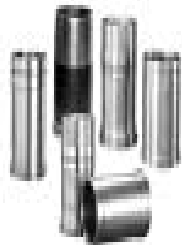


OUR PRODUCTS

BENARA



Genuine Engine Parts



- Bearings and Bushes
- Pistons Assemblies
- Piston Rings
- Cylinder Block Kits / Blocks only
- Connecting rod
- Cam shaft
- Timing Chain
- Ball Bearings
- Engine Valves
- Valve Guides
- Valve Seals
- Rocker arm
- Batteries
- Spark Plug
- Cylinder Block Kits

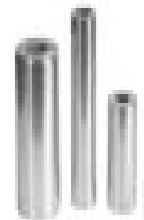


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COMPANY INFORMATION

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 : Nitesh Kumar Kumawat
- Independent Director : Avinash Kashyap

Chief Financial Officer (CFO) : Vipin Kumar Jain

Company Secretary & Compliance Officer : Artee Sahu

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. Nitesh Kumar Kumavat : Chairman

Mr. Avinash Kashyap : Member

Mr. Panna Lal Jain : Member

Nomination & Remuneration Committee

Mr. Avinash Kashyap : Chairman

Mr. Nitesh Kumar Kumavat : 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 2019-20.

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 : 10/12/2020

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of Benara Bearings And Pistons Limited will be held on Thursday 31st December, 2020 at Conference Hall 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 the Audited Financial Statement (including the Consolidated financial statements) of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors (“the Board”) and 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 ,M/s Agarwal Jain and Gupta , chartered Accountants , (Firm Registration No . 013538C), be and hereby appointed as the Auditors of the Company for five years are hereby ratified in the said meeting and shall hold the office until the conclusion of the Annual Meeting to be held in the year 2022.

SPECIAL BUSINES

3. **Migration of Company from BSE SME Exchange to the Main Board Platform of BSE Limited:**

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

“**RESOLVED THAT** pursuant to the provisions, laid down in Chapter XB of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 and other applicable provisions ,if any , of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & other applicable provisions of the Companies Act, 2013 read with underlying Rules and Regulations as notified by MCA (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to migrate the Company, currently listed on SME Exchange of BSE Limited to Main Board of BSE Limited and to follow such procedures as specified by SEBI (Issue of Capital & Disclosure

Requirements) Regulations, 2009 and other applicable regulations notified by SEBI, as amended from time to time, to give effect to the above said Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized jointly and severally to deal with any Government or semi government authorities or any other concerned intermediaries including but not limited to BSE Limited, Securities and Exchange Board of India, Registrar of Companies, to apply, modify, rectify and submit any application and/or related documents on behalf of the Company for the purpose of migration of the Company's present listing from SME Platform of BSE Limited to the Main Board of BSE Limited.

RESOLVED FURTHER THAT any Directors of the Company be and is/are hereby authorized jointly and severally to do all such acts and things as may be necessary and expedient to give effect to the above resolution on behalf of the Company.

For and on behalf of the Board,

BENARA BEARINGS AND PISTONS LIMITED

VIVEK BENARA

(MANAGING DIRECTOR)

DIN: 00204869

PLACE : AGRA

DATE : 10.12.2020

NOTES:

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.

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.

- 1) 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 December, 2020 to 31st December, 2020 (both days inclusive):
- 2) 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

- 3) Members/proxies should bring the attendance slip duly filled in for attending the meeting.
- 4) Members are requested to bring their copies of the Annual Report to the Meeting.
- 5) 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.
- 6) Electronic Copy of the Notice of the 30th 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 30th Annual General Meeting of the Company along with Attendance Slip and Proxy form is being sent in the permitted mode.
- 7) **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.**
- 8) 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.

9) 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 : 10.12.2020

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

ITEM NO 3

The Company has been listed and traded on the SME Platform for 2 years and hence eligible to migrate on to the Main Board as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of SEBI ICDR Regulations, 2009. Also listing on the Main Board of BSE Limited will take the Company into a different league altogether with enhanced recognition and increased participation by retail investors.

