

September 25, 2021

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

Sub: Disclosure under Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations) - Brief Proceedings of the 56th Annual General Meeting of the Company

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A in Schedule III of the Listing Regulations, we enclose herewith the brief proceedings of the 56th Annual General Meeting (AGM) of the Company, as **Annexure A**, held on Friday, September 24, 2021 at 3:30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

All the resolutions at the said AGM have been passed with requisite majority. We request you to kindly take the same on record.

Thanking You,

Sincerely,
For NRB Bearings Limited



Shruti Joshi
Company Secretary

Encl : as above

Annexure A

Brief Proceedings of the 56th Annual General Meeting of the Company held on Friday, September 24, 2021:

The 56th Annual General Meeting (AGM) of the Company was held on Friday, September 24, 2021 at 3:30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in view of the continuing Covid-19 pandemic.

Mr. Tashwinder Singh, Chairman of the Company and Chairman of the Audit Committee, took the Chair and after ascertaining the quorum, called the meeting to order at 3:30 p.m. The Chairman then commenced the proceedings by welcoming the shareholders and introducing the Directors. The Chairman confirmed the presence of the Chairman of the Nomination and Remuneration Committee and as well as the Stakeholders Relationship Committee. Mr. Ravi Teltia, Chief Financial Officer and Ms. Shruti Joshi, Company Secretary were in attendance. The Chairman then informed that the representatives of the Statutory Auditors and Secretarial Auditors of the Company were also present.

Thereafter, the Chairman with the permission of shareholders, took the Notice of AGM dated June 2, 2021, already sent to the shareholders as read. He mentioned that the Auditor's Report as well as Secretarial Auditor's Report did not contain any qualification, hence, it was not required to read the Auditor's Report as well as Secretarial Auditor's Report at the meeting.

The Chairman further informed the shareholders that there was no proxy facility available for the meeting, as the facility was dispensed by the Ministry of Corporate Affairs for AGM conducted through VC, while other statutory registers were available for inspection electronically. The Chairman then informed the shareholders that pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules thereon and Regulation 44 of the Listing Regulations, the Company had provided the facility of remote e-voting for voting on the resolutions contained in the Notice calling the AGM and also facility of e-voting was made available at AGM venue to facilitate those shareholders who did not exercise their vote through remote e-voting. He further informed that Mr. Upendra Shukla, Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize the process of remote e-voting and e-voting at the Meeting.

Thereafter the Chairman addressed the meeting, inter-alia, highlighting the industry scenario, financial performance of the Company and future outlook etc. The Vice Chairman & Managing Director also addressed the meeting giving the key highlights of FY 2020-21.

The Chairman then invited the shareholders who had registered themselves in advance by sending request from their registered email id to express their views at the AGM. The queries raised by 2 (two) shareholders on the performance of the Company were responded to by the Vice Chairman & Managing Director of the Company.

The Chairman thanked the Board members and the shareholders for attending the meeting and called the meeting to a close at 4:10 p.m. informing that those shareholders who had not voted through remote e-voting were allowed to cast their votes for 15 minutes and authorised the Company Secretary of the Company to receive the voting results and intimate same to the stock exchanges.

The following resolutions as set out in the Notice convening the AGM were put on vote through remote e-voting and e-voting at the Meeting:

Sl. No.	Particulars	Type of Resolution
1.	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2021 and the Audited Consolidated Financial Statements for the financial year ended March 31, 2021, together with the reports of the Board of Directors and the Auditors thereon.	Ordinary
2.	Declaration of final dividend on equity shares for the financial year ended March 31, 2021.	Ordinary
3.	Appointment of a director in place of Mr. Devesh Singh Sahney (DIN 00003956) who retires by rotation and being eligible has offered himself for re-appointment.	Ordinary
4.	Ratification of remuneration payable to the Cost Auditors, M/s. R. Nanabhoy & Co. (Firm Registration No. 7464) for the financial year ending March 31, 2022.	Ordinary
5.	Re-appointment of Mr. Rustom Desai (DIN: 02448175) as an Independent Director for a second term of 5 (five) consecutive years from January 23, 2022 to January 22, 2027.	Special
6.	Increase of the limits of remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013, payable to the managing director and the whole-time director for FY 2020-21.	Special

All the resolutions as set out in the Notice of the AGM were duly approved by the members with requisite majority.

