USA Inc.                         | 830                                              | 0.89%                              | 425                                  | 5.16%                               | -                                   | -                                               | 425                                 | 4.98%                      |
| Minority interest in subsidiary (*)           | 1,829                                            | 1.95%                              | 288                                  | 3.50%                               | (0)                                 | 0.00%                                           | 288                                 | 3.38%                      |
|                                               | <b>1,03,184</b>                                  |                                    | <b>8,915</b>                         |                                     | <b>(199)</b>                        |                                                 | <b>8,716</b>                        |                            |
| Add: Foreign currency translation reserve     | -                                                | -                                  | -                                    | -                                   | 505                                 | 165.57%                                         | 505                                 | 5.92%                      |
| Less: Elimination                             | (9,538)                                          | (10.18%)                           | (683)                                | (8.28%)                             | (1)                                 | (0.48%)                                         | (684)                               | (8.02%)                    |
|                                               | <b>93,646</b>                                    | <b>100.00%</b>                     | <b>8,232</b>                         | <b>100.00%</b>                      | <b>305</b>                          | <b>100.00%</b>                                  | <b>8,537</b>                        | <b>100.00%</b>             |

## Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in lakhs)

| 2023-2024                                     |                                                  |                                    |                                      |                                      |                                     |                                                 |                                     |                            |
|-----------------------------------------------|--------------------------------------------------|------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------------------|-------------------------------------|----------------------------|
| Name of entity                                | Net assets<br>(Total assets - Total liabilities) |                                    | Share in consolidated profit or loss |                                      | Share in other comprehensive income |                                                 | Share in total comprehensive income |                            |
|                                               | Amount                                           | As % of Consolidated Net Asset (%) | Amount                               | As % of Consolidated profit and loss | Amount                              | As % of Consolidated other comprehensive income | Amount                              | As % of Consolidated total |
| <b>Parent company</b>                         |                                                  |                                    |                                      |                                      |                                     |                                                 |                                     |                            |
| NRB Bearings Limited                          | 84,651                                           | 96.63%                             | 25,047                               | 103.71%                              | 367                                 | 170.69%                                         | 25,414                              | 104.30%                    |
| <b>Indian Subsidiary Company</b>              |                                                  |                                    |                                      |                                      |                                     |                                                 |                                     |                            |
| SNL Bearings Limited                          | 4,344                                            | 4.96%                              | 574                                  | 2.38%                                | 1                                   | 0.47%                                           | 575                                 | 2.36%                      |
| <b>Foreign Subsidiary Company</b>             |                                                  |                                    |                                      |                                      |                                     |                                                 |                                     |                            |
| NRB Holdings Limited                          | 2,095                                            | 2.39%                              | (115)                                | (0.48%)                              | -                                   |                                                 | (115)                               | (0.47%)                    |
| <b>Foreign Step-Down Subsidiary Companies</b> |                                                  |                                    |                                      |                                      |                                     |                                                 |                                     |                            |
| NRB Bearings (Thailand) Limited               | 3,214                                            | 3.67%                              | 714                                  | 2.96%                                | -                                   | 0.00%                                           | 714                                 | 2.93%                      |
| NRB Bearings Europe GmbH                      | 449                                              | 0.51%                              | 288                                  | 1.19%                                | -                                   | 0.00%                                           | 288                                 | 1.18%                      |
| NRB Bearings USA Inc.                         | 391                                              | 0.45%                              | 279                                  | 1.16%                                | -                                   | 0.00%                                           | 279                                 | 1.15%                      |
| Minority interest in subsidiary (*)           | 1,608                                            | 1.84%                              | 208                                  | 0.86%                                | 0                                   | 0.00%                                           | 208                                 | 0.85%                      |
|                                               | 96,752                                           |                                    | 26,995                               |                                      | 368                                 |                                                 | 27,363                              |                            |
| Add: Foreign currency translation reserve     | -                                                | 0.00%                              | -                                    | 0.00%                                | (153)                               | (71.16%)                                        | (153)                               | (0.63%)                    |
| Less: Elimination                             | (9,153)                                          | (10.45%)                           | (2,844)                              | (11.78%)                             | -                                   | 0.00%                                           | (2,844)                             | (11.67%)                   |
|                                               | 87,599                                           | 100.00%                            | 24,151                               | 100.00%                              | 215                                 | 100.00%                                         | 24,366                              | 100.00%                    |

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

### 56 Disclosure for struck off companies

The Group does not have any transactions and outstanding balances for the current year and previous year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### 57 Other Regulatory Information

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group has not traded or invested in Crypto currency or Virtual Currency.
- 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:
  - 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,
- 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).