Hence it is proposed by the Board of Directors to consider the resolution to be passed by shareholders for the migration of the Company from BSE SME platform to the Main Board of BSE Ltd.

Pursuant to Section 102 of Companies Act, 2013, the Board or Directors of the Company do and hereby confirm that none of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise, in the aforesaid resolutions, However accordance with Regulation 106 U (1) of SEBI (ICDR) Regulations, 2009 promoter and promoter group will abstain from Voting in the aforesaid resolution.

The Board recommends the resolution set out at Item No. 3 of the notice for approval by the shareholders in the AGM to be passed as a Special Resolution.

ATTENDANCE SLIP

30th Annual General Meeting to be held on Thursday 31st December, 2020 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:	Signature:
Name of the Proxy:	Signature:

I/we hereby record my presence at the 30th Annual General Meeting on Thursday 31st December, 2020 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 _____ ,

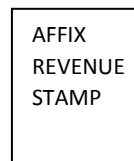
As my/our proxy to attend & vote (on a poll) for me/us & on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Thursday 31st December, 2020_at 11:30 A.M. at Conference Hall at A-3 &-4, SITE B, INDUSTRIAL AREA, SIKANDRABAD, AGRA- 285007 & at any adjournment thereof in respect of any such resolution as are indicated below;-

Resolution No	Description	For	Against
01	Adoption of Annual Accounts and reports thereon for the Financial year ended on 31 st March, 2020. (Ordinary Resolution)		
2.	Appointment of M/s Agarwal Jain and Gupta , chartered Accountants as Statutory		

	Auditor		
3.	Migration from BSE SME Board to BSE Main Board		

Date:

Signature of the Shareholder:



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**

Board's Report

To,
The Shareholders,
Benara Bearings & Pistons Limited

The Board of Directors are pleased to present the Company's 30th Annual Report and the Company's Audited financial (Standalone and Consolidated) statement for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS:

Financial results of your Company for the year ended 31st March 2020 are summarized below.

Particulars	Standalone (Rsin Lakhs)		Consolidated (Rsin Lakhs)	
	2019-20	2018-19	2019-20	2018-19
Revenue from operation	10979.32	11433.48	11065.21	11534.92
Other Income	29.12	235.99	239.76	235.99
Total Income	11042.98	11760.12	11319.99	11906.93
Total Expenses	10930.70	11173.20	11234.01	11360.93
Exceptional items	-	104.35	-	104.35
Profit before Taxation	112.28	58.69	85.98	5.46
Less: Tax Expense	23.40	111.19	23.40	111.19
Deferred Tax	16.26	25.89	15.65	28.10
Depreciation	232.33	123.96	268.87	160.77
Profit after Tax	72.61	415.14	46.92	377.80

2. PERFORMANCE OVERVIEW AND FUTURE PROSPECTS:

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

- Revenue from operations decreased from Rs.1,14,33,47,868/-in Financial Year 2018-19 to Rs1,09,79,32,100-in Financial Year 2019-20.
- Net Profit after tax decreased from Rs. 4,15,13,995/- in Financial Year 2018-19 to Rs. 72,61,179/- in Financial Year 2019-20.

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 2019-20

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. PannaLal Jain	: Chairman
Mr. VivekBenara	: 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. Nitesh Kumar Kumavat	: Independent Director
Mr. AvinashKashyap	: 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 Mr. Nitesh Kumar Kumawat (DIN:07994614) 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 2019-20:

- Mr. Akhil Kumar Jain and Mrs. Nirmal Devi Jain have been appointed as the Director of the Company w.e.f 29.04.2019
- Mrs Sarla Jain and Mrs. Ketaki Benara have resigned from the post of Director w.e.f 29.04.2019.

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 31stMarch 2020. Your Company has not issued any Equity Shares during the Financial Year 2019-20.

