

**BENARA BEARINGS AND PISTONS LIMITEDCIN :
L50300UP1990PLC012518**

**A-3 &-4,SITE BINDUSTRIAL AREA SIKANDRA AGRA UTTAR
PRADESH UP 282007 IN**

ANNUAL REPORT 2021-2022

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COMPANY INFORMATION

Board of Directors

- Chairman : Panna Lal Jain
- Managing Director : Vivek Benara
- Non- Executive Director : Nirmala Devi Jain
- Non- Executive Director : Akhil Kumar Jain
- Independent Director : Avinash Kashyap

Chief Financial Officer (CFO) : Vipin Kumar Jain

Registered Office : A-3 &-4, Site B, Industrial Area Sikandrabad, Agra-285007

Email Id: cs@benara-phb.com

Website: www.benara-phb.com

Statutory Auditors :

M/s Agrawal Jain and Gupta,

(FRN: 013538C)

Chartered Accountants

Shop No 437, Opp S.K. Soni Hospital Siker Road, Jaipur, 302023

Mobile :9829159490

Email Id: ajngupta@gmail.com

Secretarial Auditor:

M/S Sourabh Bapna & Associates

Practising Company Secretary

Registrar & Share Transfer Agent:

Bigshare Services Private Limited

E 2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka,

Andheri (East), Mumbai - 400072,

Tel: +91 22 6263 8200

Fax: +91 22 6263 8299

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Board Committees

Audit Committee

Mr. Avinash Kashyap : Chairman

Mr.: Akhil Kumar Jain :Member

Mr. Panna Lal Jain : Member

Nomination & Remuneration Committee

Mr. Avinash Kashyap : Chairman

Mr. Akhil Kumar Jain : Member

Mrs. Nirmala Devi Jain : Member

Stakeholders relationship Committee

Mrs. Akhil Kumar Jain : Chairman

Mr. Vivek Benara : Member

Mrs. Nirmala Devi Jain : Member

Letter to Shareholders

We take immense pleasure by sharing with you about the performance of your company and present the Annual Report for the Financial year 2021-22.

We would like to state that your company is progressing to achieve new milestones in its journey towards growth through total excellence. **BENARA BEARINGS AND PISTONS LIMITED** has pursued business excellence through passion and expansion project successfully thereby improved its cost competitiveness and profitability.

Your company is engaged in the manufacturing of Bearings and Pistons since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. Further, our group has sufficient marketing expertise and wide marketing network, which is and would be channeled for our business and future expansion, if any.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization.

We extend our sincere appreciation to our colleagues on the board for their wise and matured counsel for the smooth functioning of the company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

I would like to thank every shareholder of the company for reposing confidence in Benara Bearings and Pistons Limited

Before I conclude, I would like to thank the shareholders, Customers and Vendors for their consistent and resolute support. I thank all my colleagues on the Board for their unanimous support and encouragement. Last but not the least, I would be thankful to employees and management team of Benara Bearings and Pistons Limited for their hard work during the year. I

look forward to your perpetual and priceless support in taking the Company to greater heights and new horizons in the future.

For BENARA BEARINGS AND PISTONS LIMITED

Yours Sincerely,

VIVEK BENARA

(MANAGING DIRECTOR)

DIN: 00204869

PLACE : AGRA

DATE : 07.09.2022

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Members of Benara Bearings And Pistons Limited will be held on Friday 30th September 2022 at A-3 &-4, Site B, Industrial Area, Sikandrabad, Agra-285007 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors (“the Board”) and auditors thereon.
 - b. the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of auditors thereon.
2. To Consider and, if thought fit, to pass the following resolutions as an Ordinary resolutions: -
“**RESOLVED THAT**, in accordance with the provisions of section 139 and 142 of The Companies Act , 2013, appointment of M/s Agarwal Jain and Gupta , chartered Accountants , (Firm Registration No . 013538C), be and is hereby ratified in the said meeting and shall hold the office until the conclusion of the Annual Meeting to be held in the year 2023.
3. To appoint a director in place of Mr. Vivek Benara (DIN: 00204647), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: “**RESOLVED THAT** Mr. Vivek Benara (DIN: 00204647) whose period of office is liable to determination by retirement of Directors by rotation, and who has offered himself for reappointment, be and is hereby re-appointed as a Director of the Company.”

For and on behalf of the Board,

BENARA BEARINGS AND PISTONS LIMITED

VIVEK BENARA

(MANAGING DIRECTOR)

DIN: 00204869

PLACE : AGRA

DATE : 07.09.2022

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
2. The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.
3. Pursuant to section 91 of the Companies Act, 2013 and regulation 42 of SEBI (LODR) Regulations, 2015 the register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2022 to 30th September, 2022 (both days inclusive).
4. The Company has appointed M/s Bigshare online services Private limited, as its Registrar and Share Transfer Agents for rendering the entire range of services to the shareholders of the Company. Accordingly, all documents, transfers, demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the registrars directly quoting Folio No., full name and name of the Company as Benara Bearings & pistons Limited.
5. Members/proxies should bring the attendance slip duly filled in for attending the meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
6. Members desiring any information on accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready for reply.

7. Electronic Copy of the Notice of the 32nd Annual general Meeting along with attendance Slip and proxy form, being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32nd Annual General Meeting of the Company along with Attendance Slip and Proxy form is being sent in the permitted mode.
8. Pursuant to provisions of section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014, and as per Notification issued by Ministry of Corporate Affairs dated 19th March, 2015 with reference to the Companies (Management & Administration) Rules, 2014), companies covered under Chapter XB and chapter XC as per SEBI (ICDR) Regulations, 2009 are be exempted from e-voting facility to its shareholders. Company is covered under Chapter XB as it is SME Listed Company and Listed on SME platform of Bombay Stock Exchange Limited (BSE Limited). Therefore Company is not providing e-voting facility to its Shareholders.
9. All documents referred to in the accompanying Notice shall be open for inspection at the Registered office of the Company during Normal Business hours 10:00 a.m. to 5:00 pm on any working days up to and including the date of the Annual General Meeting of the Company.
10. Route Map giving directions to the venue of the Meeting is annexed to the notice.

For and on behalf of the Board,

VIVEK BENARA
(MANAGING DIRECTOR)
DIN: 00204869

PLACE : AGRA
DATE : 07.09.2022

ATTENDANCE SLIP

32nd Annual General Meeting to be held on Friday 30th September, 2022 at Conference Hall at A-3 &-4, Site B, Industrial Area, Sikandrabad, Agra-285007 at 11:00 A.M.

Folio No.
Dp No
Client ID
Name of the Member:
Name of the Proxy

I/we hereby record my presence at the 32nd Annual General Meeting on **Friday 30th September, 2022** at 11:00 A.M. at Conference Hall at A-3 &-4, Site B, Industrial Area, Sikandrabad, Agra-285007

Member's signature

Proxy's signature

Note: Shareholders/proxies are requested to bring the attendance slip with them. Duplicate slips will not be issued and handed over at the entrance of the Meeting Venue.

FORM NO. MGT- 11

PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) Of the Companies
(Management and Administration) Rules, 2014*

CIN : **L50300UP1990PLC012518**

Name Of The Company : **BENARA BEARINGS AND PISTONS LIMITED**

Registered Office : **A-3 &-4,SITE B, INDUSTRIAL AREA SIKANDRABAD, AGRA-285007**

Name of the Member :

Registered Address :

E- Mail ID :

Folio No. :

DP ID:

I/We, being Member (s) of _____ shares of the above named Company,
hereby appoint

Name:

Address:

E-mail Id:

Signature

or failing him,

Name:

Address:

E-mail Id:

Signature ,

or failing him,

Name:
Address:
E-mail Id:
Signature _____,

As my/our proxy to attend & vote (on a poll) for me/us & on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on **Friday 30th September, 2022** at 11:00 A.M. at Conference Hall at A-3 &-4, SITE B, INDUSTRIAL AREA, SIKANDRABAD, AGRA- 285007 & at any adjournment thereof in respect of any such resolution as are indicated below;-

Resolution No	Description	For	Against
1.	Adoption of Annual Accounts (Standalone and Consolidated) and reports thereon for the Financial year ended on March 31, 2022. (Ordinary Resolution)		
2.	Ratification of Appointment of M/s Agarwal Jain and Gupta , chartered Accountants as Statutory Auditor		
3.	To appoint a director in place of Mr Vivekk Benara (DIN: 00204647), who retires by		

	rotation in terms of section 152(6) of the companies act, 2013 and being eligible, offers himself for reappointment		
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Date:

Signature of the Shareholder:

<p>AFFIX REVENUE STAMP</p>

Signature of the Proxy holder(s)

Note:

- 1) This form of proxy in order to be effective should be duly completed & deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) A proxy need not be a member of the Company

Director's Report

To,

The Shareholders,

Benara Bearings & Pistons Limited

The Board of Directors are pleased to present the Company's 32nd Annual Report and the Company's Audited financial (Standalone and Consolidated) statement for the financial year ended March 31, 2022.

1. FINANCIAL RESULTS:

Financial results of your Company for the year ended March 31, 2022 are summarized below.

Particulars	Standalone (Rs in Lakhs)		Consolidated (Rs in Lakhs)	
	2021-22	2020-21	2021-22	2020-21
Revenue from operation	2,592.87	4,159.04	2592.88	4,159.09
Other Income	16.69	14.29	16.69	14.29
Total Income	2,609.56	4,173.33	2,609.57	4,173.38
Total Expenses	4,330.30	5,835.78	4,344.30	5,85,586
Exceptional items	-	-		-
Profit before Depreciation & Taxation	(1,720.74)	(1,662.45)	(1,734.73)	(1,682.48)
Less : Depreciation	(209.72)	(302.62)	(235.72)	(345.27)
Profit After Depreciation	(1,930.46)	(1,965.07)	(1,970.45)	(2,027.75)
Less: Tax Expense	0	0	0	0
Less: Deferred Tax	(533.41)	(511.11)	535.14	540.80
Less: Earlier Year Tax	0	0	0	(2.40)
Profit after Tax	(1,397.05)	(1,453.96)	(1,435.31)	(1,489.35)

2. PERFORMANCE OVERVIEW AND FUTURE PROSPECTS:

The highlights of the Company's performance are as under:

- Revenue from operations decreased from Rs. 41,59,04,673/- in Financial Year 2020-21 to Rs. 25,92,87,571/- in Financial Year 2021-22.

- Net Loss after tax decreased from Rs. 14,53,95,789/- in Financial Year 2020-21 to Net Loss of Rs.139704457/- in Financial Year 2021-22.

3. TRANSFER TO RESERVES

The Company does not propose to transfer any sum to the General Reserve of the Company.

4. DIVIDEND

The Company has not declared any dividend for the year 2021-22

5. CHANGE IN NATURE OF BUSINESS

During the year under review, the Company has not changed its Business.

6. CHANGE IN NAME OF THE COMPANY

During the year under review, there was no change in the name of the Company.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes between the date of balance sheet and the date of this report that would affect the financial position of the Company.

8. DEMATERIALISATION OF EQUITY SHARES

All the equity shares of the company are in dematerialized form with either of the Depositories viz. NSDL and CDSL. The ISIN No. allotted is **INE495Z01011**.

9. THE BOARD AND KMP

a. Composition of the Board of Directors

The Company has following composition of the Board

Mr. Panna Lal Jain	: Chairman
Mr. Vivek Benara	: Managing Director
Mrs. Nirmala Devi Jain	: Non- Executive Director
Mr. Akhil Kumar Jain	: Non- Executive Director
Mr. Vipin Kumar Jain	: Chief Financial Officer (CFO)
Mr. Avinash Kashyap	: Independent Director

b. Independent Director

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Mr. Avinash Kashyap (DIN:00666821) appointed in 2017 as Independent Directors of the Company.

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

c. Appointment and Changes of Key Managerial Personnel

During the financial year 2021-22:

- No change took place in composition of Key Managerial Personnel.

10. DECLARATION BY INDEPENDENT DIRECTORS

Every Independent Director, at the First meeting of the Board in which he participates as a Director and hereafter at the First meeting of the Board of Directors in every Financial Year, gives a declaration that he meets the criteria of Independence as provided under Law.

11. COMMITTEES OF THE BOARD

Currently, the board has four Committees: The Audit Committee, Nomination & Remuneration Committee, Corporate Social committee, Stakeholder Relationship Committee.

12. RISK MANAGEMENT POLICY

The Company has formulated a Risk Management policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigation measures to be adopted by the Board. The Company has adequate internal controls systems and procedures to combat the risks. The Risk management procedure will be reviewed by the Audit Committee and Board of directors on time to time basis.

13. SUBSIDIARIES/ ASSOCIATE/ JOINT VENTURE

The Company has two subsidiaries namely-**Benara Solar Private Limited & Securitrans Trading Private Limited** during the year under review.

14. FIXED DEPOSITS

The Company has not accepted any deposits from public during the year under review.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The particulars of loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 have been disclosed in the Annual Report.

16. SHARE CAPITAL

The Authorized capital of the Company is Rs 20,00,00,000 and the subscribed, paid up& issued capital of the company is Rs. 17,70,72,880 as on March 31, 2022. Your Company has not issued any Equity Shares during the Financial Year 2021-22.

17. MEETINGS

During the year five Meetings were convened and held and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013

Details of Attendance is as follows:

Sr. No	Date of Meeting	Board Strength	No of Directors Present
1	30.06.2021	6	6
2	07.09.2021	6	6
3	14.11.2021	5	5
4	08.02.2022	5	5
5	21.03.2022	5	5

18. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure I**.

19. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and regulation 25 of the SEBI (Listing) obligations and disclosure requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

20. RELATED PARTY TRANSACTIONS

During the year under review, all the related party transactions were in the ordinary course of the business and on arm's length basis. Those transactions were placed before the Audit committee of Directors for prior approval in the form of omnibus approval as provided in SEBI (LODR) Regulation.

Related party transactions under Accounting Standard – 18 are disclosed in the notes to the financial statement and also mentioned in Annexure Form AOC-2 pursuant to clause (h) of subsection (3) of Section 134 read with Rule 8(2) of Companies (Accounts) rules, 2014, attached as **ANNEXURE-III**, to this report.

21. VIGIL MECHANISM

The Company has formulated a Whistle blower policy and has established vigil mechanism for employees including Directors of the Company to report genuine concerns. The

provisions of this Policy are in line with the provisions of the Section 177(9) of the Companies Act, 2013.

