

## **NRB BEARINGS LIMITED**

### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

#### **A. Purpose of the CSR Policy**

This Corporate Social Responsibility Policy (“**CSR Policy**”) of NRB Bearings Limited (“**Company**”) has been drafted in consonance with Section 135 of the Companies Act, 2013 (“**Act**”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”) and all circulars, clarifications and notification issued by the Ministry of Corporate Affairs in relation thereto, as may be amended from time to time (hereinafter collectively referred to as “**Applicable Law**”), to lay down the guidelines for undertaking corporate social responsibility (“**CSR**”) initiatives / activities. This CSR Policy shall apply to all CSR projects / programs undertaken by the Company.

#### **B. Principles**

We have always believed in and worked towards “inclusive growth”- improving the quality of life of the people we touch and in the communities where we operate. It is our continuing commitment to contribute to economic development of the society at large and build capacity for sustainable livelihoods.

The Company’s CSR Policy is supported by the following principles:

- (i) We are committed to conducting our operations with integrity and respect, in the interest of our stakeholders and in line with our business principles;
- (ii) We believe growth and commitment to social change need not be conflicting. Our business model is designed to deliver sustainable growth. The inputs to the model are our people and our contributions in skills enhancement of these people. Making a notable impact in the rural education and providing a higher education which is liberal in its true sense – helping develop intellect, nurturing critical thinking and achieving positive social impact will be the outputs of our model; and
- (iii) We collaborate and engage with government institutions, educational institutions and other not for profit organisations.

#### **C. Scope**

The CSR Policy of the Company contains the approach and direction given by the board of directors of the Company (“**Board of Directors**” or “**Board**”), taking into account the recommendations of the CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities / projects / programmes.

This Policy is intended to be in conformity with the provisions of Applicable Law. In case of any conflict between this Policy and provisions of Applicable Law, the latter shall prevail. Any new provision arising out of amendments to the Act or the CSR Rules, shall be construed to be a part of this CSR Policy.

**D. Composition of CSR Committee and Disclosures**

The CSR Committee shall be constituted in accordance with the requirements of Applicable Law and shall consist of 3 (three) or more directors including at least 1 (one) independent director. This CSR Policy along with the details of the composition of the CSR Committee and projects approved by the Board will be available on the Company's website.

**E. Projects and Programs that are to be undertaken**

1. The Company may undertake, as its CSR activity(ies) / initiative(s), any one or more of the activities mentioned in Schedule VII of the Act, as may be decided by the Board on the recommendation of the CSR Committee from time to time, depending on the suitable opportunities available and need of the area concerned. Out of the activities listed in the Schedule VII of the Act, the Company has embraced the following:

- (i) Promotion of education;
- (ii) Promoting gender equality and empowering woman;
- (iii) Employment enhancing vocational skills;
- (iv) Promoting social business projects including environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources; and
- (v) Promoting health care including preventive health care with specific emphasis on women, children and girl child.

2. In terms of the above the Company has been contributing for primary education, secondary education (study of sciences, maths and engineering) and to engineering colleges for studies in mathematics and engineering, vocation skill enhancement, empowering women and for environmental sustainability.

**F. Guiding principles for selection of CSR Activities**

The CSR Committee shall identify any one or more of the areas / activities specified in Schedule VII of the Act, on a year to year basis, for CSR activities of the Company. The CSR Committee shall recommend to the Board, CSR activities and expenditure thereof, in the identified activities, projects or programmes. The Board shall approve CSR activities and expenditure thereof taking into account the recommendations of the CSR Committee. The CSR activities to be undertaken by the Company shall not include any of the activities prohibited under the Act.

**G. Implementation of CSR activities**

1. The Company shall implement the identified CSR activities / projects / programmes in the manner as required under Applicable Law, including by the following means:
  - (i) the Company may itself implement the identified CSR activities / projects / programmes;

- (ii) a company established under Section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of Section 10 or registered under Section 12A and approved under 80 G of the Income Tax Act, 1961, established by the Company, either singly or along with any other company; or
  - (iii) a company established under Section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
  - (iv) any entity established under an act of Parliament or a State legislature; or
  - (v) a company established under Section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of Section 10 or registered under Section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
2. The Company may engage international organisations (as defined under the CSR Rules) for designing, monitoring and evaluation of the CSR activities or projects or programmes as well as for capacity building of its own personnel for CSR.
  3. The Company may collaborate with other companies, including its group companies / companies under common control with the Company, if required, for fulfilling its CSR objectives or for undertaking its CSR activities or projects or programmes in such a manner that the CSR committees of respective companies are in a position to report separately on such activities or projects or programmes in accordance with the Act and the CSR Rules.

#### **H. CSR Budget**

The Company shall allocate at least two percent (2%) of the average net profit of the Company for the 3 (three) immediately preceding financial years or such amount as may be prescribed under the Act read with the CSR Rules, as its annual CSR budget. Any amount remaining unspent, shall be utilized in the manner as prescribed under Applicable Law. Further, in case any excess amount has been spent, then such amount may be set off in such number of succeeding financial years as prescribed under Applicable Law.

#### **I. Annual Action Plan**

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance to this CSR Policy. The annual action plan shall include details as specified under Applicable Law and such matters as the CSR Committee may deem fit from time to time.

The Board may alter such plan at any time during the financial year, as per the recommendation of CSR Committee, based on reasonable justification to that effect.

#### **J. Monitoring of CSR activities**

The CSR Committee shall be apprised on the CSR activities and the progress shall be monitored by the CSR Committee at such frequency as it may deem fit. In case of any ongoing project / program, the Board shall monitor the implementation of the project / program with reference to the approved timelines and year wise allocation and shall be competent to make

modifications, if any, for smooth implementation of the project / program within the overall permissible time period.

The monitoring mechanism for each CSR activity shall be recommended by the CSR Committee and approved by the Board. Impact assessment of CSR activities shall be undertaken, if required under Applicable Law. The annual report on CSR activities in the format prescribed under Applicable Law shall be placed before the CSR Committee and the Board for approval, together with the Impact Assessment Reports, if any.

The Chief Financial Officer of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilised towards the same effect.

**K. Amendments to the Policy**

The Board of Directors, either on its own or as per the recommendations of CSR Committee, may amend this Policy, as and when required. The decision of the Board of Directors on all matters relating to this CSR Policy shall be final and binding upon all concerned. This CSR Policy is subject to continuous review and updates as required from time to time.

*This policy has been amended vide resolution passed by Board of Directors of the Company on August 07, 2025.*