

NRB INDUSTRIAL BEARINGS LIMITED

CIN: L29253MH2011PLC213963

Regd. Office: 2nd Floor, Dhannur, 15, Sir P. M. Road, Fort, Mumbai – 400 001

Tel.: 022-2270 4206 Fax No.: 022-2270 4207

Email: investorcare@nibl.in Web site: www.nrbindustrialbearings.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time.]

Dear Members,

NOTICE is hereby given pursuant to the shareholders (“**Members**”) of NRB Industrial Bearings Limited (“**the Company**” or “**NIBL**”) pursuant to Section 108 and 110 and other applicable provisions, if any, of the Companies Act 2013 (“**the Act**”) read with Rule 20 and 22 of the Companies (Management and Administration) Rules 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI LODR Regulations/ Listing Regulations**”), Secretarial Standard on General Meeting (“**SS-2**”) issued by the Institute of Company Secretaries of India and other applicable laws and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and read with the General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No.22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021 and No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs (“**MCA**”) (hereinafter collectively referred to as “**MCA Circulars**”) that the resolutions as set out in this Notice is proposed for consideration by the Members of the Company for passing by means of Postal Ballot by voting through electronic voting (“**e-voting**”) only.

In view of the current circumstances due to the pandemic caused by COVID-19 and restrictions on the movements apart from social distancing, MCA had advised companies to take all decisions requiring members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. Further, the Company will send Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company, Registrars and Transfer Agents (“**RTA**”) or Depository / Depository Participants and the communication of assent / dissent of the Members will only take place through the e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars. If your e-mail address is not registered with the Company/RTA/Depository/ Depository Participants, please follow the process provided in the Notes to receive this Postal Ballot Notice.

In compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent through the e-voting system only. Members are also requested to carefully read all the instructions given in the Notes.

SPECIAL BUSINESS(ES)

PROPOSED RESOLUTIONS:

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

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 increase the Authorized Share Capital of the Company presently from Rs. 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 to Rs. 99,00,00,000/- (Rupees Ninety Nine 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. 94,00,00,000/- (Rupees Ninety Four Crore only) of 9,40,00,000 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 of the Memorandum of Association stands substituted as under:

V. The Authorized Share Capital of the Company is Rs. 99,00,00,000/- (Rupees Ninety Nine 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. 94,00,00,000/- (Rupees Ninety Four Crore only) of 9,40,00,000 preference shares of Rs. 10/- each

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof) or any officer /executive / representative and /or any other person so authorized by the Board, be and is hereby authorised to do all such acts, deeds, steps and actions including delegation of any of its powers herein conferred to any of its Directors and / or Company Secretary.”

2. To approve material related party transaction with Mr. Devesh Singh Sahney, Managing Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 177 and 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), including any statutory modification(s) or re-enactment(s) or substitution(s) thereof for the time being in force and pursuant to Regulation 23 and other application provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time, and the Company’s policy on Related Party transaction(s) and the provisions of the Memorandum and Articles of Association of the Company, and the applicable rules, guidelines and circulars issued by the concerned statutory or regulatory authorities, consent of the Members be and is hereby accorded to the Board of Directors of the Company in respect of material related party transaction for the issue and allotment of up to 1,00,00,000 (One Crore) 2% Cumulative Redeemable Non-Convertible Preference Shares (“CRPS”) at face value of **Rs. 10/-** each for an amount not exceeding Rs. 10,00,00,000/- (Rupees Ten Crore Only) to

Mr. Devesh Singh Sahney, Managing Director, a related party, in one or more tranches, within one year from the approval of members of the Company, on such terms and conditions as set out in the Explanatory Statement annexed to this Notice.

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 in connection with or incidental thereto, as necessary, proper or desirable including resolve and settle any question, difficulty or doubt that may arise in this regard 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
For NRB Industrial Bearings Limited

Devesh Singh Sahney
Managing Director
DIN : 00003956

Registered Office:

Dhannur, 15
Sir P. M. Road,
Fort, Mumbai 400 001
Website : www.nrbindustrialbearings.com
E-mail: investorcare@nibl.in
Place: Mumbai
Date: 4th February, 2022

NOTES:

1. The Explanatory Statement pursuant to Section 102, 110 and other applicable provisions, if any, of the Act, as amended read with SEBI LODR Regulations, which sets out all material facts pertaining to the resolutions concerning each item and the reasons thereof are annexed hereto for your consideration.
2. In compliance with the MCA Circulars, the Notice along with the instructions regarding e-voting is being sent only by email to all those members, whose email addresses are registered with the Company or RTA or with the depository(ies) /depository participants and whose names appear in the register of members/list of beneficial owners as on the Cut-off date i.e., Friday, 4th February, 2022. Members who have not registered their e-mail address are requested to register their e-mail address so that they can receive communications from the Company electronically, but will receive this Postal Ballot Notice through permitted mode. As per the MCA Circulars and on account of the threats posed by the COVID-19 pandemic, physical copies of the Notice, Postal Ballot Forms and pre-paid business reply envelopes are not being sent to the members for this Postal Ballot. The Notice shall also be uploaded on the website of the Company at <http://www.nrbindustrialbearings.com/investors.php> and on the website of BSE Limited i.e. <https://www.bseindia.com/> and National Stock exchange of India Limited i.e. <https://www.nseindia.com/> respectively and on website of CDSL ie. www.evotingindia.com.