The Chairman's speech and the Vice Chairman & Managing Director's address to the shareholders at the AGM is provided below:

Chairman's speech :

Ladies and Gentlemen:

It gives me great pleasure to welcome you to the 56th Annual General Meeting of NRB Bearings Limited. I hope that you and your family members are safe and are practising all safety protocols and adhering to government guidelines. Despite all precautions, many people have lost their lives during the second wave of the pandemic. We send our sincere condolences to all those who have lost their loved ones.

As we look back at financial year 2020-21, we note it has been a year of COVID-19, lockdowns, adapting to the new normal and new ways of working. The only certainty is that there is uncertainty all around us. As the pandemic rages across the world, it brings with it disruption affecting each one of us, our communities, our organizations and even our country.

Economic Environment / Company Performance

The COVID -19 pandemic has inflicted high human costs worldwide, and the necessary protection measures have severely impacted economic activity. As a result of the pandemic, exacerbated by the challenges of transport, logistics and ensuing shortages worldwide the global economy has contracted sharply by approximately 4.9 per cent during the year under review, much more sharply than during the 2008-09 financial crisis. For the first time since the Great Depression both advanced economies and emerging economies are in recession. The silver lining is that, in 2021, partial recovery is discernable in both advanced economies and emerging markets.

After having battled one of the biggest recessions faced in recent memory, there was some cheer for India's economy. We recorded a positive—albeit marginal—growth in Q3 FY 2021! However, India's economic growth has fallen from 4.7 per cent in 2019 to -9.6 per cent in 2020, as lockdowns and other containment efforts slashed domestic consumption without halting the spread of the disease. In the history of India's automotive industry, 2020 was one of the most challenging years. The intermittent lockdowns and the supply and demand disruptions across geographies and in several sectors of the economy in the first half of FY 2021 led to a decline of approx. 40% in overall automobile industry sales; however, the second half of FY 2021 showed signs of the start of a recovery process with overall automobile sales growing significantly on YoY basis over FY2020. The automobile industry produced a total (2.26 crores) 22,652,108 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in 2020-2021 as against (2.63 crores) 26,353,293 in 2019-2020, registering a de-growth of (-) 14.04 percent over the same period last year.

Events like these, while testing our capabilities, also present opportunities to re-imagine the future and re-work our strategies to build a better tomorrow. The Government's special package for accelerated infrastructural development and competitive "Make In India" supply chains are expected to spur growth over time. Your Company has performed well, and our team deserves credit for the amazing optimism and collaboration and resilience in the face of challenge which continues to be the hallmark of NRB.

During FY 2020-21, on a consolidated basis, your Company recorded net revenues of Rs. 762.40 crores as against Rs. 775.95 crores for 2019-20, down by 2% only. With effective cost control and prudent working capital management, the Company recorded a net profit of Rs. 55.70 crores, an increase of over 67 per cent over Rs. 33.19 crores for 2019-20. The Board of Directors has recommended a final dividend of 25% i.e. Rs. 0.50 per share, which we request you to declare for the financial year ended March 31, 2021, keeping in mind the Company's EV related investment plan and uncertainty due to partial lockdown during Q1 of this fiscal.

Your Company has a deep commitment to sustainability. Our eco-friendly practices have enabled us to become a leader in innovative light weight friction solutions. This is true progress not only for us but also for those associated with us. NRB's belief in "inclusive growth"-improving the quality of life of the people we touch and the communities where we operate has led us to become a Company that attracts top talent across all levels. It is our continuing commitment to contribute to economic development of the society at large that drives our employees and our leadership. We have consistently acted with compassion in preserving livelihoods for our operator's families, as we strategize on accelerating growth optimization and invest in new technologies for future growth.

Current year Q1

Total Income for Q1 – April to June 2021 at Rs. 202.90 crores was lower by 20.10% as compared to Rs. 253.96 crores the previous quarter. This was on account of our plants being in regions gravely affected by Covid-19. The expected recovery in sales revenues during the July-September 2021 quarter, makes us optimistic of a robust performance in the remaining quarters.

