

NRB INDUSTRIAL BEARINGS LIMITED

CIN No. L29253MH2011PLC213963

Regd. Office : Dhannur, 2nd Floor, 15, Sir P. M. Road, Fort, Mumbai-400001

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POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act 2013 (the Act) read with Rule 22 of the Companies (Management and Administration) Rules 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended below is proposed to be passed by way of postal ballot/e-voting. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 setting out all material facts pertaining to the resolutions concerning each item and the reasons thereof are annexed hereto along with a Postal Ballot Form (the Form) for your consideration.

The Board of Directors of the Company has appointed Mr. Sanjog Naravankar, Practicing Company Secretary, SVN & Associates Mumbai as scrutinizer for conducting the postal ballot process and e-voting process in a fair and transparent manner.

Members desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed on the Postal Ballot Form and record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed business reply envelope, so as to reach the Scrutinizer not later than the close of working hours, i.e. not later than 05:00 P.M. on November 29, 2019. The Ballot Form received after the said date will be treated as not received as per Rule 22 (12) of the Companies (Management and Administration) Rules, 2014.

Shareholders desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

The result of postal ballot/e-voting shall be declared and notified any Director authorized in this behalf on or before 5.00 p.m. on December 01, 2019 at the Registered Office of the Company at 15, Dhannur, Sir P.M.Road, Fort, Mumbai. The results would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where shares of the Company are listed, published in newspapers and displayed along with Scrutinizer's report on the website of Company at www.nrbindustrialbearings.com and CDSL at www.cdslindia.com.

The date of declaration of the result shall be deemed to be the date of passing of the resolution.

PROPOSED RESOLUTION:

1. To approve the increase in Authorized Capital of the Company and amend the Memorandum of Association.

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

“RESOLVED THAT pursuant to the provisions of Section 13, 61 sub-section 1(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re- enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to the increase the Authorized Share Capital of the Company presently from 65,00,00,000/- (Rupees Sixty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs.60,00,00,000/- (Rupees Sixty Crore only) of 6,00,00,000 preference shares of Rs. 10/- to 85,00,00,000/- (Rupees Eighty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs.80,00,00,000/- (Rupees Eighty Crore only) of 8,00,00,000 preference shares of Rs. 10/- each ;

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 sub section 1 of the Companies Act, 2013, the existing Clause V (a) of the Memorandum of Association stands substituted as under:

The Authorized Share Capital of the Company is 85,00,00,000/- (Rupees Eighty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs.80,00,00,000/- (Rupees Eighty Crore only) of 8,00,00,000 preference shares of Rs. 10/- each ;

2. To approve availing of the unsecured loan from Mr. Devesh Singh Sahney (Chairman and Managing Director) having an option for conversion of the loan into Cumulative Redeemable Non- Convertible Shares (“CRPS”) of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 55, 62(3), 110 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and subject to such approval(s) and condition(s) as may be applicable, the consent 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 expression shall be deemed to include any Committee duly constituted by the Board to exercise its powers, including the powers conferred by this Resolution) in respect of availing of an unsecured loan up to an amount of INR 38,10,00,000 (Rupees Thirty Eight Crores Ten Lakhs Only) from Mr. Devesh Singh Sahney (Chairman and Managing Director) on terms and conditions as may be approved by the Board from time to time, which terms and conditions may, inter alia, provide for an enabling option to Mr. Sahney and the Company to convert the whole or any part of such outstanding unsecured loan (together with any interest due) into fully paid up Cumulative Redeemable Non-Convertible Preference Shares (“CRPS”) for INR 10/- (Rupees Ten Only) each of the Company on one or more occasions during the currency of such unsecured loan from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, including allotment and issue of requisite number of fully paid up CRPS of the Company to Mr. Devesh Singh Sahney, as it deems fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to modify the terms and conditions as may be mutually agreed with Mr. Devesh Singh Sahney arising from or incidental to the aforesaid loan with the conversion option.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable or as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection with or incidental thereto as the Board in its absolute discretion may deem fit, without it being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this Resolution on it, to any Committee of Directors or any person(s), as it may in its absolute discretion deem fit in order to give effect to this Resolution.”