Audit Committee

The Board has constituted Audit Committee as required under Companies Act, 2013. The Composition of the Committee is as under:

Name of the Member	Designation
Mr. Avinash Kashyap	Chairman
Mr. Panna Lal jain	Member
Mr. Akhil kumar jain	Member

Nomination & Remuneration Committee

The Board has constituted Nomination and Remuneration Committee as required under Companies Act, 2013. The Composition of the Committee is as under:

Name of the Member	Designation
Mr. Avinash Kashyap	Chairman
Mr. Akhil kumar jain	Member
Mrs. Nirmala Devi Jain	Member

In terms of the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee is responsible for formulating the criteria for determining the qualifications, attributes and Independence of a Director. The Nomination and Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management.

Stakeholder Relationship Committee

The Board has constituted Stakeholder Relationship Committee as required under Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”).

Name of the Member	Designation
Mr. Akhil Kumar Jain	Chairman
Mr. Vivek Benara	Member
Mrs. Nirmala Devi Jain	Member

22. STATUTORY AUDITORS

In accordance with Sec.139 of the Companies Act, 2013, **M/s. Agrawal Jain and Gupta**, Chartered Accountants, (Firm Registration No. 013538C) were appointed on 30.09.2017 as the Statutory Auditors of the Company to hold office until the conclusion of the Annual General Meeting to be held in the year 2023.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Agrawal Jain and Gupta, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders.

23. AUDITORS REPORT

There is qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the Financial Year ended on March 31, 2022.

24. SECRETARIAL AUDIT AND REPORT

Sourabh Bapna, Practicing Company Secretary was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2021-2022, as required under Section 204 of the Companies Act, 2013 and the Rules made there under. The Secretarial Audit Report for the financial year 2021-2022 is appended as **Annexure II** which forms part of this report.

25. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIALS STATEMENTS

a) The Board of Directors of the Company have adopted various policies and procedures for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

26. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The Company has not carried any activities relating to the conservation of energy. The Company has not acquired any technologies during the year under review.

The Company has carried out activities relating to the export and import during the financial year. There are foreign exchange earnings and outgo during the year. Details of foreign Exchange Transactions are mentioned in Notes to the financial statement for the year ended March 31, 2022.

27. DIRECTOR RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) That the directors had selected such accounting practices and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at March 31, 2022 and of the profit of the Company for the year ended on that date.

c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for preventing and detecting fraud and other irregularities;

d) That the annual accounts have been prepared on a going concern basis;

e) That Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

29. CORPORATE GOVERNANCE REPORT

Corporate Governance provisions are not applicable during the year 2021-22 pursuant to Chapter IV- OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS SPECIFIED SECURITIES of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

30. ACKNOWLEDGEMENT

The relations between the management and the employees were cordial during the year under review. The directors place on record their sincere thanks to the employees, bankers, business associates, consultants, and other government authorities for the services extended to the company. Finally, I thank our shareholders for their continued trust and confidence they have place in us.

For and on Behalf of The Board of Directors
BENARA BEARINGS AND PISTONS LIMITED

Vivek Benara
Managing director
DIN:00204647

Akhil Kumar Jain
Director
DIN:07573107

Date: 07/09/2022
Place: AGRA

ANNEXURE I

ANNUAL RETURN

As on financial year ended on 31.03.2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L50300UP1990PLC012518
2.	Registration Date	26/11/1990
3.	Name of the Company	BENARA BEARINGS AND PISTONS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	A-3 &-4, SITE BINDUSTRIAL AREA SIKANDRA AGRA UTTAR PRADESH UP 282007
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED, SEBI Registration No: INR000001385 E 2/3 ANSA INDUSTRIAL ESTATE, SAKI VIHAR ROAD, SAKI NAKA, ANDHERI (EAST), MUMBAI - 400072. Tel: 022-40430200; Fax: 022-28475207 Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code (2008) of the Product/ service	% to total turnover of the company
1	Manufacturing of Bearings	99611893	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sr. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	BENARA SOLAR PRIVATE LIMITED- A-55-56, Gali No. 18 Madhu Vihar, I.P. Extn Delhi East 110092	U74900DL2016PTC290034	Subsidiary	100%	Section 2(87)(ii)
2	SECURITRANS TRADING PRIVATE LIMITED- 21, Jalaram Nagar, Iiflr, Ganja Wala Lane, Opp. Chamunda Circle, S.V.P. Road, Borivali (W) Mumbai 400092.	U51909MH2005PTC155453	Subsidiary	100%	Section 2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01/04/2021]				No. of Shares held at the end of the year [As on 31/03/2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/HUF	10199840	-	10199840	57.60	10199840	-	10199840	57.60	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2180000	-	2180000	12.31	2180000	-	2180000	12.31	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	12379840		12379840	69.91	12379840	-	12379840	69.91	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign portfolio Investor	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-					
2. Non-Institutions									
a) Bodies Corp.	715448		715448	4.04	1845448		1845448	10.42	
i) Indian/HUF	326000		326000	1.84	326000	-	258000	1.46	
ii) Overseas					-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1366000		1366000	7.71	1404000		1404000	7.93	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1762000		1762000	9.95	1508000		1508000	8.52	

c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	46000		46000	0.26	18000	-	18000	0.10	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	12000		12000	0.07	294000	-	294000	1.66	
Trusts					-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	5327448		5327448	30.09	5327448	-	5327448	30.09	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	17707288		17707288	100	17707288		17707288	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Vivek Benara	2179012	12.3057%	Nil	2179012	12.3057%	Nil	-
2	Panna lal Jain	2264852	12.7905%	Nil	2264852	12.7905%	Nil	-
3	Sarla Jain	2684964	15.1630%	Nil	2684964	15.1630%	Nil	-
4	Ketaki Benara	2047052	11.5605%	Nil	2047052	11.5605%	Nil	-
5	Panna Lal Jain HUF	1023960	5.7827%	Nil	1023960	5.7827%	Nil	-

6	Skymark Leasing & Finance Limited-	2180000	12.3113%	Nil	2180000	12.3113%	Nil	-
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C) Change in Promoters' Shareholding (please specify, if there is no change)- NO Change

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,23,79,840	69.91%	1,23,79,840	69.91%
	□ Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	1,23,79,840	69.91%	1,23,79,840	69.91%

d) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				

	Mr. Vivek Benara	2179012	12.3057%	2179012	12.3057%
	Mr. Panna Lal Jain	2264852	12.7905%	2264852	12.7905%
	Ms. Nirmala Devi Jain	70000	00.3953%	70000	00.3953%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				
	Mr. Vivek Benara	2179012	12.3057%	2179012	12.3057%
	Mr. Panna Lal Jain	2264852	12.7905%	2264852	12.7905%
	Ms. Nirmala Devi Jain	70000	00.3953%	70000	00.3953%

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	41,12,73,897	19,19,47,798	-	60,32,21,695
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	41,12,73,897	19,19,47,798	-	60,32,21,695
Change in Indebtedness during the financial year				
* Addition	4,45,85,660	-	-	4,45,85,660
* Reduction	-	76,11,609	-	76,11,609
Net Change	4,45,85,660	(76,11,609)	-	3,69,74,051
Indebtedness at the end of the				

financial year				
i) Principal Amount	45,58,59,557	18,43,36,189	-	64,01,95,746
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	45,58,59,557	18,43,36,189	-	64,01,95,746

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Vivek Benara (Managing Director)	Panna Lal Jain (Director)	
1	Gross salary	12,00,000	9,60,000	21,60,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	12,00,000	9,60,000	21,60,000
	Ceiling as per the Act	-	-	-

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS (Artee Sahu)	CFO (Vipin Kumar Jain)	Total
1	Gross salary		30,000	4,91,890	5,21,890
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	30,000	4,91,890	5,21,890

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on Behalf of The Board of Directors

BENARA BEARINGS AND PISTONS LIMITED

Vivek Benara
Managing director
DIN:00204647

Akhil Kumar Jain
Director
DIN:07573107

Date: 07/09/2022

Place:AGRA

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate
companies/joint ventures**
Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Benara Solar Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	01 st April 2021 to 31 st March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	Rs. 1,00,000
5.	Reserves & surplus	(77,69,507)
6.	Total assets	5,73,71,045
7.	Total Liabilities	6,50,40,552
8.	Investments	1,66,670
9.	Turnover	0
10.	Profit before taxation	(39,85,105)
11.	Deferred Tax	1,72,796
12.	Previous Year Tax	0
13.	Profit after taxation	(38,12,309)
14.	Proposed Dividend	0.00
15.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

BENARA BEARINGS AND PISTONS LIMITED

Vivek Benara
Managing director
DIN:00204647

Akhil Kumar Jain
Director
DIN:07573107

Date: 07/09/2022
Place:AGRA

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Securitrans Trading Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 st April 2021 to 31 st March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	Rs. 1,00,000
5.	Reserves & surplus	25,78,756
6.	Total assets	29,72,070
7.	Total Liabilities	2,93,314
8.	Investments	5,00,000
9.	Turnover	0
10.	Profit before taxation	(15,400)
11.	Deferred Tax	-
12.	Provision for taxation	-
13.	Profit after taxation	(15,400)
14.	Proposed Dividend	-

15.	% of shareholding	100%
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Notes: The following information shall be furnished at the end of the statement:

BENARA BEARINGS AND PISTONS LIMITED

Vivek Benara
Managing director
DIN:00204647

Akhil Kumar Jain
Director
DIN:07573107

Date: 07/09/2022
Place:AGRA

Annexure II
Form No. MR-3
SECRETARIAL AUDIT AND COMPLIANCE REPORT
For the financial year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Benara Bearings and Pistons Limited

A-3 & 4, Site B Industrial Area, Sikandara, Agra,
Uttar Pradesh – 282 007

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Benara Bearings and Pistons Limited having CIN L50300UP1990PLC012518** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Benara Bearings and Pistons Limited (“The Company”)** for the period ended on March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, and the Listing Agreements entered into by the Company with the Stock Exchanges;)
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

The Company has appointed M/s. Bigshare Services Private Limited as Registrar to an issue and share Transfer Agent. The share Transfer maintained all record of share Transfer thereto in Electronic Form as provided under the Regulation.

- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -
Not Applicable to the Company during the Audit Period;

j. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

6. The Micro, Small and Medium Enterprises Development Act, 2006.

7. As informed to us the following other laws specifically applicable to the Company are as under:

1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
2. The Factories Act, 1948
3. The Industrial Employment (Standing Orders) Act, 1946
4. The Maternity Benefit Act, 1961
5. The Minimum Wages Act, 1948
6. The Payment of Wages Act, 1936
7. The Negotiable Instruments Act, 1881
8. The Payment of Gratuity act, 1972
9. The Workmen's Compensation Act, 1922
10. The Contract Labour (Regulation & Abolition) Act, 1970
11. The Industrial Dispute Act, 1947
12. The Payment of Bonus Act, 1965
13. The Employment Exchange Act, 1959
14. The Apprentice Act, 1961
15. The Equal Remuneration Act, 1976

I have also examined the Compliances with the other applicable clauses namely;

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company Limited with the Small and Medium Enterprises platform of Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through were captured and recorded as part of the minutes.

I further report that

As represented by the Company and relied upon by us there is an adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sourabh Bapna & Associates

Sourabh Bapna
(Company Secretary)
ACS: A51505
Place: Bhilwara
Date: 30.05.2022
UDIN: A051505C000432842

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to Secretarial Audit Report

**To,
The Members,
Benara Bearings and Pistons Limited**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and the practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sourabh Bapna & Associates

**Sourabh Bapna
(Company Secretary)
ACS: A51505
Place: Bhilwara
Date: 30.05.2022**

Annexure III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis – **Not applicable**
2. Details of material contracts or arrangements or transactions at arm's length basis

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Sale of goods	(i) Vinay Iron Foundry	210.51	246.77
Purchase of goods	(i) Vinay Iron Foundry	564.24	1005.66
Interest	(i) Skymark leasing & finance limited	-	-
RENT	Vinay Iron Foundry	28.32	5.40
Electricity exp	Vinay Iron Foundry	21.55	17.24
Job Charges	Vinay Iron Foundry	1.24	-
Loans/ advances taken	(i) Skymark Leasing & Finance Limited	-	-
	(ii) Mr. PannaLal Jain	32.10	89.00
	(iv) Mrs. KetakiBenara	20.55	14.40
	(v) Mrs. Sarla Jain	8.16	92.59
	(vi) Mr. VivekBenara	41.13	113.91
Remuneration to	(i) Mr. PannaLal Jain	9.60	9.60

Key Managerial Personnel	(ii) Mrs. Ketaki Benara	-	4.00
	(iii) Mrs. Sarla Jain	2.70	5.40
	(iv) Mr. Vivek Benara	12.00	12.00

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Management Discussion and Analysis as required under Regulation 34 of the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

Business Outlook

We believe the outlook for our business is excellent. In this year, we have further strengthened the good reputation we have amongst our consumers and traders, associates and vendors. We expect to continue to Increase our sales and profits.

All forward-looking statements in our report are based on our assessments and judgments exercised in good faith at this time. Of course, actual developments and/or results may differ from our present anticipation.

Opportunities and Threats

Opportunities:

Indian automotive industry is emerging as one of the important markets and almost all the brands of car & commercial vehicle players in the world have opened their plants in the country, which will increase company's opportunities in export markets.

Government initiatives towards bringing more environmental friendly regulations in vehicles will bring more opportunities for fleet filling.

Threats:

At present the industry faces the following threats:

- a. Increasing cost of manufacturing beyond the control of companies.
- b. Increasing bargaining power of consumer, wanting continuous price reduction.
- c. Volatility in fuel price.
- d. Growth rate of industries is governed by Government policies.
- e. Continuously increasing imports of bearings from low cost countries.

Internal Control System

The company had the internal audit and control system to ensure that all transactions are authorized, recorded and reported correctly. The internal control system consists of comprehensive internal and external audits. The company has an Audit Committee of three directors of the company. The Audit Committee reviews the adequacy of internal control systems and findings of internal audit are followed by the company to improve the system. Moreover, the Annual Financial Results of the company were reviewed and recommended by the Audit Committee for consideration and approval of the Board of Directors. The Audit Committee met three times during the year ended March 31st, 2022.

Financial Review and Analysis

(a) **Share Capital**

The authorized share capital of the company is Rs. 20,00,00,000/- comprising of 2,00,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 17,70,72,880/-. There was no change in the paid-up share capital and authorized capital of the Company.

(b) **Current Assets**

At the end of the current period, Current Assets of the Company as on 31.03.2022 were Rs.33,50,54,403 /- and as on 31.03.2021 were Rs. 47,71,52,172/-.