Outlook and business strategies

Due to intermittent lockdowns due to the second wave of the pandemic, there has been a production slow down as well with demand sentiments being muted. Thus, most auto components manufacturers have shown substantial decline in their financial performance in Q1 of fiscal 2022. It is expected that recovery would take place in the remaining quarters particularly driven by offtakes for passenger vehicles. With the normal monsoon well spread across the country, it is expected that rural demand will lead a further revival during H2 of fiscal 2022, leading to enhanced demand. Your Company has substantial export business which makes us face the future with optimism.

Building competitiveness with agility and innovation, speedy response to the ever changing situation are NRB's strengths' and we are confident we will emerge stronger from the crisis. NRB has a very de-risked segment strategy, and we serve the Commercial Vehicle, Two/Three wheeler, and Passenger Car segments, as well as Agriculture and Construction Equipment Industries and Global Defence and do not depend on any one sector. We believe that being small and agile helps us react very quickly to market situations, engineering differentiated high-technology products with unprecedented speed, high service levels with consistent quality and performance levels. We are leveraging the market share gains that have accrued with the adoption of BS VI norms and e-mobility trend. Our strong export order book is another advantage and we expect substantial and continuing growth in exports with the re-structuring of our subsidiaries. We are gearing up for the 'next normal' as new opportunities and industry dynamics get redefined.

Subsidiary companies

Currently, the Company has 4 subsidiaries viz. SNL Bearings Limited (SNL), NRB Bearings (Thailand) Limited, NRB Bearings Europe GmbH and NRB Bearings USA Inc. SNL has reported profit after tax of Rs. 6.19 crores which is higher by 49.16 per cent and has declared a dividend of 45% per cent. NRB Thailand, our 100% subsidiary, has also recorded strong growth in sales and profits I am happy to report that the subsidiaries, both SNL and NRB Thailand, are on the road to exceeding pre-covid revenues during the current fiscal and are cautiously optimistic about sustaining this performance.

Acknowledgements

I would like to express my deep appreciation for the continued support of our customers and their help in achieving our goal of always delivering value in our journey of growth. To you, our shareholders and our business partners, I extend special thanks for your continuing faith and support in NRB. A special mention and appreciation for Team NRB for their deep level of commitment to the Company, in driving performance to ensure profitable results, in spite of the pandemic, and look forward to their continued and valuable support. Your Company emerged strongly from the challenges thrown by the pandemic and your Board has the full confidence that the team under the leadership of Mrs. Zaveri will leverage the same crises management capabilities to create differentiated performance in these unprecedented times.

Vice Chairman & Managing Director's address :

It is always a pleasure to interact with you, our shareholders, and we miss meeting you in person, and hope that next year we will be able to do so. I would like to share some key highlights of the past financial year.

- 1. A concerted focus on working capital management led to deleveraging of our balance sheet and reduction of net debt by 103 crores rupees by the end of the fiscal year 2021 from 2020.*

2. *NRB's Debt equity ratio also improved from 0.72 (FY20) to 0.45 (FY21)*
3. *NRB ROCE increased from ~8% in Fiscal 2020 to ~13% in Fiscal 2021.*
4. *During the period of the lockdown we re-dedicated as many of our manufacturing team as possible to work on new product development along with our engineering team to enable us to get a head start for both BS-VI penetration for the Indian OEMs, and also for exports, particularly focusing on E-Mobility and E-Mobility agnostic launches. We realised that the competition faced by our customers would be fierce and many new launches would be accelerated post recovery.*
5. *We accelerated, rather than delayed the expansion of our R&D facilities. Today our two R&D centres span over 36000 Sq. Feet and our engineers are working to make our global customers future ready.*
6. *As we faced the challenges posed by the pandemic, NRB developed new products much faster not just for BS-VI, but also for global future-ready vehicles such as the latest hybrid and E-Drive BMW models from Series 3 to Series 5, as well as the AMG Mercedes, the hybrid Mini-cooper, the latest Ford Ranger and the newly launched revolutionary electric Ford F150 truck; our friction solutions are today in Daimler's electric version of their best-selling Actros truck, Toyota's Hino trucks and Volvo Foton's Chinese vehicles.*

NRB is in e-application of the BMW ERC and Mercedes AMG ERC as well. This, along with a continued presence in E-agnostic applications, has grown NRB's presence globally. Our exports grew by 17 percent and we supply our key customers' plants in 45 countries.