By Order of the Board

**Place : Mumbai
Date : 07.10.2019**

**D. S. Sahney
Chairman and Managing Director
DIN: 00003956**

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

The Current Authorized Capital of the Company is 65,00,00,000/- (Rupees Sixty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs.60,00,00,000/- (Rupees Sixty Crore only) of 6,00,00,000 preference shares of Rs. 10/- each.

In order to meet the financial requirements of the Company and to raise necessary funds for its Board of Directors of the Company proposes to increase its authorized share capital to 85,00,00,000/- (Rupees Eighty Five Crore only) divided into Rs. 5,00,00,000/- (Rupees Five Crore only) of 2,50,00,000 equity share of Rs. 2/- each and Rs. 80,00,00,000/- (Rupees Eighty Crore only) of 8,00,00,000 preference shares of Rs. 10/- each.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause 5 of the Memorandum of Association of the Company. Pursuant to Section 13 and 61 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing a Special Resolution to that effect.

The Directors recommend the Resolution set out in the Notice for the approval of the Members. No Director, Manager, other key managerial personnel and relatives of the same are concerned or interested in the passing of this Resolution.

Item No. 2

The Company proposes to obtain unsecured loan from Mr. Devesh Singh Sahney, Chairman and Managing Director of the Company to meet its funding requirements towards its operational expenditure, working capital or for any other purposes as deem fit by the Board. The terms and conditions of said loan inter-alia provides for an option to covert the outstanding loan amount together with interest

due into Cumulative Redeemable Non- Convertible Preference Shares (“CRPS”) of the Company at the discretion of Mr. Devesh Singh Sahney or the Company. The terms and conditions of the CRPS shall be as mutually agreed by the Board and Mr. Devesh Singh Sahney, Chairman and Managing Director.

In terms of Section 62(3) of the Companies Act, 2013, the Company is required to obtain the approval of its shareholders by special resolution for terms of loan containing an option to convert such loan into shares of the Company. Accordingly, the Board of the Directors of the Company seek the approval of the shareholders to enable them to implement the terms of the said loan (including the conversion option, if exercised).

Mr. Devesh Singh Sahney and Mrs. Aarti Sahney, being related to each other, and their respective relatives, may be deemed to be concerned or interested in the said resolution. None of the other Board of Directors, Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested, financially or otherwise in the said resolution.

NOTES:

1. The relevant explanatory statement in accordance with Section 102(1) of Act setting out the material facts in respect of the Businesses is enclosed to the notice.
2. The documents relating to above businesses are available for inspection from 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays and Sundays, at the Registered Office of the Company till announcement of result.
3. Electronic copy of the notice is being sent to all the shareholders whose email IDs are registered with the Company/ Depository Participants(s) unless any shareholder has requested for a hard copy of the same. For shareholders who have not registered their email address, physical copies of the notice is being sent in the permitted mode.
4. To promote green initiative, shareholders are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Shareholders holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

Voting through electronic means:

In compliance with the provisions of Section 108 and other applicable provisions of the Act read with Rule 20 of Companies (Management and Administration) Rules 2014 and Listing Obligations and Disclosure Requirement, the Company is pleased to offer e-voting facility as an option to all the shareholders of the Company and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL) instead of dispatching Form. The instructions to shareholders for e-voting are as under:

- (i) The voting period begins on October 31, 2019 at 9.00 a.m. and ends on November 29, 2019 at 5.00 p.m. 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 October 18, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

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. • 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 as mentioned in instruction (iv).
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(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant NRB Industrial Bearings Limited on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) 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.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Place : Mumbai
Date : 07.10.2019

By Order of the Board

D. S. Sahney
Chairman and Managing Director
DIN: 00003956