(c) **Sales**

During the year under review the Company has turnover of Rs. 25,92,87,571/- as on 31.03.2022 as compared to Rs. 41,59,04,673/- as on 31.03.2021.

Human Resource Management

Management recognizes that employees represent our greatest capital assets and it is only through motivated, creative and committed employees that we can achieve our aims. The Company provides to its employees favorable work environment that motivates performance and

innovation while adhering to high degree of quality and integrity assignment empowerment and accountability is the cornerstone of all the people led processes. The Company Continuously nurtures this environment to keep its employees highly motivated and result oriented. Industrial relations during the year continued to be cordial and the company is committed to maintain good industrial relations through effective communication.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include cyclical changes and pricing in the Company's principal markets, changes in Government Regulations, tax regimes, economic developments within India and other incidental factors.

BENARA BEARINGS AND PISTONS LIMITED

Vivek Benara
Managing director
DIN:00204647

Akhil Kumar Jain
Director
DIN:07573107

Date: 07/09/2022
Place:AGRA

COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members of
Benara Bearings and Pistons Ltd.**

We have examined the compliance of conditions of Corporate Governance by Benara Bearings and Pistons Ltd. for the financial year ended March 31, 2022 as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, pursuant to Listing Agreement of the said Company with the stock exchanges..

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanation given, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, pursuant to Listing Agreement of the said Company with the stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sourabh Bapna & Associates,
Practicing Company Secretaries**

**Sourabh Bapna
M No.- A51505
Place: Bhilwara
Date: 30th May 2022**

INDEPENDENT AUDITOR'S REPORT

To the Members of
BENARA BEARINGS & PISTONS LIMITED

Report on Standalone Financial statements

We have audited the financial statements of **BENARA BEARINGS & PISTONS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit/loss and its cash flows for the year ended on that date, subject to audit qualifications.

- a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2022
- b) In the case of the Profit and Loss Account, of the Loss for the period ended on that date and
- c) In the case of cash flow statement, for the cash flows for the year ended on that date.

Basis of Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the financial results.

(1) There is delay in payment of interest and instalments to some of the lenders. In some cases where there are disputes with the lenders, the management has decided not to provide interest which proposed to be provided at the time of settlement/ payment. Accordingly, the loss for the year and loan liability has been understated to the extents.

(2) During the year, the company has melted some of the stocks which were non-moving or rejected that has resulted in significant loss and reduction in value of stocks. This being technical matter, we are unable to check and verify the loss on this account.

(3) During the year, Sundry debtor amounting to Rs.1262.38 lacs, outstanding for more than three year, has been classified as other non-current assets. Out of which some of debtors are disputed and litigation is pending. The management has decided not to provide for these doubtful debts in view of its possible adverse impact on recovery litigation. Accordingly, the loss for the year is understated and Debtors has been overstated to the extents.

(4) A total amount of Rs. 1,161.98 Lacs included in loan and advances is from parties who have not given confirmation of their dues. The management is in the process of reviewing the recoverability of these advances and obtaining confirmations. We therefore are unable to comment on recoverability of these advances.

(5) Other matters read to together with notes.

Material uncertainty related to Going concern

Attention on the standalone financial results, which indicated that the company continue to incur losses during the years ended Rs 1,930.45 lacs in 2021-22 and Rs 1,965.06 Lacs 2020-21 and sales are drastically decreased due to COVID-19 pandemic and shortage of chips for new vehicles. Company in the process of Certain existing borrowings on the balance sheet date have been settled and refinanced/restructure. These event or conditions indicate that a material uncertainty exists that may cause significant doubt in the company's ability to continue as a going concern. However, the standalone financial results of the company have been prepared on a going concern basis for as reason stated on the said note.

Our opinion is not modified in respect on this matter.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. No dividend has been declared or paid during the year by the company.

For AGRAWAL JAIN & GUPTA

Chartered Accountants

Firm Reg. No. 013538C

UDIN: 22409759AJXWCJ3930

CA Narayan Prasad Swami

Partner

Membership No. 409759

Date: 30th May, 2022

Place: Mumbai

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) As per information and explanations given by the management The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The company is maintaining proper records showing full particulars of intangible assets;
 - (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
 - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) The company has been sanctioned working capital limits in **excess of five crore rupees**, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. ***The quarterly returns or statements was not filed by the company. In the said conditions we are not able to give any opinion on the same. Loan account become NPA in previous year.***
- (iii) (a) During the year the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in

the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- (b) According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest;
- (c) There is no stipulation of schedule of repayment of principal and payment of interest and therefore we are unable to comment on the regularity of repayment of principal & payment of interest.
- (d) Since the term of arrangement do not stipulate any repayment schedule, **various loans EMI become overdue due & Loan account become NPA in Previous Year.**
- (e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non-charging of interest on the loan.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.
- (vi) As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:

Name of the Statute	Period to which amount relates	Amount of Dues (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	A.Y 2010-11	1,93,210/-	Deputy Commissioner CIT-1(A)

	A.Y 2014-15	32,04,340/-	Deputy Commissioner CIT-1(A)
	A.Y. 2017-18	24,34,730/-	Deputy Commissioner CIT-1(A)
	A.Y. 2018-19	6,06,930/-	CPC
Tax deduction at source	F.Y 2019-20	8,31,194	Income Tax Officer -TDS-1
	F.Y. 17-18	3,689/-	Income Tax Officer -TDS-1
	F.Y.2016-17	58,316/-	Income Tax Officer -TDS-1
	F.Y.2015-16	1,970/-	Income Tax Officer -TDS-1
	Prior to F.Y. 2012-13	9,80,336/-	Income Tax Officer -TDS-1
Sales tax Demand		31,15,899/-	Pending before Appeal
Central excise Act , 1944		30,36,098/-	Pending before Appeal

- (viii)** According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a)** In our opinion and according to the information and explanations given by the management, ***we are of the opinion that the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as per Annexure-1.***
- (b)** According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c)** In our opinion and according to the information and explanations given by the management, the Company has not obtained money by way of term loans during the year.
- (d)** In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.
- (e)** In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f)** In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a)** The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b)** The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a)** According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;

- (b)** No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c)** According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (xii)** The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii)** According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements,
- (xiv)** (a) In our opinion and based on our examination, the company require to have an internal audit system.
- (xv)** On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi)** (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b)** In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c)** In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d)** According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii)** Based on our examination, the company has incurred cash losses (1720.73 Lacs) in the financial year and in the immediately preceding financial year(1662.44 lacs).
- (xviii)** There has been no resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix)** On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of

the opinion that material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

(xx) Based on our examination, the provision of section 135 is not applicable on the company.

(xxi) The company is required to prepare Consolidate financial statement hence this clause is applicable.

For AGRAWAL JAIN & GUPTA

Chartered Accountants

Firm Reg. No. 013538C

UDIN: 22409759AJXWCJ3930

CA Narayan Prasad Swami

Partner

Membership No. 409759

Date: 30th May, 2022

Place: Mumbai

Annexure-1
(Refer to Point no IX of CARO Report)

we are of the opinion that the company has defaulted in below repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(a) Bank Overdraft and cash Credit

Sr. No.	Name of Bank/ Institution	Closing Balance
1	AXIS LOAN NO.920060049786438 ECGL	4,06,58,124/-
2	Axis Loan No.920060050247027 FITL	60,97,349/-
3	Bandhan CC – 68190000001841	11,09,56,018/-
4	CC AXIS-911030054073238	27,09,54,127/-
Total		42,86,65,618/-

(b) Secured loans from Banks and Financial institutions

Sr. No.	Name of Bank/ Institution	Closing Balance
1	ADITYA BIRLA HOUSING FINANCE LTD.	38,81,601
2	Bandhan Bank Lap**6820000000260 (LAP)	2,03,99,527
3	Bandhan Bank Loan A/c 68200000002287	3,33,22,766
4	Bandhan Term Loan 68190000001501 (Machinery)	3,01,58,890
5	HDFC BANK - CRETA - 20759	9,67,741
6	HDFC BANK - JAGUAR NEW 110160	42,57,081
7	HDFC BANK - KIA SALTOS-19922	12,40,422
8	HDFC BANK - Nissan Terrano 24080	4,06,417
9	HDFC BANK - TEMPO – 9000	2,81,117
10	ICICI BANK - CAR INNOVA – 34569	12,65,109
11	ICICI BANK - INNOVA- 40008	12,03,433
12	ICICI BANK - Mercedes 87101	44,85,140

13	ICICI (TOPUP CAR LOAN) 12519	5,43,651
14	ICICI (TOPUP CAR LOAN) 18731	7,88,101
15	ICICI (TOPUP CAR LOAN) 3328	1,45,917
16	ICICI (TOPUP CAR LOAN) 51051	21,28,656
17	ICICI (TOPUP CAR LOAN) 55844	12,00,000
18	MAHINDRA & MAHINDRA FIN. (M. BALENO) 11330	3,44,977
Total		10,83,99,670

(c) Un-Secured loans from Banks and Financial institutions

Sr. No.	Name of Bank/ Institution	Closing Balance
1	Mithica Financial Service	5,00,000
2	Aaditya Birla Finance	25,66,563
3	IDFC BUSINESS LOAN	3,38,943
4	Oxyzo Financial loan	6,87,500
5	INDIA INFOLINE FINANCE LIMITED - 180762	12,00,000
6	PINNACLE CAPITAL SOLUTIONS PVT LTD- 126022	17,10,644
Total		70,03,650

Annexure "B"

to the Independent Auditors' Report on the Standalone Financial Statements of Benara Bearings & Pistons Limited

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Benara Bearings & Pistons Limited ("the listed Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and payments of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

In terms of our report of even date attached.

**For AGRAWAL JAIN &
GUPTA**

Chartered Accountants

Firm Reg. No. 013538C

UDIN: 22409759AJXWCJ3930

CA Narayan Prasad Swami

Partner

Membership No. 409759

Date: 30th May, 2022

Place: Mumbai

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518
Balance Sheet as at 31st March , 2022

		"Rs. In Lacs"	
Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,770.73	1,770.73
(b) Reserves and Surplus	2	1,291.68	2,688.71
(c) Share Application money pending allotment			
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	2,300.89	2,474.92
(b) long term provision	4	104.38	123.77
(c) Other Non Current Liabilities	5	67.24	1,815.53
(3) Current Liabilities			
(a) ShortTerm Borrowings	6	3,819.83	3,286.14
(b) Trade Payables	7	277.88	768.98
(c) Other Current Liabilities	8	402.54	383.99
(d) Short-term Provisions	9	124.68	133.54
TOTAL		10,159.84	13,446.32
II. ASSETS			
(1) Non-Current Assets			
(a) Property , Plant and Equipement and Intangible Assets			
(i) Property , Plant and Equipement	10	968.55	1,256.42
(ii) InTangible Assets		481.18	481.18
(ii) Advance against Property	10	124.12	124.12
		1,573.85	1,861.72
(b) Non-Current Investments	11	27.00	27.00
(c) Deferred tax Assets (net)	12	1,078.11	544.71
(d) Long-term loans and advances	13	1,708.03	1,696.43
(e) Other Non current assets	14	2,422.29	4,544.94
		-	-
(2) Current Assets			
(a) Inventories	15	1,900.12	2,235.26
(b) Trade receivables	16	1,289.65	2,126.36
(c) Cash and cash equivalents	17	43.65	88.69
(d) Short-term loans and advances	18	117.13	243.21
(e) Other current assets	19	-	78.00
TOTAL		10,159.84	13,446.32

In terms of our report of even date attached.
For Agarwal Jain & Gupta
Chartered Accountants
F R N :- 013538C

For and on behalf of the Board
Benara Bearings & Pistons Limited

CA Narayan Swami
(Partner)
M R N : 409759
Place: AGRA
Date : 30-05-2022

Director
(Akhil Kumar Jain)
DIN :- 07573107
Place: AGRA

Director
(Vivek Benara)
DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Profit & Loss Statement for the Year ended 31st March ,2022

Particulars	Note No.	"Rs. In Lacs"	
		Year Ended 31st March 2022	Year Ended 31st March 2021
I Income			
Revenue from Operations	20	2,592.88	4,159.05
Other Incomes	21	16.69	14.29
Total Income		2,609.57	4,173.34
II Expenses:			
Cost of Manufacturing & Others	22	2,219.57	4,037.17
Changes in Inventories	23	867.90	598.67
Employee Benefit Expenses	24	318.35	252.38
Administration & Other Expenses	25	468.99	398.57
Finance Cost	26	455.50	548.98
Depreciation and amortization expenses	10	209.71	302.62
Total Expenses		4,540.01	6,138.40
III Profit before exceptional and extraordinary Items and Tax (I - II)		(1,930.44)	(1,965.07)
IV Prior Period Items	-	-	-
V Exceptional items	-	-	-
VI Profit before Extraordinary Items and Tax (III -IV-V)		(1,930.44)	(1,965.07)
VII Extra Ordinary Items			
VIII Profit before Tax (VI - VII)		(1,930.44)	(1,965.07)
IX Tax Expense:			
(1) Current tax	-	-	-
(2) Deferred Tax		(533.41)	(511.11)
(3) Previous Year Tax		-	-
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		(1,397.03)	(1,453.96)
XI Profit/Loss from Discontinuing Operations	-	-	-
XII Tax Expense of Discontinuing Operations	-	-	-
XIII Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)	-	-	-
XII Profit/ (Loss) for the Period		(1,397.03)	(1,453.96)
See accompanying notes to the financial statements	27		

In terms of our report of even date attached.