All the members of the Company as on the Cut-off date shall be entitled to vote in accordance with the process specified in this Notice.

3. 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@uniseq.in.
4. SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd Nov 2021 has mandated all the listed companies to record the details/documents i.e. PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities. This is applicable for all the security holders in physical mode. Further, as per above SEBI circular, wherein, any ONE of the above cited details/documents are not available on or after April 01, 2023, the respective folios shall be frozen. The securities held in folios which have no PAN registered against the same/have invalid PAN registered on our records, as on the cut-off date of March 31, 2022 or any other date as may be specified by the CBDT, shall also be frozen. So, Members holding shares in physical mode and have not updated above cited details/documents with the Company, are requested to provide the above cited details/ documents as per the procedure displayed on the website of the Company or on the website of RTA at the earliest.
5. The document(s) referred to in the Postal Ballot Notice and Explanatory Statement, if any, will be available for inspection at the Company's Registered Office and copies thereof shall also be available for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11:00 a.m. and 1:00 p.m. till 11th March, 2022 subject to available relaxations, if any granted by local authorities in view of restrictions imposed due to outbreak of the pandemic. Members seeking to inspect can send an email to Company at investorcare@nibl.in
6. To comply with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI LODR Regulations and MCA Circulars, the Members are provided with the facility to cast their vote electronically through remote e-Voting services provided by CDSL, Instructions for remote e-Voting are provided in the Notice.
7. The voting rights of the Members shall be reckoned in proportion to their shares of the paid-up equity share capital as on cut-off date i.e., Friday, 4th February, 2022 being the 'cut-off date' fixed for this purpose. Any person who is not a Member as on cut-off date should treat this notice for information purpose only.
8. The voting period will commence from Thursday, 10th February, 2022, IST at 09.00 a.m. and end on Friday, 11th March, 2022, IST at 5.00 p.m. The e-voting module shall be disabled for voting thereafter.
9. The Board of Directors of the Company has appointed Mr. Sanjog Narvankar, of SVN & Associates, Practicing Company Secretary, Mumbai as scrutinizer for conducting the postal ballot process /e-voting process in a fair and transparent manner.
10. The Members desiring to vote through remote e-Voting are requested to refer to the detailed procedure given hereinafter.

11. The Scrutinizer shall, after conclusion of the voting period, prepare report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Company or any person authorized by him. The results of the e-Voting by Postal Ballot will be announced not later than 48 working hours of the conclusion of the e-Voting.
12. The declared results along with the report of Scrutinizer shall be intimated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed and will be uploaded on <https://www.bseindia.com/> and National Stock exchange of India Limited i.e. <https://www.nseindia.com/> Additionally, the results will also be uploaded on the Company's website at <http://www.nrbindustrialbearings.com/investors.php>
13. The date of the declaration of the results of the postal ballot shall be the date on which the said Resolutions will be deemed to have been passed, if approved by the requisite majority as provided under the relevant provisions of the Companies Act, 2013 and the rules made thereunder.
14. The Instructions for Members for e-Voting are as under:

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 Thursday, 10th February, 2022, IST at 09.00 a.m. and end on Friday, 11th March, 2022, IST at 5.00 p.m. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 4th February, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) 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 members, 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.

- (iii) 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 abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="558 684 1391 953">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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. <li data-bbox="558 982 1391 1318">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. 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 data-bbox="558 1348 1391 1461">3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration <li data-bbox="558 1491 1391 1814">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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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.

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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: https://eservices.nsd.com 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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>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.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” 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. Shareholders 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 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:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders 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.

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.
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- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant **NRB Industrial Bearings Limited** on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) 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.

(xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- 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 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 shareholders 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; investorcare@nibl.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, 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 shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to 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, (CDSL,) 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 or call on 022-23058542/43.

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

Item 1:

The Current Authorized Capital of the Company is Rs. 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

In order to meet the operational needs of the Company, the Board of Directors of the Company proposes to increase its authorized share capital to Rs. 99,00,00,000/- (Rupees Ninety Nine 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. 94,00,00,000/- (Rupees Ninety Four Crore only) of 9,40,00,000 preference shares of Rs. 10/- each;

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V 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 Special Resolution to that effect.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the passing of the aforesaid resolution(s) as mentioned above, except to the extent of their shareholding, if any.

