

NRB
INDUSTRIAL



11th

Annual Report
2021-22

MOVING THE WHEELS OF INDUSTRY



Vision

We Aim for the Top

To be the leader in Friction Management in every market we serve, for the betterment of our customers, employees and shareholders.

Mission

Innovation in the Field of Engineering

To continuously create consistent value for our customers and supply chain partners that will maximize shareholder value and long-term earnings growth.



Our Values

- Flexibility and Adaptability
- Everyone is the MD of their Own Task
- No Compromise on Quality
- Loyalty & Transparency amongst all Stakeholders
- Customer First in All Actions
- Fun at Work
- Growth with Profits
- Keep it Simple



11th ANNUAL REPORT

Financial Year 2021-22

Board Of Directors	: Mr. Devesh Singh Sahney - Chairman and Managing Director Mrs. Aarti Devesh Sahney - Non Executive Director Mr. Nikhilesh Panchal - Independent Director Mr. Ashish Chhugani - Independent Director Mr. Samrat Zaveri – Independent Director
Key Managerial Personnels	: Mr. Devesh Singh Sahney - Chairman and Managing Director Mrs. Gulestan Kolah - Chief Financial Officer Mrs. Sushama Kadam Company Secretary and Compliance Officer (Resigned w.e.f 24.05.2022) Mrs. Vandana Yadav - Company Secretary and Compliance Officer (Appointed w.e.f 24.05.2022)
Bankers	: Bank of Maharashtra
Statutory Auditor	: Deloitte Haskins & Sells LLP
Internal Auditor	: J. K. Delvadavala & Company
Secretarial Auditor	: AJS and Associates
Registered Office	: 2nd floor, Dhannur building, 15, Sir P.M. Road, Fort, Mumbai - 400 001, Maharashtra, India Tel. : 022-45417500
Factory Premises	: B-18, Five Star, M.I.D.C Area, D-Zone, Shendra, Aurangabad - 431 154 Maharashtra, India
Registrar and Transfer Agents	: Universal Capital Securities Pvt. Ltd. C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083. Tel.: +91 22 49186178-79 Email: info@unisec.in
CIN	: L29253MH2011PLC213963
GST No.	: 27AADCN5657L1ZY
Website	: www.nrbindustrialbearings.com
Email Address	: investorcare@nibl.in

CONTENTS		
Sr. No	Particulars	Page Nos.
1.	Letter to the Shareholders.....	3
2.	Annual General Meeting Notice	4
3.	Director's Report	20
4.	Management Discussion and Analysis Report	36
5.	Corporate Governance Report	41
6.	Independent Auditor's Report	59
7.	Balance Sheet Statement.....	68
8.	Statement of Profit and Loss.....	69
9.	Cash Flow Statement.....	70
10.	Notes to Financial Statements	73
11.	Independent Auditor's Report (Consolidated).....	113
12.	Balance Sheet Statement (Consolidated).....	116
13.	Statement of Profit and Loss (Consolidated).....	117
14.	Cash Flow Statement (Consolidated).....	118
15.	Notes to Financial Statements (Consolidated).....	121

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

We saw a prolonged pandemic even in 2021 striking the Global and Indian economy back again. In India second and third wave's economic effect was significantly less than the full lockdown in 2020-21, but the health consequences were far more severe to continue with the economic uncertainty throughout the year.

Due to steadfast collective efforts from the Citizens and Govt. Of India, the third Covid-19 Omicron wave subsided by the end of Q3 2021. India's broad range of fiscal, monetary and health responses to the crisis supported recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis. New infections have fallen significantly, vaccination rates have risen to surpass a billion doses and now with most of the restrictions being lifted, the country is on its way to normalcy.

As per official estimates, following a contraction of 7.3% in 2020-21, the Indian economy growth rate is estimated to be at 8.3–8.8% in 2021 - 22, citing a stronger-than-expected economic recovery from the impact of national lockdown of 2020 and the third wave of the Covid-19 pandemic in 2021. Indian economy expanded at a record high of 20.1% year-on-year in Q2 2021 and outperformed counterparts among key developing market economies from April to December 2021. During April-November 2021, the Index of Industrial Production (IIP) increased by 17.4% YoY, compared to a contraction of 15.3% in April-November 2020.