For Agarwal Jain & Gupta
Chartered Accountants
F R N :- 013538C

For and on behalf of the Board
Benara Bearings & Pistons Limited

CA Narayan Swami
(Partner)
M R N : 409759
Place: AGRA
Date : 30-05-2022

Director
(Akhil Kumar Jain)
DIN :- 07573107
Place: AGRA

Director
(Vivek Benara)
DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED
CIN : L50300UP1990PLC012518
Cash Flow statement for the Year ended 31 March , 2022

Particulars	"Rs. In Lacs"	
	As at 31st March, 2022	As at 31st March, 2021
A. Cash flow from operating activities		
Profit / (loss) before tax	(1,930.44)	(1,965.07)
<i>Adjustments for:</i>		
Depreciation and amortisation	209.71	302.62
Loss / (Profit) on sale of fixed assets (net)	-	-
Finance costs	455.50	548.98
Interest income	4.00	(5.73)
Bad Depts	78.00	-
Unrealised foreign exchange (gain) (net)	0.34	(5.63)
Operating profit / (loss) before working capital changes	<u>(1,182.89)</u>	<u>(1,124.82)</u>
Changes in working capital:		
Decrease / (increase) in Inventories	872.08	709.61
Decrease / (increase) in trade receivables	2,416.22	(1,051.52)
Decrease / (increase) in Short-term loans and advances	126.08	9.61
Decrease / (increase) in Other current assets	-	-
(Decrease) / increase in Trade payables	(2,239.39)	1,035.03
(Decrease) / increase in Other current liabilities	18.55	80.81
(Decrease) / increase in Provisions	<u>(28.25)</u>	<u>(17.43)</u>
	(17.61)	(358.70)
Cash flow from extraordinary items	-	-
Cash generated from operations	(17.61)	(358.70)
Income taxes (paid) / refunded	-	-
Net cash flow from / (used in) operating activities (A)	<u>(17.61)</u>	<u>(358.70)</u>
B. Cash flow from investing activities		
Purchase of fixed assets	78.16	(28.71)
Proceeds from sale of fixed assets	-	-
Purchase of long-term investments	-	-
Advances given against Joint venture	(5.40)	(11.28)
Loans Given -		
- Associates	(11.60)	(11.28)
- others	-	-
Interest Income	(4.00)	5.73
Rental income from Commercial properties	-	-
Effect of exchange differences on restatement of foreign currency	(0.34)	5.63
Net cash flow from / (used in) investing activities (B)	<u>68.41</u>	<u>(28.64)</u>
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds & Repayment of long-term borrowings	(174.03)	696.62
<i>Net increase / (decrease) in working capital borrowings :</i>		
Proceeds & Repayment of other short-term borrowings	533.68	162.76
Finance cost	<u>(455.50)</u>	<u>(548.98)</u>
Net cash flow from / (used in) financing activities (C)	<u>(95.85)</u>	<u>310.40)</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(45.04)	(76.94)
Cash and cash equivalents at the beginning of the year	88.69	165.64
Cash and cash equivalents at the end of the year	<u>43.65</u>	<u>88.69</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Net Cash and cash equivalents included in Note 14	<u>43.65</u>	<u>88.69</u>
Cash and cash equivalents at the end of the year *	<u>43.65</u>	<u>88.69</u>
* Comprises:		
(a) Cash on hand	2.27	11.87
(b) Balances with banks		
(i) In current accounts	5.04	10.69
(ii) In deposit accounts	36.34	66.13
Cash and cash equivalents at the end of the year	43.65	88.69
See accompanying notes to the financial statements	25	

In terms of our report of even date attached.

For Agarwal Jain & Gupta
Chartered Accountants
F R N :- 013538C

For and on behalf of the Board
Benara Bearings & Pistons Limited

CA Narayan Swami
(Partner)
M R N : 409759
Place: AGRA
Date : 30-05-2022

Director
(Akhil Kumar Jain)
DIN :- 07573107
Place: AGRA
Date : 30.05.2022

Director
(Vivek Benara)
DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	As at 31 March 2022	As at 31 March 2021
NOTE # 1		
Share Capital		
Authorised Capital		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	2,000	2,000
Issued, Subscribed and Paid up		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 1,77,07,288 of Rs. 10 each)	1,770.73	1,770.73
	1,770.73	1,770.73

a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	1,77,07,288	1,770.73	1,77,07,288	1,770.73
Add:- Bonus shares				
Add : Shares issued during the year				
At the end of the year	1,77,07,288	1,770.73	1,77,07,288	1,770.73

b. The Company has one class of shares i.e., Equity shares having a face value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share.

c. Details of Equity Shareholders holding more than 5% of equity shares along with No of Equity Shares held at the beginning and at the end of the reporting period are as given below:-

Name of Share Holder	As at 31.03.2022		As at 31.03.2021		% change in shareholding
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%	0.00%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%	0.00%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%	0.00%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%	0.00%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%	0.00%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%	0.00%

d. Shares held by Promoters

Name of Share Holder	As at 31.03.2022		As at 31.03.2021		% change in shareholding
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%	0.00%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%	0.00%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%	0.00%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%	0.00%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%	0.00%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%	0.00%

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	As at 31st March, 2022	As at 31st March, 2021
NOTE # 2		
Reserves and Surplus		
(i) Security Premium Reserve		
Opening Balance	2,558.83	2,558.83
Add : Received during the year	-	-
Less:- primary exp	-	-
Closing Balance	<u>2,558.83</u>	<u>2,558.83</u>
(iii) Profit & Loss A/c		
Opening Balance	129.88	1,583.84
Add: Transferred from statement of Profit and Loss	(1,397.03)	(1,453.96)
Closing Balance	<u>(1,267.15)</u>	<u>129.88</u>
Total (i + ii + iii)	<u>1,291.68</u>	<u>2,688.71</u>

NOTE # 3

Long-Term Borrowings

(A) Secured

(1) Loan From Banks & Financial Institutions		
(a) Loan against Property	242.81	212.00
(b) Other Term Loans	495.96	614.60
Less : Current maturities repayable in one year for (a + b + c)	(281.25)	(271.16)
	<u>457.52</u>	<u>555.44</u>

(B) Unsecured

(a) Inter Corporate Loans and advances	465.28	528.63
(b) Loans and advances from Related Party	504.26	495.42
(c) Business Loan from Banks & NBFC	873.82	895.43
	<u>1,843.36</u>	<u>1,919.48</u>

Total (i)+(ii)

	<u>2,300.89</u>	<u>2,474.92</u>
--	------------------------	------------------------

(1) Secured Loan from Banks and NBFC Loan against Property

(a) Term Loan 1 are taken from Bandhan Bank having interest Rate 11.45% is payable in 59 installments and secured by mortgage of Immovable property of Panna Lal Jain situated at 1/205F Situated Professor Colony, Hari Parwat Ward Agra . Rs 203.99 Lacs

(b) Term Loan 2 are taken from Aditya Birla financial Institution having Interest Rate 8.4% and secured by mortgage of Immovable property of Company (Jointly owned by Directors & Benara International Private Limited) situated at 7203 -B, Loadha Marquise, Opp. Hard Rock Cafe, Worli, Mumbai - 400025. Rs 31.82 Lacs

(2) Other Term Loans

HDFC BANK having interest rate 10.00% is payable in 31 installment secured by tempoo Rs 2.82 lacs
 ICICI having interest rate 9.15% is payable in 48 installment and secured by NEW INNOVA- 31170 rs 13.79 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 5.43 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 7.88 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 1.45 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 21.28 Lacs
 ICICI having interest rate 14.00% is payable in 6 installment and secured by USED CAR Rs 12 Lacs
 HDFC BANK having interest rate 9.60% is payable in 72 installment secured by KIA SELTOS car Rs 12.40 lacs
 HDFC BANK having interest rate 8.30% is payable in 62 installment secured by jagaur car 42.57 lacs
 Hdfc Bank Ltd having interest Rate 9% is payable in 16 installment and secured by Nissan Terrano 24080 Rs 4.06 lacs
 Icici Bank Ltd having interest Rate is 8.5% is payable in 47 installment and secured by New Mercedes Rs 44.85 lacs
 ICICI having interest rate 8.5% is payable in 25 installment and secured by NEW INNOVA- Rs 12.03 Lacs
 Hdfc Bank Ltd CAR Loan (Creat) having interest Rate 9% payable in 49 installment and secured Rs 9.67 lacs
 Bandhan Bank having interest Rate 11.45% is payable in 52 installments and secured by Plant and machinery Rs 301.59 Lacs
 Icici Bank Ltd having interest Rate is 9.35% is payable in 33 installment and secured by Innova Rs 12.65 Lacs
 Icici Bank Ltd having interest Rate is 8.75% is payable in 45 installment and secured by Innova Rs 13.79 lacs
 Mahindra & Mahindra Finance having 10.65% is payable in 37 installment and secured new baleno Rs. 3.44 lacs

(3) Business Loan from Banks & NBFC

Aaditya Birla capita. , having interest Rate is 18% is payable in 36 installment Rs. 25.67 lacs
 Pinnacle capital solution pvt ltd having interest Rate is 19% is payable in 20 installment Rs. 17.10 lacs
 India Infoline finance limited having interest Rate is 0% is payable in 6 installment Rs. 12 lacs

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	As at 31st March, 2022	As at 31st March, 2021

NOTE # 4

Long-Term Provision

(a) Provision for Employee Benefits	104.38	123.77
	104.38	123.77

NOTE # 5

Other Non Current Liabilities

Trade Creditors	67.24	1,815.53
	67.24	1,815.53

Company has considered its Sundry Creditor of Worth Rs. 67.23/- Lakhs as Other Non-Current Liabilities which is pending for payable for the more than 1 years. Management of company has not made any provision for these Creditor on the basis of Prudence concepts. It will be payable in future period.

NOTE # 6

Short Term Borrowings

Secured

Cash credit from bank	3,820.10	3,276.54
Credit from NSIC	(0.27)	9.60
	3,819.83	3,286.14

(a) Cash credit from Axis Bank is primarily secured by hypothecation of Current assets of the Company.

(b) Credit from National Small Industries Corporation Ltd. is under Raw material Assistance scheme and is secured against Bank guarantee.

NOTE # 7

Trade Payables	277.88	768.98
	277.88	768.98

Trade Payables ageing schedule: As at 31st March,2022

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
(i) MSME	233.53	-	-	-	233.53
(ii) Others	44.35	-	-	-	44.35
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	277.88	-	-	-	277.88

Trade Payables ageing schedule: As at 31st March,2021

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
(i) MSME	443.13	-	-	-	443.13
(ii) Others	325.85	-	-	-	325.85
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	768.98	-	-	-	768.98

NOTE # 8

Other Current Liabilities

(a) Statutory Remittances	59.91	36.14
(b) Expenses Payable	45.08	60.00
(c) Security deposit received	16.29	16.69
(d) Current maturities of Long term borrowings	281.25	271.16
	402.54	383.99

NOTE # 9

Short-Term Provisions

(a) Provision for Employee Benefits	34.18	35.79
(b) Provision for Tax	81.60	83.60
(c) Provision - Expenses	8.90	14.15
	124.68	133.54

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31 March 2022

Note # 10

Property , Plant and Equipement and Intangible Assets

"Rs. In Lacs"

(i)	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK	
	AS AT	ADDITIONS	SALE	AS AT	AS AT	FOR THE	AS AT	AS AT	AS AT
	1-4-2021			31-03-2022	1-4-2021	YEAR	31-03-2022	31-03-2022	31-03-2021
PARTICULARS	1-4-2021			31-03-2022	1-4-2021	YEAR	31-03-2022	31-03-2022	31-03-2021
Land	5.85	-	-	5.85	-	-	-	5.85	5.85
Shops*	39.33	-	-	39.33	-	-	-	39.33	39.33
Factory Buildings	90.29	-	-	90.29	68.24	1.33	-	20.71	22.04
Plant & Machinery	927.92	-	-	927.92	518.36	68.29	-	341.27	409.56
Inspection & quality control equipments	36.03	-	-	36.03	34.49	0.04	-	1.50	1.54
Electric Fittings	17.94	-	-	17.94	17.23	0.03	-	0.68	0.72
Tools & Dies	974.69	-	-	974.69	384.92	106.06	-	483.71	589.77
Office Equipment	43.70	0.87	-	44.57	38.74	1.27	-	4.56	4.96
Computer	21.50	-	-	21.50	18.84	1.56	-	1.10	2.66
Furniture & Fixture	45.46	-	-	45.46	40.73	1.05	-	3.68	4.73
Vehicles	720.94	-	176.42	544.52	545.67	30.10	97.40	66.16	175.27
Reaserch & Development	481.18	-	-	481.18	-	-	-	481.18	481.18
(ii) Advance against Property*	124.12	-	-	124.12	-	-	-	124.12	124.12
TOTAL	3,528.94	0.86	176.42	3,353.37	1,667.22	209.71	97.40	1,573.85	1,861.72
PREVIOUS YEAR	3,500.24	28.71	-	3,528.95	1,364.60	302.62	-	1,861.72	2,135.63

*No Depreciation has been claimed on property additions made during the year..

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	As at 31st March, 2022	As at 31st March, 2021
NOTE # 11		
Non-Current Investments		
Investment In Equity Instruments (Unquoted)	-	
(a) In Subsidiary Company :	-	
(i) Benara Solar Private Limited 10000 (P.Y. -5100) Equity Shares of Rs. 10/- each of (fully paid up)	1.00	1.00
(ii) Securitrans Trading Private Limited 10,000 (P.Y. - 10000) Equity Shares of Rs. 10/- each (fully paid up)	1.00	1.00
Investment in Alternate Investment Fund	25.00	25.00
Investment in JV with Easy Photovoltech	-	-
	-	
	27.00	27.00

NOTE # 12

Deferred tax Assets

Deferred tax adjustments recognised in the financial statements are as under -	-	
Deferred tax Assets as at the beginning of the year	544.71	33.60
Liability / (Asset) arising during the year	533.41	511.11
	-	
Deferred tax Assets as at the end of the year	1,078.11	544.71

NOTE # 13

**Long-Term Loans and Advances
(Unsecured, Considered Good)**

(a) Inter Corporate Loans & Advances	1,708.03	1,696.43
	1,708.03	1,696.43

(a) It is Loan to wholly owned Subsidiary Company Benara Solar Private Limited, receivable after 31 march 2022

NOTE # 14

Other Non Current Assets

(a) Inventory	375.22	912.16
(b) Sundry receivable	2,035.96	3,615.48
(c) Sundry Deposits	11.10	17.30
	2,422.29	4,544.94

During the year, Non moving / slow moving Inventory of Rs. 375.22 Lacs has been reclassified under other non-current assets.

During the year, Sundry debtor amounting to Rs. 2035.96 lacs, outstanding for more than one year, has been classified as other non-current assets. The management has considered these debtor as good and hence no provision has been made.