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	29.04.2019	6	6
2	30.05.2019	6	6
3	14.07.2019	6	6
4	14.11.2020	6	5
5	27.01.2020	6	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. Nitesh Kumar Kumawat	Chairman
Mr. PannaLaljain	Member
Mr. AvinashKashyap	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. Nitesh Kumar Kumawat	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 sec139 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 2022.

23. AUDITORS REPORT

There is no 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 31st March, 2020.

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 2019-2020, as required under Section 204 of the Companies Act, 2013 and the Rules made there under. The Secretarial Audit Report for the financial year 2019-2020 is appended as Annexure A 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.

b) The Company has appointed **Ms.Nalini Pandey, Chartered Accountants**, as Internal Auditor to test the Internal Controls and to provide assurance to the Board that business operations of the organization are in accordance with the approved policies and procedures of the Company.

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 31st March 2020.

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, 2019, 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 judgements 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, 2020 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) the 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 2019-20 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:10/12/2020
Place: AGRA

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ANNUAL RETURN

As on financial year ended on 31.03.2020

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: -

Sl.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 MadhuVihar, 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)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01/04/2019]				No. of Shares held at the end of the year [As on 31/03/2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	10199840	-	10199840	57.61%	4443864	-	4443864	25.10%	

b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	2180000		2180000	12.31 %	7935976	-	7935976	44.82 %	
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)	2000	-	2000	0.01	0.01%				

Foreign portfolio Investor									
Sub-total (B)(1):-	-	-	-	-					
2. Non-Institutions									
a) Bodies Corp.	301448		301448	1.70 %	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4018000	-	4018000	22.69 %	1000000		1000000	5.65%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	736000	-	736000	4.16 %	1752000	-	1752000	9.89%	
c) Others (specify)	-	-	-	-	-	-	-		
Non-Resident Indians	-	-	-	-	-	-	-	-	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	
Foreign Nationals		-	-	-	-	-	-	-	
Clearing Members	272000	-	272000	1.54 %	1190426	-	1190426	14.54 %	5.19%
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 shareholdin g 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	VivekBenara	2179012	12.3057%	Nil	2179012	12.3057%	Nil	-
2	Pannalal Jain	2264852	12.7905%	Nil	2264852	12.7905%	Nil	
3	Sarla Jain	2684964	15.1630%	Nil	2684964	15.1630%	Nil	
4	KetakiBenara	2047052	11.5605%	Nil	2047052	11.5605%	Nil	
5	PannaLal Jain HUF	1023960	5.7827%	Nil	1023960	5.7827%	Nil	
6	Skymark Leasing & Finance Limited-	2180000	12.3113%	Nil	2180000	12.3113%	Nil	

C) Change in Promoters' Shareholding (please specify, if there is 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 Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	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
1	Pantomath Stock Brokers Private Limited	272000	1.54%	166000	4.15%
2	Rikhav Securities Limited	144000	0.81%	488426	2.76%
3	Ssj Finance & Securities Pvt. Ltd	316000	0%	228000	1.78%
4	MukeshBenara	156000	0.88%	156000	0.88%
5	Bhumika Consultancy Pvt. Ltd.	126000	0.71%	112000	0.71%
6	NirmalabenFatechandSanghavi	120000	0.68%	120000	0.68%
7	Kirti Jain	0	0	100000	0.90%

8	Rajendra Navalchand Shah	96000	0.54%	96000	0.54%
9	Sanghavi Savla Stock Brokers Ltd	0	0	108000	0.10%
10	Avichal Jain	0	0	90000	0.27%

E) 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%
	Mrs. Ketaki Benara	2047052	11.5605%	2047052	11.5605%
	Mrs. Sarla Jain	2684964	15.1630%	2684964	15.1630%
	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%
	Mrs. Ketaki Benara	2047052	11.5605%	2047052	11.5605%
	Mrs. Sarla Jain	2684964	15.1630%	2684964	15.1630%