**Material accounting policies information and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2025**

- (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 2025 and 31 March 2024.
- (ix) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (x) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the year ended 31 March 2025 and 31 March 2024, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of books of account. However, the audit trail (edit log) at the application level for the accounting software was enabled and operating for all relevant transactions recorded in the software.

**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.

| <b>Particulars</b>                                                                  | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|-------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Net profit after tax for the year attributable to owners of the parent (₹ in lakhs) | <b>7,944</b>                        | 23,943                              |
| Weighted average number of equity shares outstanding during the year                | <b>9,69,22,600</b>                  | 9,69,22,600                         |
| Basic and diluted earnings per share (₹)                                            | <b>8.20</b>                         | 24.71                               |
| Face value per share (₹)                                                            | <b>2.00</b>                         | 2.00                                |

**Note:**

The Group does not have any outstanding dilutive potential equity shares as at 31 March 2025 and 31 March 2024. Consequently, basic and diluted earnings per share of the Company remain the same.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N / N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**Place : Mumbai****Date : 14 May 2025****For and on behalf of the Board of Directors****Ashank Desai**Chairman  
DIN : 00017767**Raman Malhotra**

Chief Financial Officer

**Place : Mumbai****Date : 14 May 2025****Harshbeena Zaveri**Vice Chairman and  
Managing Director  
DIN : 00003948**Kishor Talreja**

Company Secretary

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



## NOTES

[illegible]



## NOTES

[illegible]

## FINANCIAL HIGHLIGHTS

Rs. in lakhs

| Year Ended                       | 31.03.21      | 31.03.22      | 31.03.23        | 31.03.24        | 31.03.25        |
|----------------------------------|---------------|---------------|-----------------|-----------------|-----------------|
| <b>Sales (Net)</b>               |               |               |                 |                 |                 |
| Domestic                         | 53,646        | 63,483        | 76,532          | 77,560          | 82,362          |
| Exports                          | 18,410        | 25,455        | 23,771          | 24,712          | 25,390          |
| <b>Sales Total</b>               | <b>72,056</b> | <b>88,938</b> | <b>1,00,303</b> | <b>1,02,272</b> | <b>1,07,752</b> |
| Operating Profit                 | 8,730         | 13,006        | 15,331          | 14,155          | 15,290          |
| Profit Before Tax                | 5,211         | 9,302         | 11,380          | 31,822          | 7,983           |
| Tax (Net)                        | 838           | 2,288         | 2,800           | 6,775           | 2,115           |
| Profit After Tax                 | 4,373         | 7,014         | 8,580           | 25,047          | 5,868           |
| Total Comprehensive Income       | 5,057         | 7,244         | 8,405           | 25,414          | 5,670           |
| Retained Earnings                | 5,057         | 6,568         | 6,649           | 20,261          | 3,366           |
| Dividend                         | -             | 485           | 1,938           | 4,943           | 2,423           |
| Tax on dividend                  | -             | -             | -               | -               | -               |
| Earnings per share (FV Rs.2)     | 4.51          | 7.24          | 8.85            | 25.85           | 6.06            |
| Dividend %                       | -             | 25            | 100             | 255             | 125             |
| Shareholders' Funds              | 50,954        | 57,713        | 64,180          | 84,651          | 87,898          |
| Funds Employed                   | 73,774        | 84,741        | 91,944          | 95,388          | 93,042          |
| Fixed Assets (Gross)             | 76,922        | 77,450        | 79,244          | 81,507          | 85,750          |
| Fixed Assets (Net)               | 31,326        | 31,018        | 29,410          | 27,708          | 28,295          |
| Fixed Asset Turnover (times)     | 2             | 3             | 3               | 3.69            | 3.81            |
| Net Current Assets               | 21,619        | 24,033        | 34,387          | 47,369          | 46,830          |
| Working Capital Turnover (times) | 3             | 4             | 3               | 2               | 2               |
| Shareholder Nos                  | 45,403        | 48,181        | 47,966          | 52,837          | 75,444          |
| Employee Nos                     | 1,436         | 1,359         | 1,332           | 1,289           | 1,316           |



**Registered Office**

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