NOTE # 15

Inventories

(As taken, valued & certified by management)

Raw Material	166.23	170.42
Work-in-Progress	410.71	422.25
Finished Goods	1,319.18	1,637.51
Others	4.00	5.09
	1,900.11	2,235.26

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	As at 31st March, 2022	As at 31st March, 2021
NOTE # 16		
Trade Receivables		
<u>Unsecured, Considered Good</u>		
- Outstanding for a period exceeding six months	236.71	1,224.44
- Others	1,052.94	901.91
	1,289.65	2,126.36

Trade Receivable ageing schedule for 31st March 2022

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables considered good	236.71	30.19	-	-	-	266.90
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	44.07	631.79	377.09	1,052.94
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	1,289.65

NOTE # 17

Cash and Cash Equivalents

(a) Balance with Banks	-	
(i) In current accounts	5.04	10.69
(ii) In deposit accounts	36.34	66.13
(b) Cash in Hand	2.27	11.87
	-	
	43.65	88.69

NOTE # 18

**Short-Term Loans and Advances
(Unsecured, Considered Good)**

(a) Advances (receivable in cash or in Kind or for value to be received)	37.05	52.67
(b) Advances to Suppliers	-	2.80
(c) Prepaid Expenses	3.42	6.96
(d) Balances with govt. / semi-govt. authorities	76.66	180.78
	117.13	243.21

NOTE # 19

Other Current Assets

Other Receivables	-	78.00
Preliminary Expenses (IPO)	-	-
	-	78.00

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	Year ended 31st March, 2022	Year ended 31st March, 2021
NOTE # 20		
Revenue From Operations - Automobile Including VAT/GST		
Domestic Sales including trading sale	2,592.88	4,159.05
	-	-
Total	2,592.88	4,159.05

NOTE # 21

Other Incomes

(A) Interest Income	4.00	5.73
Creditors w/off		
Profit/(Loss) From Foreign Currency Translations	0.34	5.63
INCOME FROM OTHER SOURCES	12.35	2.93
	16.69	14.29

NOTE # 22

Cost of Manufacturing & Others

(i) Cost of Raw Material Consumed

Opening stock of raw materials	170.42	281.35
Add: Cost of Purchases including VAT/GST	1,896.75	3,047.17
Less: Closing stock of raw materials	166.23	170.42
	1,900.94	3,158.11

(ii) Manufacturing Expenses

Consumption of stores and spare parts	11.00	26.11
Packing Material consumed	2.27	3.50
Electricity Expenses	113.83	116.44
Wages & Salaries - Factory	184.61	185.25
Job Work charges	1.06	1.05
	312.77	332.34

(iii) Purchases

Cost of Purchases	-	446.91
GST	-	90.82
FRIGHT	5.86	8.99
	5.86	546.72

Total (i + ii+ iii)	2,219.57	4,037.17
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NOTE # 23

Changes in Inventories

(a) Closing Stock

Finished goods *	1,694.40	2,549.67
Work-in-Progress	410.71	422.25
Others	4.00	5.09
	2,109.11	2,977.01

(b) opening Stock

Finished goods *	2,549.67	3,067.96
Work-in-Progress	422.25	502.68
Others	5.09	5.03
	2,977.01	3,575.68

(a) - (b)	867.90	598.67
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* Finished goods includes Trading Stock

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the year ended 31st March, 2022

Particulars	"Rs. In Lacs"	
	Year ended 31st March, 2022	Year ended 31st March, 2021
NOTE # 24		
Employee Benefit Expenses		
(a) Salaries and other Allowances	269.94	183.77
(b) Contribution to provident and other funds	47.42	52.20
(c) Staff Welfare expenses	0.99	16.41
	-	
	318.35	252.38

NOTE # 25

Administration & Other Expenses

Auditors' Remuneration

Audit Fees	1.00	1.00
Out of Pocket Expenses	-	-
Bad debts	78.93	6.12
Donation	11.53	23.69
Electricity Expenses	4.31	28.76
Insurance	9.83	6.27
Other Expenses	33.06	85.39
Postage & Courier Expenses	0.53	(0.34)
Printing & Stationery	1.92	1.79
Professional & Legal Charges	124.94	63.97
Rate & Taxes	3.95	1.57
Rebate & Discount	4.99	5.42
Repairs & Maintenance - Machinery	3.72	2.57
Repairs & Maintenance Building	0.17	0.63
Repairs & Maintenance Others	5.60	2.68
Sales Commission	0.75	4.54
Selling & Distribution	143.17	121.08
Telephone Expenses	1.57	1.53
Travelling Expenses	31.85	41.89
Travelling Expenses -Foreign	7.16	-
	468.99	398.57

NOTE # 26

Finance Cost

(a) Interest expenses	452.96	514.64
(b) Financial Charges	2.54	34.35
	455.50	548.98

NOTE # 25

I. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statements:

The financial statements have been prepared & presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and generally accepted accounting principles in India, to the extent applicable.

Accounting policies have been consistently applied except where otherwise stated or where a newly issued accounting standard is initially adopted or a revision in the accounting standard requires change in accounting policy hitherto in use. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

b. Use of Estimates

The preparation of financial statements in conformity with Generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognized in the year in which the events become known / are materialized.

c. Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of Companies Act, 2013.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

d. Fixed Assets:

Tangible assets

Tangible Assets are stated at acquisition cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of profit and loss.

Tangible fixed assets under construction and / or not ready for its intended use are disclosed as capital work-in-progress. Capital Work-in-progress includes estimates of work completed, as certified by management

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

e. Depreciation

Depreciation on tangible fixed assets is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 using the Written down Value method, which, in management's opinion, reflect the estimated useful economic lives of these fixed assets.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

As per opinion of the management during the year company have not been charged any depreciation on Research and Development in current year.

f. Impairment of Assets

The carrying amounts of assets are reviewed to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

g. Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured.

Revenue from operations includes sale of goods, services including GST and net of goods return.

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2022

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Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Fixed Deposit Interest is accounted as per statements / documents issued by banks.

Dividend income is accounted for on receipt basis.

h. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Long-term investments (including current portion thereof) are carried at cost, less provision for diminution in value other than temporary determined separately for each individual investment.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of profit and loss.

i. Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the statement of profit and loss.

At the year-end, all monetary assets and liabilities denominated in foreign currency are reinstated at the year-end exchange rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

j. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Profit and Loss A/c in the year in which they are incurred.

k. Taxation

Tax expense comprising current tax and deferred tax are included in the determination of the net profit or loss for the period.

Provision for current tax is recognised in accordance with the provisions of the Income tax Act, 1961 and is made based on the tax liability using the applicable tax rates and tax laws after taking credit for tax allowances and exemptions.

Deferred tax liability or asset for timing differences between taxable income and accounting income i.e.differences that originate in one period and are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws enacted or subsequently enacted as on the balance sheet date.

Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only when there is a reasonable certainty of their realization.

I. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Leases

Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Where the Company is the lessee

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

n. Employee Benefits:

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia and compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of profit and loss in the period in which such services are rendered.

(ii) Post-employment benefits

Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue.

Defined Benefit Plan

Provision for gratuity is provided based on Actuarial Valuation made. Short Term Employee Benefits like leave benefit, if any, are paid along with salary and wages on a month to month basis, bonus to employees are charged to profit and loss account on the basis of actual payment on year to year basis.

Note # 26

Other notes of accounts and additional information pursuant to the provisions of the Companies Act, 2013 to the extent applicable –

- I. The previous year's figures have been reworked, rearranged and reclassified wherever considered necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.
- II. All items of receipts and payments, Income & Expenditure wherever details, vouchers, supporting and or any sort of evidences not available are hereby approved confirmed, authenticated and certified by the management.
- III. **Additional information pursuant to the provisions of the Companies Act, 2013 to the extent applicable -**

(a) Cost of Raw Material Consumed :

(Rs.in lacs)

Particulars	2021-22	2020-21
Opening stock of raw materials	170.42	281.35
Add: Cost of Purchases	1896.75	3,047.17
Less: Closing stock of raw materials	166.23	170.42
Cost Of Goods sold	1900.94	3158.11

Note: - Being No. of Items of stock is voluminous; therefore it is not possible to provide the quantitative data.

(b) CIF value of imports

Particulars	31.03.2022	31.03.2021
Raw material / Semi Finished Goods	-	-
Finished goods	-	-
Total	-	-

(c) Detailed of imported and indigenous raw materials, spares and packing materials consumed

(Rs.in lacs)

Particulars	31.03.2022		31.03.2021	
	Value	% of total Consumption	Value	% of total Consumption
Raw materials				
Imported	-		-	-
Indigenous	1900.94	100%	3158.11	100%
Total	1900.94	100%	3158.11	100%
PACKING MATARIAL				
Imported	-		-	0%
Indigenous	2.27	100%	3.50	100%
Total	2.27	100%	3.50	100%
STORE & SPARES				
Imported	-	0%	-	0%
Indigenous	11.00	100%	26.11	100%
Total	11.00	100%	26.11	100%

(d) Expenditure in foreign currency

(Rs in lacs)

Particulars	31.03.2022	31.03.2021
Travelling	7.16	-
Total	7.16	-

(e) **Charged to Profit and Loss Account based on contributions in respect of Defined Contribution Schemes:**

(Rs.in lacs)

Particulars	31.03.2022	31.03.2021
Provident Fund and Employees Pension	40.59	24.88
Labour Welfare Fund	(1.9)	19.84
ESIC	8.73	7.47
Total	47.42	52.19

(g) **Employee benefits:**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in financials. The disclosures as envisaged under the standard are as under:-

(Rs.in lacs)

Particulars	2021-22	2020-21
1. The amounts recognized in the Balance Sheet are as follows: -		
Present value of the obligation at the end of the period	103.30	126.81
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	103.30	126.81
Balance Sheet and related analysis	-	
Funded Status	(103.30)	(126.81)

2. Current Liability		
Current Liability (Short Term)*	10.14	15.01
Non Current Liability (Long Term)	93.15	111.80
Total Liability	103.30	126.81

3. The amount recognized in the Profit and Loss A/c are as follows		
Current Service Cost	11.23	11.94
Interest cost	8.88	8.50
Net Actuarial (gain)/ loss recognized in the period	(38.48)	(7.80)
Expenses to be recognized in the statement of profit and loss accounts	(18.37)	12.64

4. Changes in the present value of defined benefit obligation		
Defined Benefit obligation at the beginning of the period	126.81	121.42
Interest cost	8.88	8.50
Current Service Cost	11.23	11.94
Benefits paid (if any)	(5.14)	(7.25)

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2022

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Actuarial (gain)/ loss	(38.48)	(7.80)
Defined Benefit obligation at the end of the period	103.30	126.81

Benefit Description	-	
Benefit Type		
Retirement Age	60	60
Vesting Period	5 Yrs of Service	5 Yrs of Service
Salary Growth Rate	5 % per annum	5 % per annum
Discount Rate	7.50% per annum	7.50% per annum
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Withdrawal Rate	5 % per annum	5 % per annum

(h) Earnings per Share

Particulars	31.03.2022	31.03.2021
(i) Profit / (Loss) after Tax	(1,397.04)	(1,453.96)
(ii) Weighted average number of equity shares outstanding	17,707,288	17,707,288
Earnings Per Share of Rs. 10/- each	(7.88)	(8.22)
Basic and Diluted Earning per share (Before Bonus) (in Rs.)	(7.88)	(8.22)

(i) As per Accounting Standard 18, the disclosure of transactions with related parties are as Follows:

Related party disclosures

Name of the parties	Relationships
Wholly owned subsidiary companies	(i) Securitrans Trading (P) Ltd.
Other subsidiary companies	(i) Benara Solar Private Pvt Ltd
With companies under the same management	(i) Benara International Pvt. Ltd. (ii) Four Square Retail Pvt. Ltd.
Key Management Personnel	
Chairman -	Mr. PannaLal Jain
Directors and Relatives of the Company -	Mrs. KetakiBenara Mrs. Sarla Jain Mr. VivekBenara

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2022

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Related parties where significant influence exists and with whom transactions have taken place during the year	(i) Vinay Iron foundry (ii) Skymark Leasing & Finance Limited
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(j) Transactions during the year with related parties:

(Rs.in lacs)

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Sale of goods	(i) Vinay Iron Foundry	210.51	246.77
Purchase of goods	(i) Vinay Iron Foundry.	564.24	1005.66
Loans/ advances taken	(i) Skymark Leasing & Finance Limited	-	-
	(iii) Mr. PannaLal Jain	32.10	89.00
	(iv) Mrs. KetakiBenara	20.55	14.40
	(v) Mrs. Sarla Jain	8.16	92.59
	(vi) Mr. VivekBenara	41.13	113.91
Remuneration to Key Managerial Personnel	Mr. PannaLal Jain	9.60	9.60
	Mrs. KetakiBenara	-	4.00
	Mrs. Sarla Jain	2.70	5.40
	Mr. VivekBenara	12.00	6.00

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Loans/ advances repaid	Mr. PannaLal Jain	5.08	19.33
	Mrs. KetakiBenara	0.05	4.04
	Mrs. Sarla Jain	45.90	36.66
	Mr. VivekBenara	49.89	55.69
	Skymark leasing & finance limited	-	-
Advances Given	Securitrans Trading (P) Ltd.	0.15	0.24
Advances Given	Benara Solar Pvt. Limited	13.65	36.30
Repayment Recd	Benara Solar Pvt. Limited	3.34	26.21
RENT	Vinay Iron Foundry	28.32	5.40
Electricity Exp	Vinay Iron Foundry	21.55	17.24
Job charges	Vinay Iron Foundry	1.24	

BENARA BEARINGS & PISTONS LIMITED*Notes to the financial Statements for the Year Ended 31st March, 2022*

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Nature of Transaction	Name of Related Party	As at 31.03.2022	As at 31.03.2021
Loan & Advances	Benara Solar Pvt. Limited	543.77	532.32
Advances	Securitrans Trading (P) Ltd.	1.00	0.85
Unsecured Loan	Mr. PannaLal Jain	102.03	75.02
Unsecured Loan	Mrs. Sarla Jain	29.62	67.35
Unsecured Loan	Mr. VivekBenara	158.44	170.23
Unsecured Loan	Mrs. KetakiBenara	81.79	53.50
Unsecured Loan	Skymark Leasing & Finance Limited	66.89	66.89

(k) Payment to Auditors & Director's Remuneration:**(Rs.in lacs)**

Sr. No.	Particulars	2021-22	2020-21
i)	Remuneration to Directors	21.60	31.00
ii)	Payment to Auditors	1.00	1.00

(l) Contingent liabilities and Commitments*As per the information available & explanations provided to us by the management –***(Rs.in lacs)**

Particulars	31.03.2022	31.03.2021
Outstanding demand of Income taxes related to earlier previous years that may arise in respect of which the Company is in appeal against the Income-tax Department.	83.15	83.15
Outstanding demand of excise duty that may arise in respect of which the notice has been received by Central Excise Department and for which company is in appeal & has filed its response.	61.52	61.52

(m) Micro, Small and Medium Enterprises

As per the information available with the Company and certified by them, total outstanding due to Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of the year is Rs. Nil (Nil).

(n) In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated.

(o) The outstanding balances of Sundry Debtors, Sundry Creditors, and loans & advances are subject of confirmation and reconciliation/ consequential adjustment, if any.