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	25,17,71,998	13,88,34,115	-	39,06,06,113
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-		-	-
Total (i+ii+iii)	25,17,71,998	13,88,34,115	-	39,06,06,113
Change in Indebtedness during the financial year	-		-	-
* Addition	12,07,51,580	-	-	12,07,51,580
* Reduction	-	2,11,71,181	-	(2,11,71,181)
Net Change	12,07,51,580	2,11,71,181		99,580,399
Indebtedness at the end of the financial year				
i) Principal Amount	37,25,23,578	11,76,62,934	-	49,01,86,512
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	37,25,23,578	11,76,62,934	-	49,01,86,512

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)	Ketaki Benara (Director)	Sarla Jain (Director)	
1	Gross salary	12,00,000	9,60,000	4,00,000	5,40,000	31,00,000

	(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	4,00,000	5,40,000	31,00,000
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Nitish Kumar Kumavat	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings	1,80,000	-	-	-	1,80,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1,80,000	-	-	-	1,80,000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-

Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act					

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS (ArteeSahu)	CFO (Vipin Kumar Jain)	Total
1	Gross salary		1,80,000	4,88,213	6,68,213
	(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	-	1,80,000	4,88,213	6,68,213

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
Date:10/12/2020
Place: AGRA

Akhil Kumar Jain
Director
DIN: 07573197

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 2019 to 31 st March, 2020
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	(4,43,054)
6.	Total assets	6,24,01,270
7.	Total Liabilities	29,12,743
8.	Investments	1,66,670
9.	Turnover	2,77,01,710
10.	Profit before taxation	(25,20,984)
11.	Deferred Tax	(60,778)
12.	Previous Year Tax	-
13.	Profit after taxation	(24,60,206)
14.	Proposed Dividend	0.00
15.	% of shareholding	100%

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

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

For Benara Bearings and Pistons Ltd

Vivek Benara
Managing Director

DIN: 00204647

Date: 10.12.2020

Place: Agra

Akhil Kumar Jain

Director

DIN: 07573107

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 2019 to 31 st March, 2020
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	26,19,206
6.	Total assets	30,04,215
7.	Total Liabilities	2,85,010
8.	Investments	5,00,000
9.	Turnover	0
10.	Profit before taxation	(1,08,959)
11.	Provision for taxation	-
12.	Profit after taxation	(1,08,959)
13.	Proposed Dividend	-
14.	% of shareholding	100%

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

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

For Benara Bearings and Pistons Ltd

Vivek Benara
Managing Director
DIN: 00204647

Akhil Kumar Jain
Director
DIN: 07573107

Date: 10/12/2020

Place: Agra

Annexure II

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2020

[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, 2020 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, 2020 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.

Sd/-

SourabhBapna

ACS:A51505

CP: 19968

Place: Mumbai

Date: 09.12.2020

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.

SourabhBapna

ACS:A51505

CP: 19968

Place: Mumbai

Date: 09.12.2020

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 2019-20	Amount 2018-19
Sale of goods	(i) Benara Engine & Spares Ltd.	-	98,973,483
	(ii) Benara Bi-Metal Pvt. Ltd	-	28,52,119
	(iii) Benara Industries, Agra	-	3,99,478
	(iv) Benara Solar Pvt. Limited	-	72,16,660
	(v) Vinay Iron Foundry	8,27,74,900	1,67,12,828
Purchase of goods	(i) Benara Engine & Spares Ltd.	-	3,77,47,614
	(ii) Benara Industries, Agra	-	35,57,401
	(iii) Benara Bi-Metal Pvt. Ltd	-	32,92,115
	(iv) Benara Solar Pvt. Limited	-	4,36,00,000
	(iv) Vinay Iron Foundry	19,12,17,415	7,23,36,883
Interest	(i) skymark leasing & finance limited	3,32,914	2,64,738
Loans/ advances	(i) Skymark Leasing & Finance	5,47,314	-

taken	Limited		
	(iii) Mr. PannaLal Jain	1,65,74,000	13,282,500
	(iv) Mrs. KetakiBenara	1,46,96,700	65,90,000
	(v) Mrs. Sarla Jain	1,29,81,000	66,62,000
	(vi) Mr. VivekBenara	5,57,23,500	3,71,05,000
	Remuneration to Key Managerial Personnel	Mr. PannaLal Jain	9,60,000
Mrs. KetakiBenara		4,00,000	400,000
Mrs. Sarla Jain		540,000	540,000
Mr. VivekBenara		12,00,000	600,000

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 authorised, 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 five times during the year ended 31st March 2019.