Although Indian economy is estimated to grow at 7.5-8% in the current fiscal year, the biggest challenge is going to be to return to a high growth trajectory. As the new financial year begins, there is greater uncertainty on this question, due to the ongoing geopolitical crisis which is fuelling a surge in global financial market volatility and commodity prices especially crude oil. Also the continuing global supply-side disruptions pose downside risks to the outlook. But in spite of the pessimistic scenario where high oil prices and supply distortions remain a drag on growth, India's indicators of macroeconomic stability imply that the Indian economy is well positioned to meet the challenges of 2022-23.

While I commenced with this annual letter describing the economic challenging landscape, I remain proud of what your company “**NRB Industrial Bearings Limited**” and our NIBL Team Members have achieved, collectively and individually in the fiscal year 2021-22. Throughout these past two challenging years, we never stopped doing all the best things we should be doing to serve all our stakeholders. It is clear that our constant investment in research and development to provide quality bearing solutions and ongoing skill development of our people is what enabled us to persevere in this turbulent economic times.

With the objective to strive for solid financial performance and relentless quest for excellence, your company NRB Industrial Bearings has delivered strong performance in fiscal 2021-22. Your company has generated revenue growth of 21 %, significantly exceeding the previous business volume, as well as setting numerous other records like highest ever domestic business and highest ever export business.

Our strong underlying performance, reflects the dedication, efficiency and exceptional ability of our talented NIBL team, who was focused on creating value that matters for all our stakeholders, despite the extreme challenges which came on the way due to the COVID-19 pandemic.

We are confident in our ability to continue to meet the expectations of all our stakeholders and consistently deliver on the promise of quality bearing solutions. As we approach the new fiscal year 2022 – 23 with confidence, we are excited about the new opportunities, and are convinced that NRB Industrial Bearing is in an excellent position to further strengthen its presence in the markets that we operate in.

Our vision is to be the leader in Friction Management in every market we serve, for the betterment of our customers, employees and shareholders. Our mission is to continuously create consistent value for our customers and supply chain partners that will maximize shareholder value and long-term earnings growth. And it is possible only if you maintain a healthy and vibrant company, which means understanding the needs and taking care of your customers, employees and communities.

I want to thank NIBL Team Members for their hard work and commitment to living our purpose of delivering superior shareholder value.

I also want to thank our customers, shareholders, partners and communities for their continued trust and support.

Devesh Sahney
Chairman & Managing Director
NRB Industrial Bearings Limited.

AGM NOTICE

To,
The Members,
NRB Industrial Bearings Limited,

NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF NRB INDUSTRIAL BEARINGS LIMITED WILL BE HELD ON FRIDAY, AUGUST 19, 2022, AT 2.00 P. M. THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO-VISUAL MEANS ("OAVM") FACILITY TO TRANSACT THE FOLLOWING ITEMS OF BUSINESS. THE DEEMED VENUE OF THE MEETING SHALL BE THE REGISTERED OFFICE OF THE COMPANY, 15, DHANNUR, SIR P. M. ROAD, FORT, MUMBAI 400001.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To appoint a Director in the place of Mr. Devesh Singh Sahney (DIN: 00003956), who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

3. **TO APPROVE RE-APPOINTMENT OF MR. DEVESH SINGH SAHNEY (DIN: 00003956) AS MANAGING DIRECTOR, LIABLE TO RETIRE BY ROTATION.**

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:*

"RESOLVED THAT pursuant to the provisions 196, 197, 198 and other applicable provisions, if any, of Companies Act, 2013 (the Act) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to Act (including any statutory modifications and re-enactment thereof for the time being in force) and subject to approval of the Central Government, if required, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Devesh Singh Sahney (DIN : 00003956), who is liable to retire by rotation as Managing Director of the Company, for a further period of five years with effect from October 1, 2022 to September 30, 2027 on such terms and conditions as may be mutually decided between the Company and Mr. Devesh Singh Sahney;

RESOLVED FURTHER THAT any one of the Board of Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

4. **TO APPROVE THE REMUNERATION OF MR. DEVESH SINGH SAHNEY (DIN: 00003956) CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY FOR A FURTHER PERIOD FROM OCTOBER 1, 2022 TO SEPTEMBER 30, 2025:**