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2022

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- (p) During the year the Company has faced significant challenges and delays in recovery from long term loan and advances . Keeping in view the delays and the compnay will take legal opinion with Management and the provision to be made.
- (q) Due to the financial constraints , there is delay in payment to Bank /financial institution. Therefore Bank has mark NPA. However , the company has made applied for restructure of its loan accounts . In some cases where there are disputes with the lenders, the management has decided not to provide interest which proposed to be provided at the time of settlement/ payment. Accordingly, the loss for the year and loan liability has been understated to the extents.
- (r) All items of receipts and payments, Income & Expenditure wherever details, vouchers, supporting and or any sort of evidences not available are hereby approved confirmed, authenticated and certified by the management.
- (s) During the year, the company has melted some of the stocks which were non-moving or rejected that has resulted in significant loss and reduction in value of stocks. This being technical matter, we are unable to check and verify the loss on this account.
- (t) The Company's operations like any other suffered on account of COVID-19 pandemic including lockdown imposed by the Government. There have been challenges in getting the financial support from Company's working capital lenders under various support measures announced by the Government. The Company has not been able to fill the cash flow gap through additional equity resources posing threat to its smooth business operations and debt servicing obligations. The Company is continuing to make earnest efforts to smoothen the cash flow bumps causing supply chain disruptions by either scaling down the business volumes or arranging the increased requirement of financial resources from its banks or other lenders. The management feels that the situation is controllable hence the going concern concept on the basis of which the financial statements are drawn, remains valid.
- (u) Due to supply chain disruption, factory closure during lockdowns and later low scale operations due to COVID-19 restrictions which resulted in challenges in meeting commitments to customers for the supplies and after sales services, the payments from the customers have been delayed with occasional counter claims. The Company believes that as effect of the pandemic on the overall economy and business, the operating cycle which is assumed at 1 year for its accepted accounting policy has to be accepted at one and half years due to elongation of trade cycles across economy.
- (v) No impairment loss provision is considered necessary for Company's investment in its subsidiaries as these are long terms strategic investments.

**For and on behalf of the Board
Benara Bearings & Pistons Limited**

Vivek Benara
Managing Director
DIN No: 00204647

Panna Lal Jain
Chairman
DIN No: 204869

**DATE :30th May 2022
Place :AGRA**

INDEPENDENT AUDITOR'S REPORT

To the Members of
BENARA BEARINGS & PISTONS LIMITED

Report on Consolidated Financial statements

We have audited the Consolidated financial statements of **BENARA BEARINGS & PISTONS LIMITED** ("the Holding Company"), **and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group")** which comprise the Consolidated balance sheet as at 31st March 2022, and the statement of Consolidated Profit and Loss and statement of Consolidated cash flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company and subsidiaries as at 31st March, 2022, their loss and its cash flows for the year ended on that date, subject to audit qualifications.

- a) In the case of the Consolidated balance sheet, of the state of affairs of the company as at March 31, 2022
- b) In the case of the Consolidated Profit and Loss Account, of the Loss for the period ended on that date and
- c) In the case of Consolidated cash flow statement, for the cash flows for the year ended on that date.

Basis of Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the financial results.

(1) There is delay in payment of interest and instalments to some of the lenders. In some cases where there are disputes with the lenders, the management has decided not to provide interest which proposed to be provided at the time of settlement/ payment. Accordingly, the loss for the year and loan liability has been understated to the extents.

(2) During the year, the company has melted some of the stocks which were non-moving or rejected that has resulted in significant loss and reduction in value of stocks. This being technical matter, we are unable to check and verify the loss on this account.

(3) During the year, Sundry debtor amounting to Rs.1262.38 lacs, outstanding for more than three year, has been classified as other non-current assets. Out of which some of debtors are disputed and litigation is pending. The management has decided not to provide for these doubtful debts in view of its possible

adverse impact on recovery litigation. Accordingly, the loss for the year is understated and Debtors has been overstated to the extents.

(4) A total amount of Rs. 1,161.98 Lacs included in loan and advances is from parties who have not given confirmation of their dues. The management is in the process of reviewing the recoverability of these advances and obtaining confirmations. We therefore are unable to comment on recoverability of these advances.

(5) Other matters read to together with notes.

Material uncertainty related to Going concern

Attention on the holdoing financial results, which indicated that the company continue to incur losses during the years ended Rs 1,930.45 lacs in 2021-22 and Rs 1,965.06 Lacs 2020-21 and sales are drastically decreased due to COVID-19 pandemic and shortage of chips for new vehicles. Company in the process of Certain existing borrowings on the balance sheet date have been settled and refinanced/restructure. These event or conditions indicate that a material uncertainty exists that may cause significant doubt in the company's ability to continue as a going concern. However, the holding financial results of the company have been prepared on a going concern basis for as reason stated on the said note.

Our opinion is not modified in respect on this matter.

Information other than the Consolidated financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative

factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified Consolidated in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable not applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the company.
- vi. 2 subsidiaries whose financial statements include Group’s share of net loss of Rs. 38.28 Lacs (P.Y. Rs 62.68 Lacs) and Fixed Assets Rs 41.00 Lacs (P.Y. Rs 67.01 Lacs) for the six months and for the year ended March 31, 2022, as considered in the Statement whose financial statements and other financial information have been audited by their respective independent auditors.

For AGRAWAL JAIN & GUPTA
Chartered Accountants
Firm Reg. No. 013538C
UDIN: 22409759AJXWOU1880

CA Narayan Prasad Swami
Partner
Membership No. 409759
Date: 30th May, 2022
Place: Mumbai

Annexure "A"

to the Independent Auditors' Report on the consolidated Financial Statements of Benara Bearings & Pistons Limited

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Benara Bearings & Pistons Limited ("the listed Company") as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and payments of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

In terms of our report of even date attached.

**For AGRAWAL JAIN &
GUPTA**

Chartered Accountants
Firm Reg. No. 013538C
UDIN: 22409759AJXWOU1880

CA Narayan Prasad Swami
Partner
Membership No. 409759
Date: 30th May, 2022
Place: Mumbai

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Consolidated Balance Sheet as at 31st March, 2022

(Rs.in Lacs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,770.73	1,770.73
(b) Reserves and Surplus	2	1,239.77	2,675.08
(c) Share Application money pending allotment			
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	2,374.65	2,549.60
(b) long term provision	4	104.38	123.77
(c) Other Non Current Liabilities	5	67.24	1,815.53
(3) Current Liabilities			
(a) ShortTerm Borrowings	6	3,819.83	3,286.14
(b) Trade Payables	7	298.51	788.48
(c) Other Current Liabilities	8	416.34	396.79
(d) Short-term Provisions	9	125.05	134.90
TOTAL		10,216.50	13,541.03
II. ASSETS			
(1) Non-Current Assets			
(a) Property , Plant and Equipement and Intangible Assets			
(i) Property , Plant and Equipement	10	969.67	1,323.43
(ii) InTangible Assets		521.07	481.18
(ii) Advance against Property	10	124.12	124.12
		1,614.86	1,928.73
(b) Non-Current Investments	11	31.67	31.67
(c) Deferred tax Assets (net)	12	1,107.68	573.00
(d) Long-term loans and advances	13	1,163.26	1,163.37
(e) Other Non current assets	14	2,422.29	4,544.84
(b) Non-Current Investments	11	31.67	31.67
(c) Deferred tax Assets (net)	12	1,107.68	573.00
(d) Long-term loans and advances	13	1,163.26	1,163.37
(e) Other Non current assets	14	2,422.29	4,544.84
(2) Current Assets			
(a) Inventories	15	1,926.25	2,261.40
(b) Trade receivables	16	1,751.39	2,590.09
(c) Cash and cash equivalents	17	47.72	95.08
(d) Short-term loans and advances	18	150.47	274.85
(e) Other current assets	19	-	78.00
TOTAL		10,215.59	13,541.03

In terms of our report of even date attached.

For Agarwal Jain & Gupta

Chartered Accountants

F R N :- 013538C

For and on behalf of the Board

Benara Bearings & Pistons Limited

CA Narayan Swami

(Partner)

M R N : 409759

Place: AGRA

Date : 30-05-2022

Director

(Akhil Kumar Jain)

DIN :- 07573107

Place: AGRA

Director

(Vivek Benara)

DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Consolidated Profit & Loss Statement for the year ended 31st March, 2022

(Rs.in Lacs)

Particulars	Note No.	Year Ended 31st March 2022	Year Ended 31st March 2021
I Income			
Revenue from Operations	20	2,592.88	4,159.05
Other Incomes	21	16.69	14.29
Total Income		2,609.57	4,173.34
II Expenses:			
Cost of Manufacturing & Others	22	2,219.57	4,037.17
Changes in Inventories	23	867.90	598.67
Employee Benefit Expenses	24	318.35	252.38
Administration & Other Expenses	25	481.77	418.62
Finance Cost	26	456.72	548.98
Depreciation and amortization expenses	10	235.71	345.26
Total Expenses		4,580.01	6,201.10
III Profit before exceptional and extraordinary Items and Tax (I - II)		(1,970.45)	(2,027.76)
IV Prior Period Items	-	-	-
V Exceptional items	-	-	-
VI Profit before Extraordinary Items and Tax (III -IV-V)		(1,970.45)	(2,027.76)
VII Extra Ordinary Items			
VIII Profit before Tax (VI - VII)		(1,970.45)	(2,027.76)
IX Tax Expense:			
(1) Current tax	-	-	-
(2) Deferred Tax		(535.14)	(540.81)
(3) Previous Year Tax			2.40
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		(1,435.31)	(1,489.35)
XI Profit/Loss from Discontinuing Operations	-	-	-
XII Tax Expense of Discontinuing Operations	-	-	-
XIII Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)	-	-	-
XII Profit/ (Loss) for the Period		(1,435.31)	(1,489.35)
See accompanying notes to the financial statements	27		

In terms of our report of even date attached.

For Agarwal Jain & Gupta
Chartered Accountants
F R N :- 013538C

For and on behalf of the Board
Benara Bearings & Pistons Limited

CA Narayan Swami
(Partner)
M R N : 409759
Place: AGRA
Date : 30-05-2022

Director
(Akhil Kumar Jain)
DIN :- 07573107
Place: AGRA

Director
(Vivek Benara)
DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED
CIN : L50300UP1990PLC012518
Consolidated Cash Flow statement for the year ended 31 March , 2022

Particulars	(Rs.in Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
A. Cash flow from operating activities		
Profit / (loss) before tax	(1,970.45)	(1,965.07)
<i>Adjustments for:</i>		
Depreciation and amortisation	235.71	345.26
Loss / (Profit) on sale of fixed assets (net)	-	-
Finance costs	456.72	548.98
Interest income	4.00	(5.73)
Bad Depts	78.00	-
Unrealised foreign exchange (gain) (net)	0.34	(5.63)
Operating profit / (loss) before working capital changes	(1,195.67)	(1,144.87)
Changes in working capital:		
Decrease / (increase) in Inventories	872.09	709.61
Decrease / (increase) in trade receivables	2,417.76	(1,051.52)
Decrease / (increase) in Short-term loans and advances	124.38	21.48
Decrease / (increase) in Other current assets	-	-
(Decrease) / increase in Trade payables	(2,238.26)	1,035.03
(Decrease) / increase in Other current liabilities	19.55	82.59
(Decrease) / increase in Provisions	(29.24)	(17.43)
	(29.39)	(365.11)
Cash flow from extraordinary items	-	-
Cash generated from operations	(29.39)	(365.11)
Income taxes (paid) / refunded	-	(2.40)
Net cash flow from / (used in) operating activities (A)	(29.39)	(367.51)
B. Cash flow from investing activities		
Purchase of fixed assets	78.16	(28.71)
Proceeds from sale of fixed assets	-	-
Purchase of long-term investments	-	-
Advances given against Joint venture	6.20	-
Loans Given -		
- Associates	-	-
- others	-	(0.35)
Interest Income	(4.00)	5.73
Rental income from Commercial properties	-	-
Effect of exchange differences on restatement of foreign currency	(0.34)	5.63
Net cash flow from / (used in) investing activities (B)	80.02	(17.70)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds & Repayment of long-term borrowings	(174.95)	696.72
<i>Net increase / (decrease) in working capital borrowings :</i>		
Proceeds & Repayment of other short-term borrowings	533.68	162.57
Finance cost	(456.73)	(548.98)
Net cash flow from / (used in) financing activities (C)	(97.99)	310.31
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(47.36)	(74.91)
Cash and cash equivalents at the beginning of the year	95.08	169.99
Cash and cash equivalents at the end of the year	47.72	95.08
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Net Cash and cash equivalents included in Note 14	47.72	95.08
Cash and cash equivalents at the end of the year *	47.72	95.08
* Comprises:		
(a) Cash on hand	5.56	15.81
(b) Balances with banks		
(i) In current accounts	5.81	13.14
(ii) In deposit accounts	36.34	66.13
Cash and cash equivalents at the end of the year	47.72	95.08

See accompanying notes to the financial statements

25

In terms of our report of even date attached.