Financial Review and Analysis

(a) **Share Capital**

The authorised 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 31.03.2020 were Rs. 86,29,58,657/- and as on 31.03.2019 were Rs. 81,19,96,865/-.

(c) **Sales**

During the year under review the Company has reached turnover of Rs.1,09,79,32,100/-as on 31.03.2020 as compared to Rs. 1,14,33,47,868 /- as on 31.03.2019.

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.

For Benara Bearings and Pistons Ltd

Vivek Benara

Managing Director

DIN: 00204647

Date: 10.12.2020

Place: Agra

**PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE
GOVERNANCE**

To,

The Members of Benara Bearings and Pistons Limited

I have examined the compliance of conditions of Corporate Governance by Benara Bearings and Pistons Limited (“the Company”) for the year ended on March 31, 2020, as stipulated in chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the Conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of the information and explanations given, I certify that the Company has complied with the Conditions of Corporate Governance as stipulated in Chapter IV of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with the stock exchanges.

I 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.

Sd/-

SourabhBapna

ACS:A51505

CP: 19968

Place: Mumbai

Date: 09.12.2020

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Benara Bearing & Piston Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Benara Bearing & Piston Limited (“the Company”), which comprise the Balance Sheet as at March 31st 2020, Profit and Loss statement for the year ended, and notes to the financial statements.

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 **Companies Act, 2013** ('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 March 31, 2020, its Profits for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have reviewed the financial statements of the company and in our opinion, there are no matters to be communicated as Key Audit matters.

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 for the Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The management is 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.

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 the management 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "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 and the Statement of Profit and Loss 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 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 Auditors' Report under Section 197(16) of the Act:

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 limits 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 has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note-25(i) to the standalone financial statements

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For AGRAWAL JAIN & GUPTA

Chartered Accountants

Firm Registration No. 0013538C

CA Narayan Swami

Partner

Membership No. 409759

Agra: 31st July 2020

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, 2020 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, 2019, 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

F R N - 013538C

CA Narayan Swami

(Partner)

M R N :

Date : 31 July, 2020

Place : Agra

Annexure "A"

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

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) As per the information and explanations provided to us, title deeds of immovable properties are in the name of the Company.

- ii. In our opinion, the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.

- iii. The Company has granted loans to following companies covered in the Register maintained under section 189 of the Act. Further, the terms and conditions of the grant of such loan is not prejudicial to the company's interest. The loan is repayable on demand.

S.No.	Name of the company	Relation	Loan & Advances as on 31 st March 2020	Loan & Advances as on 31 st March 2019
1.	Benara solar Private company	Wholly Owned Subsidiary	5,22,22,464	5,56,39,841

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. As informed to us, the maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Act, is not applicable.
- vii. In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
- b. Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

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
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- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government and dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, monies raised by way of debt instruments and the term loans during the year have been applied by the Company for the purposes for which they were raised.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made preferential allotment/private placement of equity shares and the requirement of Section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

In terms of our report of even date attached.

For Agrawal Jain & Gupta

Chartered Accountants

F R N - 013538C

CA Narayan Swami

(Partner)

M R N : 409759

Date :31 July, 2020

Place :Agra

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Balance Sheet as at 31st March, 2020