The Directors recommend the Resolution set out in the Notice for the approval of the Members.

Item 2:

The Audit Committee and the Board of Directors of the Company, in their meeting held on 4th February, 2022 have approved material related party transaction for the issue of 1,00,00,000 Cumulative, Redeemable, Non-Convertible, Preference Chares (“**CRPS**”) of Rs. 10/ each aggregative to Rs. 10,00,00,000 (Rupees One Crore only), which amounts to exceeding 10% of the annual consolidated turnover of the Company as per the last audited financial statements. Therefore pursuant to Regulation 23 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“**Listing Regulations**”), prior approval of shareholders is required by way of Special resolution for the proposed resolution. Further as per Regulation 23 of the Listing Regulations, No related party of the Company shall be entitled to vote to approve the aforesaid resolution irrespective whether they are related party to the proposed transactions or not.

The Members’ approval to the above material related party transaction is sought in terms of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The material terms relating to the issue of CRPS are provided herebelow.

Disclosure as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:

1. Name of the Related Party

Mr. Devesh Singh Sahney

2. Name of the director or key managerial personnel who is related, if any;

Mr. Devesh Singh Sahney, promoter and MD and Mrs. Aarti Devesh Sahney, promoter and Director of the Company

3. Nature of relationship;

Mr. Devesh Singh Sahney is promoter and MD of the NRB Industrial Bearings Limited. Mrs. Aarti Devesh Sahney is promoter and Director of NRB Industrial Bearings Limited

4. Nature, material terms, monetary value and particulars of the contract or arrangements;

The Members of the Company vide its Special Resolution passed through Postal ballot on November 29, 2019, approved the availing of unsecured loan upto the amount of Rs. 38,10,00,000/- (Rupees Thirty Eight Crore Ten Lakhs Only) from Mr. Devesh Singh Sahney, Chairman and Managing Director of the Company. The approved terms and conditions provided for an enabling option to Mr. Devesh Singh 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. Further, the Board of Directors were 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 and the Board of Directors were also 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.

As per the above terms and condition, out of unsecured loan of Rs. 38,10,00,000/- (Rupees Thirty Eight Crore Ten Lakhs Only), Rs. 20,00,00,000 (Rupees Twenty Crore Only) was converted into CRPS in the FY 2019-20. So, the Company and Mr. Devesh Singh Sahney has option to convert balance outstanding unsecured loan to CRPS by the approval of Board of Directors.

Accordingly, the Audit Committee and the Board of Directors of the Company, in their meeting held on 4th February, 2022 have approved the conversion of unsecured loan and the material related party transaction for the issue of 1,00,00,000 CRPS of Rs. 10/ each aggregative to Rs. 10,00,00,000 (Rupees Ten Crore only). The CRPS shall rank prior in respect to payment of Dividend or redemption amount compared to equity shareholders of the Company without having voting powers. Annual preference dividend of 2% post tax expenses.

Terms and conditions of preference shares will be :

- i. The preference shares shall carry a preferential right over the equity shares with respect to payment of dividend and repayment of Capital in case of winding up.
- ii. The preference shares shall be non- participating in the surplus fund.
- iii. The preference shares shall be non-participating in the surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company.
- iv. The shareholder of such preference shares shall be entitled at fixed rate of 2% dividend on cumulative basis as and when recommended by the Board
- v. The preference shares shall not be convertible into equity shares.
- vi. The CRPS shall carry voting rights as per the provisions of Section 47(2) of the Act;
- vii. In case the dividend on such preference share remains unpaid for any period, shareholders of such preference shares shall not have a right to vote on any resolution placed before the Company, except on the resolutions seeking alterations in rights of preference shareholders as regard to dividend and/or redemption.
- viii. The preference shares shall be redeemed at the end of 10 years or as determined by the Board of Directors from the date of allotment, whichever is earlier.
- ix. The preference shares shall not be listed on any stock exchange.

5. Any other information relevant or important for the members to take a decision on the proposed resolution.

The above transaction would not result any change in the control of the company.

Mr. Devesh Singh Sahney and Mrs. Aarti Devesh Sahney, being related to each other, and their respective relatives, shall be deemed to be concerned or interested to the extent of the said resolution.

None of the other Directors, Key Managerial Personnel and their relatives are concerned or interested in the passing of the aforesaid resolution(s) as mentioned above, except to the extent of their shareholding, if any.

No related party shall vote to approve the aforesaid resolution irrespective whether they are related party to the particular transactions or not.

The Directors recommend the Resolution set out in the Notice for the approval of the Members.

By Order of the Board
For NRB Industrial Bearings Limited

Devesh Singh Sahney
Managing Director
DIN : 00003956

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Place: Mumbai
Date: 4th February, 2022