For Agarwal Jain & Gupta
Chartered Accountants

F R N :- 013538C

For and on behalf of the Board
Benara Bearings & Pistons Limited

CA Narayan Swami
(Partner)
M R N : 409759
Place: AGRA
Date : 30-05-2022

Director
(Akhil Kumar Jain)
DIN :- 07573107
Place: AGRA
Date : 30.05.2022

Director
(Vivek Benara)
DIN :- 00204647

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2022

Particulars	(Rs.in Lacs)	
	As at 31 March 2022	As at 31 March 2021
NOTE # 1		
Share Capital		
Authorised Capital		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	2,000.00	2,000.00
Issued, Subscribed and Paid up		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 1,77,07,288 of Rs. 10 each)	1,770.73	1,770.73
	1,770.73	1,770.73

a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2022		As at 31.03.2021		
	No. of shares	Amount	No. of shares	Amount	
At the commencement of the year	1,77,07,288	1,770.73	1,77,07,288	1,770.73	
Add:- Bonus shares					
Add : Shares issued during the year					
At the end of the year	1,77,07,288	1,770.73	1,77,07,288	1,770.73	

b. The Company has one class of shares i.e., Equity shares having a face value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share.

c. Details of Equity Shareholders holding more than 5% of equity shares along with No of Equity Shares held at the beginning and at the end of the reporting period are as given below:-

Name of Share Holder	As at 31.03.2022		As at 31.03.2021		% of changes in shareholding
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%	0.00%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%	0.00%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%	0.00%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%	0.00%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%	0.00%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%	0.00%

d. Shares held by Promoters

Name of Share Holder	As at 31.03.2022		As at 31.03.2021		% of changes in shareholding
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%	0.00%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%	0.00%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%	0.00%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%	0.00%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%	0.00%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%	0.00%

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

Particulars	(Rs.in Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
NOTE # 2		
Reserves and Surplus		
(i) Security Premium Reserve		
Opening Balance	2,558.83	2,558.83
Add : Received during the year	-	-
Less:- primary exp	-	-
Closing Balance	<u>2,558.83</u>	<u>2,558.83</u>
(iii) Profit & Loss A/c		
Opening Balance	116.25	1,605.60
Add: Transferred from statement of Profit and Loss	(1,435.31)	(1,489.35)
Closing Balance	<u>(1,319.06)</u>	<u>116.25</u>
Total (i + ii + iii)	<u>1,239.77</u>	<u>2,675.08</u>
NOTE # 3		
Long-Term Borrowings		
(A) Secured		
(1) Loan From Banks & Financial Institutions		
(a) Loan against Property	242.81	212.00
(b) Other Term Loans	495.96	614.60
Less : Current maturities repayable in one year for (a + b + c)	(281.25)	(271.16)
	<u>457.52</u>	<u>555.44</u>
(B) Unsecured		
(a) Inter Corporate Loans and advances	465.28	528.63
(b) Loans and advances from Related Party	578.03	570.10
(c) Business Loan from Banks & NBFC	873.82	895.43
	<u>1,917.13</u>	<u>1,994.16</u>
Total (i)+(ii)	<u>2,374.65</u>	<u>2,549.60</u>

(1) Secured Loan from Banks and NBFC Loan against Property

(a) Term Loan 1 are taken from Bandhan Bank having interest Rate 11.45% is payable in 59 installments and secured by mortgage of Immovable property of Panna Lal Jain situated at 1/205F Situated Professor Colony, Hari Parwat Ward Agra . Rs 203.99 Lacs

(b) Term Loan 2 are taken from Aditya Birla financial Institution having Interest Rate 8.4% and secured by mortgage of Immovable property of Company (Jointly owned by Directors & Benara International Private Limited) situated at 7203 -B, Loadha Marquise, Opp. Hard Rock Cafe, Worli, Mumbai - 400025. Rs 31.82 Lacs

(2) Other Term Loans

HDFC BANK having interest rate 10.00% is payable in 31 installment secured by tempoo Rs 2.82 lacs
 ICICI having interest rate 9.15% is payable in 48 installment and secured by NEW INNOVA- 31170 rs 28.75 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 5.43 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 7.88 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 1.45 Lacs
 ICICI having interest rate 14.00% is payable in 40 installment and secured by USED CAR Rs 21.28 Lacs
 ICICI having interest rate 14.00% is payable in 6 installment and secured by USED CAR Rs 12 Lacs
 HDFC BANK having interest rate 9.60% is payable in 72 installment secured by KIA SELTOS car Rs 12.40 lacs
 HDFC BANK having interest rate 8.30% is payable in 62 installment secured by jagaur car 42.57 lacs
 Hdfc Bank Ltd having interest Rate 9% is payable in 16 installment and secured by Nissan Terrano 24080 Rs 4.06 lacs
 Icci Bank Ltd having interest Rate is 8.5% is payable in 47 installment and secured by New Mercedes Rs 44.85 lacs
 ICICI having interest rate 8.5% is payable in 25 installment and secured by NEW INNOVA- Rs 12.03 Lacs
 Hdfc Bank Ltd CAR Loan (Creat) having interest Rate 9% payable in 49 installment and secured Rs 9.67 lacs
 Bandhan Bank having interest Rate 11.45% is payable in 52 installments and secured by Plant and machinery Rs 301.59 Lacs
 Icci Bank Ltd having interest Rate is 9.35% is payable in 33 installment and secured by Innova Rs 12.65 Lacs
 Icci Bank Ltd having interest Rate is 8.75% is payable in 45 installment and secured by Innova Rs 13.79 lacs
 Mahindra & Mahindra Finance having 10.65% is payable in 37 installment and secured new baleno Rs. 3.44 lacs

(3) Business Loan from Banks & NBFC

Aaditya Birla capita . having interest Rate is 18% is payable in 36 installment Rs. 25.67 lacs
 Pinnacle capital solution pvt ltd having interest Rate is 19% is payable in 20 installment Rs. 17.10 lacs
 India Infoline finance limited having interest Rate is 0% is payable in 6 installment Rs. 12 lacs

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

Particulars	(Rs.in Lacs)	
	As at 31st March, 2022	As at 31st March, 2021
NOTE # 4		
Long-Term Provision		
(a) Provision for Employee Benefits	104.38	123.77
	104.38	123.77

NOTE # 5
Other Non Current Liabilities

Trade Creditors	67.24	1,815.53
	67.24	1,815.53

Company has considered its Sundry Creditor of Worth Rs. 67.23/- Lakhs as Other Non-Current Liabilities which is pending for payable for the more than 1 years. Management of company has not made any provision for these Creditor on the basis of Prudence concepts. It will be payable in future period.

NOTE # 6

Short Term Borrowings

Secured		
Cash credit from bank	3,820.10	3,276.54
Credit from NSIC	(0.27)	9.60
	3,819.83	3,286.14

(a) Cash credit from Axis Bank is primarily secured by hypothecation of Current assets of the Company.

(b) Credit from National Small Industries Corporation Ltd. is under Raw material Assistance scheme and is secured against Bank guarantee.

NOTE # 7

Trade Payables	298.51	788.48
	298.51	788.48

Trade Payables ageing schedule: As at 31st March,2022

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
(i) MSME	233.53	-	-	-	233.53
(ii) Others	44.35	20.64	-	-	64.98
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	277.88	20.64	-	-	298.51

Trade Payables ageing schedule: As at 31st March,2021

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
(i) MSME	443.13	-	-	-	443.13
(ii) Others	325.85	19.50	-	-	345.35
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	768.98	19.50	-	-	788.48

NOTE # 8

Other Current Liabilities

(a) Statutory Remittances	59.91	36.14
(b) Expenses Payable	58.88	72.79
(c) Security deposit received	16.29	16.69
(d) Current maturities of Long term borrowings	281.25	271.16
	416.34	396.79

NOTE # 9

Short-Term Provisions

(a) Provision for Employee Benefits	34.18	35.79
(b) Provision for Tax	81.60	83.60
(c) Provision - Expenses	9.27	15.51
	125.05	134.90

BENARA BEARINGS & PISTONS LIMITED
CIN: L50300UP1990PLC012518
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

Financial Ratios :

Rs in Lacs

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance
(a) Current ratio	Current assets	Current liabilities	0.83	1.15	-27.70%	The ratio decreased due to increase in current liabilities and decrease in current assets
(b) Debt-equity ratio	Borrowings + Interest Accrued	Total Equity	2.15	1.37	56.60%	due to huge loss, the company could not pay installments, hence the ratio increased
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	(1.63)	(1.08)	50.05%	The company has accumulated debt due to non payment. Hence, the ratio increased.
(d) Return on equity ratio*	Net Profits after taxes	Average Shareholder's Equity	-38.43%	-39.15%	-1.84%	Refer note below
(e) Inventory turnover ratio	Cost of goods sold or sales	Average Inventory Average inventory is (Opening + Closing balance /2)	0.27	0.33	-19.67%	
(f) Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	1.19	1.14	4.55%	Due to decrease in turnover and increase in disputed old debtors.
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.34	0.37	-7.23%	
(h) Net capital turnover ratio	Net Income	Working Capital	1.83	(2.15)	-185.21%	Due to decrease in inventory and trade receivables
(i) Net profit ratio*	Net profit	Net Income	-55.00%	-48.59%	13.20%	due to decrease in turnover
(j) Return on capital employed*	Earning before interest and taxes	Capital Employed	NA	NA	NA	due to huge loss, the ratio is increased
(k) Return on investment**			NA	NA	NA	

Note

* Since the Company has incurred net loss during the year and shareholders' equity is also negative, Hence, ROE could not be calculated.

** Current Investments are not considered for purpose of calculation of Return on Investment.

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
NOTE # 11		
Non-Current Investments		
Investment In Equity Instruments (Unquoted)	-	
Investment in Chirag Silk Mills Ltd	5.00	5.00
Investment in Alternate Investment Fund	25.00	25.00
Investment in Other Companies	1.67	1.67
	-	
	31.67	31.67

NOTE # 12

Deferred tax Assets

Deferred tax adjustments recognised in the financial statements are as under -	-	
Deferred tax Assets as at the beginning of the year	573.00	32.19
Liability / (Asset) arising during the year	535.14	540.81
	-	
Deferred tax Assets as at the end of the year	1,108.13	573.00

NOTE # 13

**Long-Term Loans and Advances
(Unsecured, Considered Good)**

(a) Inter Corporate Loans & Advances	1,163.26	1,163.37
	1,163.26	1,163.37

NOTE # 14

Other Non Current Assets

(a) Inventory	375.22	912.16
(b) Sundry receivable	2,035.96	3,615.48
(c) Sundry Deposits	11.10	17.20
	2,422.29	4,544.84

During the year, Non moving / slow moving Inventory of Rs. 375.22 Lacs has been reclassified under other. During the year, Sundry debtor amounting to Rs. 2035.96 lacs, outstanding for more than one year, has been classified as other non-current assets. The management has considered these debtor as good and hence no provision has been made.

NOTE # 15

Inventories

(As taken, valued & certified by management)

Raw Material	166.23	170.42
Work-in-Progress	410.71	422.25
Finished Goods	1,345.32	1,663.65
Others	4.00	5.09
	1,926.25	2,261.40

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
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NOTE # 16

Trade Receivables

Unsecured, Considered Good

- Outstanding for a period exceeding six months	1,515.14	1,688.18
- Others	236.71	901.91
	1,751.84	2,590.09

Trade Receivable ageing schedule for 31st March 2022

Particulars	following periods from the due date of payment					Total
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables considered good	236.71	30.19	-	-	-	266.90
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	44.07	631.79	839.28	1,515.14
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	1,751.84

NOTE # 17

Cash and Cash Equivalents

(a) Balance with Banks	-	-
(i) In current accounts	5.81	13.14
(ii) In deposit accounts	36.34	66.13
(b) Cash in Hand	5.56	15.81
	-	-
	47.72	95.08

NOTE # 18

Short-Term Loans and Advances

(Unsecured, Considered Good)

(a) Advances (receivable in cash or in Kind or for value to be received)	60.03	75.65
(b) Advances to Suppliers	-	2.80
(c) Prepaid Expenses	3.42	6.96
(d) Balances with govt. / semi-govt. authorities	87.02	189.43
	150.47	274.85

NOTE # 19

Other Receivables	-	78.00
Preliminary Expenses (IPO)	-	-
	-	78.00

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

	(Rs.in Lacs)	
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
NOTE # 20		
Revenue From Operations - Automobile Including VAT/GST		
Domestic Sales including trading sale	2,592.88	4,159.05
	2,592.88	4,159.05
NOTE # 21		
Other Incomes		
(A) Interest Income	4.00	5.73
(B) Other Non-Operating Income	12.69	8.56
Profit/(Loss) From Foreign Currency Translations	0.34	5.63
INCOME FROM OTHER SOURCES	12.35	2.93
	16.69	14.29
NOTE # 2		
Cost of Manufacturing & Others		
(i) Cost of Raw Material Consumed		
Opening stock of raw materials	170.42	281.35
Add: Cost of Purchases including VAT/GST	1,896.75	3,047.17
Less: Closing stock of raw materials	166.23	170.42
	1,900.94	3,158.11
(ii) Manufacturing Expenses		
Consumption of stores and spare parts	11.00	26.11
Packing Material consumed	2.27	3.50
Electricity Expenses	113.83	116.44
Wages & Salaries - Factory	184.61	185.25
Job Work charges	1.06	1.05
	312.77	332.34
(iii) Purchases		
Cost of Purchases	-	446.91
GST	-	90.82
FRIGHT	5.86	8.99
	5.86	546.72
Total (i + ii+ iii)	2,219.57	4,037.17
NOTE # 23		
Changes in Inventories		
(a) Closing Stock		
Finished goods *	1,694.40	2,575.81
Work-in-Progress	410.71	422.25
Others	4.00	5.09
	2,109.11	3,003.14
(b) opening Stock		
Finished goods *	2,549.67	3,094.10
Work-in-Progress	422.25	502.68
Others	5.09	5.03
	2,977.01	3,601.81
(a) - (b)	867.90	598.67

* Finished goods includes Trading Stock

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2022

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
NOTE # 24		
Employee Benefit Expenses		
(a) Salaries and other Allowances	269.94	183.77
(b) Contribution to provident and other funds	47.42	52.20
(c) Staff Welfare expenses	0.99	16.41
	-	
	318.35	252.38
NOTE # 25		
Administration & Other Expenses		
Auditors' Remuneration		
Audit Fees	1.35	1.40
Out of Pocket Expenses		
Bad debts	78.93	6.12
Donation	11.53	23.69
Electricity Expenses	4.31	29.42
Insurance	9.83	6.27
Other Expenses	33.69	87.27
Postage & Courier Expenses	0.53	(0.34)
Printing & Stationery	1.92	1.79
Professional & Legal Charges	134.38	80.97
Rate & Taxes	3.95	1.57
Rebate & Discount	6.53	5.42
Repairs & Maintenance - Machinery	3.72	2.57
Repairs & Maintenance Building	0.17	0.63
Repairs & Maintenance Others	5.60	2.78
Sales Commission	0.75	4.54
Selling & Distribution	143.99	121.08
Telephone Expenses	1.57	1.53
Travelling Expenses	31.85	41.89
Travelling Expenses -Foreign	7.16	-
	481.77	418.62
NOTE # 26		
Finance Cost		
(a) Interest expenses	452.96	514.64
(b) Financial Charges	3.76	34.35
	456.72	548.98

BENARA BEARINGS & PISTONS LIMITED
CIN: L50300UP1990PLC012518
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

Financial Ratios :

Rs in Lacs

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance
(a) Current ratio	Current assets	Current liabilities	0.83	1.15	-27.70%	The ratio decreased due to increase in current liabilities and decrease in current assets
(b) Debt-equity ratio	Borrowings + Interest Accrued	Total Equity	2.15	1.37	56.60%	due to huge loss, the company could not pay installments, hence the ratio increased
(c) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	(1.63)	(1.08)	50.05%	The company has accumulated debt due to non payment. Hence, the ratio increased.
(d) Return on equity ratio*	Net Profits after taxes	Average Shareholder's Equity	-38.43%	-39.15%	-1.84%	Refer note below
(e) Inventory turnover ratio	Cost of goods sold or sales	Average Inventory Average inventory is (Opening + Closing balance /2)	0.27	0.33	-19.67%	
(f) Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	1.19	1.14	4.55%	Due to decrease in turnover and increase in disputed old debtors.
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.34	0.37	-7.23%	
(h) Net capital turnover ratio	Net Income	Working Capital	1.83	(2.15)	-185.21%	Due to decrease in inventory and trade receivables
(i) Net profit ratio*	Net profit	Net Income	-55.00%	-48.59%	13.20%	due to decrease in turnover
(j) Return on capital employed*	Earning before interest and taxes	Capital Employed	NA	NA	NA	due to huge loss, the ratio is increased
(k) Return on investment**			NA	NA	NA	

Note

* Since the Company has incurred net loss during the year and shareholders' equity is also negative, Hence, ROE could not be calculated.