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:*

"RESOLVED THAT in supersession of the earlier resolution passed by the members in their meeting held on August 21, 2021, pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Schedule V of the Act (including any statutory modifications and re-enactment thereof for the time being in force), and other applicable provisions, if any, and subject to approval of Central Government if required and pursuant to the recommendation of the Audit Committee, Nomination and Remuneration Committee and the Board of Directors at its meeting held on May 24, 2022, the consent of the members of the Company be and is hereby accorded for the payment of following remuneration to Mr. Devesh Singh Sahney (DIN: 00003956) as Managing Director of the Company, with effect from October 1, 2022 to September 30, 2025, upon such terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out below :

- a) Basic Remuneration: Rs. 10,08,000/- p.m. at the discretion of the Board of Directors to increase the basic remuneration from time to time.

b) Cash allowance:

- i. House Rent Allowance - 50% - Rs. 5,04,000/- p.m.
- ii. Education allowances – Rs. 20,000/- p.m.
- iii. Other allowances – Rs. 25,000/- p.m. (Upto 50,000/- p.m.)

c) Perquisites:

In addition to the Basic Salary the following perquisites will also be payable:

- i) Expenditure incurred by the Company on providing electricity shall be valued as per the Income Tax Rules, 1962;
 - ii) Leave Travel Assistance : Once in a year, incurred in accordance with the rules specified by the Company, subject to a ceiling of Rs. 1,25,000/- p.a. (upto 3,00,000/- p.a.);
 - iii) Reimbursement of Medical : Self and Family at actuals;
 - iv) Medical/Accident Insurance: As per rules of the Company;
 - v) Club fees: Reimbursement of membership fees for up to 2 clubs;
 - vi) Provision of Car with driver and telephone at Residence will be considered as perquisites;
 - vii) Contribution to Provident Fund, Superannuation 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; and
- d) Commission – Such remuneration by way of Commission at the rate of 1% for each financial year, in addition to the above salary and perquisites calculated with reference to the net profit of the Company in a particular financial year, as may be determined by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee at the end of each financial year.

RESOLVED FURTHER THAT pursuant to Part II of Schedule V of the Act, and any other applicable provisions for the time being in force and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) the terms and conditions of remuneration payable to Mr. Devesh Singh Sahney (DIN: 00003956), Managing Director of the Company, the consent of the Members be and is hereby accorded for payment of above set out Managerial Remuneration to Mr. Devesh Singh Sahney (DIN:00003956), Managing Director of the Company for a period of three years with effect from October 1, 2022 to September 30, 2025 and to accept such modifications, amendments, limitations and/or conditions, to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, shall not exceed Rs. 500 Lakh per annum;

RESOLVED FURTHER THAT any one of the Board of Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

5. TO CONSIDER AND APPROVE FOR MAKING INVESTMENTS, GRANTING LOANS, GIVING GUARANTEES, PROVIDING SECURITIES IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body

corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 100 Crores (Rupees One Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013;

RESOLVED FURTHER THAT any one of the Board of Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

**By Order of the Board
For NRB Industrial Bearings Limited**

**Devesh Singh Sahney
Managing Director
(DIN: 00003956)**

Registered Office:
NRB Industrial Bearings Limited,
15, Dhannur, Sir P. M. Road,
Fort, Mumbai, Maharashtra-400001

Place: Mumbai
Date: May 24, 2022

NOTES FOR SHAREHOLDERS' ATTENTION:

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and clarification circular No. 02/2021 dated January 13, 2021, 8th December 2021 and 14th December 2021, respectively, issued by the Ministry of Corporate Affairs (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- 2) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to Item Nos. 3 to 5 of the Notice is annexed hereto and forms part of this Notice.
- 3) The meeting shall be deemed to be conducted at the Registered Office of the Company situated at 15, Dhannur, Sir P. M. Road, Fort, Mumbai 400001.
- 4) **Proxies:**

The Annual general meeting for the FY 2021-22 will be held through VC/OAVM, where the physical attendances of members in such case has been dispensed with, there is no requirement of appointment of proxies. Accordingly the facility of appointment of proxies by members will not be available for such meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However in pursuance of section 112 and section 113 of the Companies Act, 2013, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Corporate Members are required to send, (before e-voting/ attending AGM) a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, pursuant to section 113 of the Act on the e-mail id investorcare@nibl.in and sanjog579@gmail.com.

5) Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 13th August 2022 to Friday 19th August, 2022 (both days inclusive).

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, amended Regulation 40 of SEBI Listing Regulations pursuant to which from April 1, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

- 6) The company has provided to the shareholders the facility of attending the meeting through video conferencing and e-voting pursuant to the important Circulars issued by the Ministry of Corporate Affairs ('MCA') clarifying the procedures/directives laid down to conduct Annual General meeting under Covid-19 circumstances for the FY 2021-22 :

Sr. No	Circular No
1	General Circular No. 14/2020 dated 8th April, 2020
2	General Circular No 17/2020 dated 13th April, 2020
3	General Circular No. 20/2020 dated 5th May, 2020
4	General Circular No. 02/2021 dated 13th January, 2021
5	General Circular No. 02/2022 dated 5th May, 2022

7) Annual Report physical copies:

- a) Pursuant to General Circular No. 02/2021 dated January 13, 2021 and the General Circular No. 20/2020 dated May 5, 2020, Para A(III) considering the current COVID-19 outbreak situation in the country and the difficulties involved in dispatching of physical copies of Financial Statements for the FY 2021-22 (including the Board Report, Auditors Report or other documents required to be attached therewith) such statement shall be sent only by email to the members and all other persons such entitled.
- (b) Notice by way of an advertisement is published in Financial Express all India circular (English language newspaper) and Mumbai Lakshadeep (Marathi language newspaper; principle vernacular language of the district where the company is registered) intimating the issue of Notice and copies of Financial Statements via. Email on their registered email ids.
- (c) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 13, 2021 , Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories upto Friday, 15th July, 2022. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.nrbindustrialbearings.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.
- 8) The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly register their e-mail IDs with the Registrar & Share Transfer Agent by sending an e-mail at info@unisec.in. The Annual Report of the Company and other documents proposed to be sent through e-mail would also be hosted on the Company's website www.nrbindustrialbearings.com.
- 9) Members willing to attend the Annual general meeting (AGM) are requested to email their details (Members who hold shares in dematerialized form are requested to email their Client ID and DP ID numbers for identification) for attending the Annual general meeting minimum 48 hours prior to the AGM. The Company shall make sure the necessary connectivity test prior to the AGM.

- 10) The details Pursuant to the Regulation 36(3) of the SEBI Listing Regulations read with Clause 1.2.5 of the Secretarial Standards-2 regarding the appointment, reappointment and approval of remuneration of Directors are annexed to this notice.
- 11) Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, August 12, 2022 through email on investorcare@nibl.in. The same will be replied by the Company suitably.
- 12) As mandated by SEBI, effective April 01, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their DPs.
- 13) Members holding shares in physical form are requested to address all their correspondence including change of address, mandates etc. to the Company and Registrar and Share Transfer Agents viz. Universal Capital Securities Private Limited, C 101, 247 Park, LBS Road, Vikhroli West, Mumbai -400 083, Tel.: +91, 22 49186178-79, Fax: +91 22 49186060. The Members holding shares in dematerialised form should approach their respective Depository Participants for the same.
- 14) Members holding shares in physical mode may register/ update their email address/ mobile no. and any other details in prescribed form ISR-1 with the Registrar and Transfer Agent ("RTA") of the Company i.e. Universal Capital Securities Private Limited as required under SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021. Norms for updation are also available at the website of the Company at <https://www.nrbindustrialbearings.com>
- 15) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- 16) Members holding shares in single name are advised to avail the nomination facility by filing Form SH-13, as prescribed under the Act with the Company. Members holding shares in electronic mode may contact their respective depository participant for availing this facility.
- 17) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 18) All documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Members can inspect the same by sending an email to the Company at investorcare@nibl.in.
- 19) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 20) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Instruction for Members attending Meeting through VC/OAVM.
- 21) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
- 22) Share transfer documents and all correspondence relating thereto, should be addressed to the Company and Universal Capital Securities Private Limited, C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083, Registrars and Transfer Agent of the Company.
- 23) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.