** Current Investments are not considered for purpose of calculation of Return on Investment.

NOTE # 25**I. COMPANY OVERVIEW**

The Benara Bearings & Pistons Limited ('the listed Company') (earlier known as PHB Engineering Limited) was incorporated on 26 November 1990 as a public limited company under the Companies Act, 1956 ('the Act') with the main object to carry on the business of manufacturing & dealing in Auto parts and Engine parts used in Diesel engine & all types of Auto mobile Engines.

Components of the Group

The Consolidated Financial Statements represent consolidation of accounts of the Company and its subsidiaries as detailed below -

Name of the Subsidiary	Country of Incorporation	Holding %
Securitrans Trading Private Limited	India	100.00%
Benara Solar Private Limited	India	100.00%

II. SIGNIFICANT ACCOUNTING POLICIES**a. Basis of preparation of financial statements:**

The financial statements have been prepared & presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and generally accepted accounting principles in India, to the extent applicable.

Accounting policies have been consistently applied except where otherwise stated or where a newly issued accounting standard is initially adopted or a revision in the accounting standard requires change in accounting policy hitherto in use. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

b) Principles of consolidation:

- (i) In the preparation of these consolidated financial statements, investments in subsidiaries have been accounted for in accordance with the provisions of Accounting Standard-21 (Consolidated Financial Statements). The financial statements of the subsidiaries have been drawn up to the same reporting date as of Whiteboard Idea Labs Private Limited. The Consolidated Financial Statements are prepared on the following basis.

- (ii) The financial statements of the Company and its subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealised profits or losses in accordance with Accounting Standard-21 (Consolidated Financial Statements).

- (iii) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements. The financial statements of the subsidiaries are adjusted for the accounting principles and policies followed by the Company.

- (iii) The difference between the cost to the Company of its investment in subsidiaries and its proportionate share in the equity of the investee company at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

b. Use of Estimates

The preparation of financial statements in conformity with Generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognized in the year in which the events become known / are materialized.

c. Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of Companies Act, 2013.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

d. Fixed Assets:

Tangible assets

Tangible Assets are stated at acquisition cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of profit and loss.

Tangible fixed assets under construction and / or not ready for its intended use are disclosed as capital work-in-progress. Capital Work-in-progress includes estimates of work completed, as certified by management

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

e. Depreciation

Depreciation on tangible fixed assets is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 using the Written down Value method, which, in management's opinion, reflect the estimated useful economic lives of these fixed assets.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

f. Impairment of Assets

The carrying amounts of assets are reviewed to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

g. Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured.

Revenue from operations includes sale of goods, services including GST and net of goods return.

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Fixed Deposit Interest is accounted as per statements / documents issued by banks.

Dividend income is accounted for on receipt basis.

h. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Long-term investments (including current portion thereof) are carried at cost, less provision for diminution in value other than temporary determined separately for each individual investment.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of profit and loss.

i. Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the statement of profit and loss.

At the year-end, all monetary assets and liabilities denominated in foreign currency are reinstated at the year-end exchange rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

j. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Profit and Loss A/c in the year in which they are incurred.

k. Taxation

Tax expense comprising current tax and deferred tax are included in the determination of the net profit or loss for the period.

Provision for current tax is recognised in accordance with the provisions of the Income tax Act, 1961 and is made based on the tax liability using the applicable tax rates and tax laws after taking credit for tax allowances and exemptions.

Deferred tax liability or asset for timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws enacted or subsequently enacted as on the balance sheet date.

Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only when there is a reasonable certainty of their realization.

l. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Leases

Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Where the Company is the lessee

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

n. Employee Benefits:

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia and compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of profit and loss in the period in which such services are rendered.

(ii) Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contributions to Employees Provident Fund are charged to statement of profit and loss every year.

Provision for gratuity is provided based on Actuarial Valuation made covering at the year ended 31 March 2020.

Short Term Employee Benefits like leave benefit, if any, are paid along with salary and wages on a month to month basis, bonus to employees are charged to profit and loss account on the basis of actual payment on year to year basis.

Note # 26

Other notes of accounts and additional information pursuant to the provisions of the Companies Act, 2013 to the extent applicable –

(a) Cost of Raw Material Consumed

Particulars	(Rs.in lacs)	
	2021-22	2020-21
Opening stock of raw materials	170.42	281.35

BENARA BEARINGS & PISTONS LIMITED

Consolidated Notes to the financial Statements for the Year Ended 31 March, 2022

Add: Cost of Purchases	1896.75	3,047.17
Less: Closing stock of raw materials	166.23	170.42
Cost Of Goods sold	1900.94	3158.11

Note: - Being No. of Items of stock is voluminous; therefore it is not possible to provide the quantitative data.

(b) CIF value of imports

(Rs.in lacs)

Particulars	31.03.2022	31.03.2021
Raw material / Semi Finished Goods	-	-
Finished goods	-	-
Total	-	-

(c) Detailed of imported and indigenous raw materials, spares and packing materials consumed :

(Rs.in lacs)

Particulars	2021-22		2020-21	
	Value	% of total Consumption	Value	% of total Consumption
Raw materials				
Imported	-		-	-
Indigenous	1900.94	100%	3158.11	100%
Total	1900.94	100%	3158.11	100%
PACKING MATARIAL				
Imported	-		-	0%
Indigenous	2.27	100%	3.50	100%
Total	2.27	100%	3.50	100%
STORE & SPARES				
Imported	-	0%	-	0%
Indigenous	11.00	100%	26.11	100%
Total	11.00	100%	26.11	100%

(d) Expenditure in foreign currency

(Rs.in lacs)

Particulars	31.03.2022	31.03.2021
Travelling	7.16	-
Total	-	-

(e) Charged to Profit and Loss Account based on contributions in respect of Defined Contribution Schemes:**(Rs.in lacs)**

Particulars	31.03.2022	31.03.2021
Provident Fund and Employees Pension Scheme	40.59	24.88
Labour Welfare Fund	(1.9)	19.84
ESIC	8.73	7.47
Total 47.42 52.19	47.42	52.19

(g) (g) Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in financials. The disclosures as envisaged under the standard are as under:-

(Rs.in lacs)

Particulars	2021-22	2020-21
1. The amounts recognized in the Balance Sheet are as follows: -		
Present value of the obligation at the end of the period	103.30	126.81
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	103.30	126.81
Balance Sheet and related analysis	-	-
Funded Status	(103.30)	(126.81)
Best estimate for contribution during next period		

2. Current Liability		
Current Liability (Short Term)*	10.14	15.01
Non Current Liability (Long Term)	93.15	111.80
Total Liability	103.30	126.81

3. The amount recognized in the Profit and Loss A/c are as follows		
Current Service Cost	11.23	11.94
Interest cost	8.88	8.50
Net Actuarial (gain)/ loss recognized in the period	(38.48)	(7.80)
Expenses to be recognized in the statement of profit and loss accounts	(18.37)	12.64

4. Changes in the present value of defined benefit obligation		
Defined Benefit obligation at the beginning of the period	126.81	121.42
Interest cost	8.88	8.50
Current Service Cost	11.23	11.94
Benefits paid (if any)	(5.14)	(7.25)
Actuarial (gain)/ loss	(38.48)	(7.80)
Defined Benefit obligation at the end of the period	103.30	126.81

Benefit Description	-	
Benefit Type		
Retirement Age	60	60
Vesting Period	5 Yrs of Service	5 Yrs of Service
Salary Growth Rate	5 % per annum	5 % per annum
Discount Rate	7.50% per annum	7.50% per annum
Mortality	LIC 94-96 Ultimate	LIC 94-96 Ultimate
Withdrawal Rate	5 % per annum	5 % per annum

(h) Earnings per Share

Particulars	31.03.2022	31.03.2021
(i) Profit / (Loss) after Tax	(1435.32)	(1489.35)
(ii) Weighted average number of equity shares outstanding	1,77,07,288	1,77,07,288
Earnings Per Share of Rs. 10/- each	(8.10)	(8.42)
Basic and Diluted Earning per share (inRs.)	(8.10)	(8.42)

- (i) As per Accounting Standard 18, the disclosure of transactions with related parties are as Follows:

Related party disclosures

Name of the parties	Relationships
Key Management Personnel	
Chairman -	Mr. Panna Lal Jain
Directors and Relatives of the Company -	Mrs. Ketaki Benara Mrs. Sarla Jain Mr. Vivek Benara
Joint Venture	With M/S easy Photovoltech Pvt. ltd

Related parties where significant influence exists and with whom transactions have taken place during the year	(i) Vinay Iron foundry (ii) Benara Engine & Spares Ltd. (iii) Benara Bi-Metal Pvt. Ltd (iv) Benara Industries (v) Skymark Leasing & Finance Limited
---	---

(j) Transactions during the year with related parties:

(Rs.in lacs)

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Sale of goods	(i) Vinay Iron Foundry	210.51	246.77
Purchase of goods	(i) Vinay Iron Foundry	564.24	1005.66
Interest	(i) skymark leasing & finance limited	-	-
Loans/ advances taken	(i) Skymark Leasing & Finance Limited	-	-
	(iii) Mr. PannaLal Jain	32.10	89.00
	(iv) Mrs. KetakiBenara	20.55	14.40
	(v) Mrs. Sarla Jain	8.16	92.59
	(vi) Mr. VivekBenara	41.13	113.91
Remuneration to Key Managerial Personnel	Mr. PannaLal Jain	9.60	9.60
	Mrs. KetakiBenara	-	4.00
	Mrs. Sarla Jain	2.70	5.40
	Mr. VivekBenara	12.00	6.00

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Loans/ advances repaid	Mr. Panna Lal Jain	5.08	19.33
	Mrs. Ketaki Benara	0.05	4.04
	Mrs. Sarla Jain	45.90	36.66
	Mr. Vivek Benara	49.89	55.69
RENT	Vinay Iron Foundry	28.32	5.40
Electricity Exp	Vinay Iron Foundry	21.55	17.24
Job charges	Vinay Iron Foundry	1.24	

Nature of Transaction	Name of Related Party	Amount 2021-22	Amount 2020-21
Unsecured Loan	Mr. PannaLal Jain	152.04	75.02
Unsecured Loan	Mrs. Sarla Jain	29.61	67.35
Unsecured Loan	Mr. VivekBenara	186.00	170.23
Unsecured Loan	Mrs. KetakiBenara	81.79	53.50
Unsecured Loan	Skymark Leasing & Finance Limited	66.89	66.89

(k) **Payment to Auditors & Director's Remuneration:**

(Rs.in lacs)

Particulars	2021-22	2020-2021
Remuneration to Directors	21.60	31,00,000
Payment to Auditors	1.40	1.40

(l) **Contingent liabilities and Commitments**

(Rs.in lacs)

As per the information available & explanations provided to us by the management -

Particulars	2021-22	2020-21
Outstanding demand of Income taxes related to earlier previous years that may arise in respect of which the Company is in appeal.	83.15	83.15
Outstanding demand of excise duty that may arise in respect of which the notice has been received by Central Excise Department and for which company is in appeal.	61.52	61.52

Note : The amount stated above are as per the standalone financial statements of each of the individual entities, before making any adjustments for intra group transactions and/or balances.

(m) **Micro, Small and Medium Enterprises**

As per the information available with the Company and certified by them, total outstanding due to Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of the year is Rs. Nil (Nil).

(n) Due to the financial constraints , there is delay in payment to Bank /financial institution. Therefore Bank has mark NPA. However , the company has made applied for restructure of its loan accounts . In some cases where there are disputes with the lenders, the management has decided not to provide interest which proposed to be provided at the time of settlement/ payment. Accordingly, the loss for the year and loan liability has been understated to the extents.

(o) In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated.

BENARA BEARINGS & PISTONS LIMITED

Consolidated Notes to the financial Statements for the Year Ended 31 March, 2022

- (p) During the year the Company has faced significant challenges and delays in recovery from long term loan and advances . Keeping in view the delays and the compnay will take legal opinion with Management and the provision to be made.
- (q) During the year, the company has melted some of the stocks which were non-moving or rejected that has resulted in significant loss and reduction in value of stocks. This being technical matter, we are unable to check and verify the loss on this account.
- (r) The outstanding balances of Sundry Debtors, Sundry Creditors, and loans & advances are subject of confirmation and reconciliation/ consequential adjustment, if any.
- (s) All items of receipts and payments, Income & Expenditure wherever details, vouchers, supporting and or any sort of evidences not available are hereby approved confirmed, authenticated and certified by the management.
- (t) The Company's operations like any other suffered on account of COVID-19 pandemic including lockdown imposed by the Government. There have been challenges in getting the financial support from Company's working capital lenders under various support measures announced by the Government. The Company has not been able to fill the cash flow gap through additional equity resources posing threat to its smooth business operations and debt servicing obligations. The Company is continuing to make earnest efforts to smoothen the cash flow bumps causing supply chain disruptions by either scaling down the business volumes or arranging the increased requirement of financial resources from its banks or other lenders. The management feels that the situation is controllable hence the going concern concept on the basis of which the financial statements are drawn, remains valid.
- (u) Due to supply chain disruption, factory closure during lockdowns and later low scale operations due to COVID-19 restrictions which resulted in challenges in meeting commitments to customers for the supplies and after sales services, the payments from the customers have been delayed with occasional counter claims. The Company believes that as effect of the pandemic on the overall economy and business, the operating cycle which is assumed at 1 year for its accepted accounting policy has to be accepted at one and half years due to elongation of trade cycles across economy.
- (v) No impairment loss provision is considered necessary for Company's investment in its subsidiaries as these are long terms strategic investments.

**For and on behalf of the Board
Benara Bearings & Pistons Limited**

Vivek Benara
Managing Director
DIN No: 00204647

Akhil Kumar Jain
Director
DIN No: 07573107

Date : 30 May 2022

Place : Agra