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	17,70,72,880	17,70,72,880
(b) Reserves and Surplus	2	41,42,67,196	40,91,48,039
(c) Share Application money pending allotment			
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	18,52,83,034	16,28,34,781
(b) long term provision	5	1,23,58,691	1,02,91,277
(3) Current Liabilities			
(a) ShortTerm Borrowings	5	30,49,03,478	22,77,71,322
(b) Trade Payables	6	7,26,37,951	12,23,11,964
(c) Other Current Liabilities	7	3,03,17,902	2,71,50,926
(d) Short-term Provisions	8	1,50,97,100	1,46,08,156
TOTAL		1,21,19,38,232	1,15,11,89,346
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	15,30,33,250	7,28,04,176
(ii) In Tangible Assets		4,81,17,733	4,81,17,733
(ii) Advance against Property	9	1,24,12,322	6,07,42,321
		21,35,63,304	18,16,64,230
(b) Non-Current Investments	10	27,00,000	27,00,000
(c) Deferred tax Assets (net)	11	33,59,612	49,85,964
(d) Long-term loans and advances	12	12,93,56,660	14,98,42,287
		-	-
(2) Current Assets			
(a) Inventories	13	38,57,02,972	35,90,32,272
(b) Trade receivables	14	42,76,09,986	41,14,15,753
(c) Cash and cash equivalents	15	1,65,63,611	68,97,584
(d) Short-term loans and advances	16	2,52,82,424	2,68,51,593
(e) Other current assets	17	77,99,663	77,99,663
TOTAL		1,21,19,38,232	1,15,11,89,346

In terms of our report of even date attached.

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

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

CA Narayn swami
(Partner)
M R N : 409759
Date : 31 July , 2020

Director
(Akhil Kumar Jain)
DIN No: 07573107
Date: 31 July ,2020
Place : Agra

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Profit & Loss Statement for the year ended 31st March, 2020

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I Income			
Revenue from Operations	18	1,09,79,32,100	1,14,33,47,868
Changes in Inventories	19	34,54,135	90,65,415
Other Incomes	20	29,12,009	2,35,99,663
Total Revenue		1,10,42,98,244	1,17,60,12,947
II Expenses:			
Cost of Manufacturing & Others	21	96,42,60,826	1,00,83,69,763
Employee Benefit Expenses	22	3,35,09,148	3,13,80,463
Administration & Other Expenses	23	3,10,54,119	2,84,23,375
Finance Cost	24	4,10,12,847	3,67,50,732
Depreciation and amortization expenses	8	2,32,33,291	1,23,96,090
Total Expenses		1,09,30,70,231	1,11,73,20,423
III Profit before exceptional and extraordinary Items and Tax (I - II)		1,12,28,013	5,86,92,524
IV Prior Period Items		-	-
V Exceptional items		-	1,04,35,437
VI Profit before Extraordinary Items and Tax (III -IV-V)		1,12,28,013	4,82,57,087
VII Extra Ordinary Items			
VIII Profit before Tax (VI - VII)		1,12,28,013	4,82,57,087
IX Tax Expense:			
(1) Current tax		23,40,482	1,11,19,183
(2) Deferred Tax		16,26,352	25,88,964
(3) Previous Year Tax		-	(69,65,055)
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		72,61,179	4,15,13,995
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		72,61,179	4,15,13,995
See accompanying notes to the financial statements	25, 26		

In terms of our report of even date attached.

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

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

sd/-

CA Narayan Swami
(Partner)
M R N : 409759
Date : 31 July , 2020

Director
(Akhil Kumar Jain)
DIN No: 07573107
Date: 31 July ,2020
Place : Agra

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED
CIN : L50300UP1990PLC012518
Cash Flow statement for the year ended 31 March, 2020

(Currency : INR)

Particulars	As at 31st March, 2020	As at 31st March, 2019
A. Cash flow from operating activities		
Profit / (loss) before tax	1,12,28,013	4,82,57,088
Adjustments for:		
Depreciation and amortisation	2,32,33,291	1,23,96,090
Loss / (Profit) on sale of fixed assets (net)	(22,76,245)	-
Finance costs	4,10,12,847	3,67,50,732
Interest income	(7,70,118)	(3,92,129)
Rental income from investment properties	-	-
Unrealised foreign exchange (gain) (net)	1,34,354	(34,12,534)
Operating profit / (loss) before working capital changes	7,25,62,142	9,35,99,246
Changes in working capital:		
Decrease / (increase) in Inventories	(2,66,70,702)	(10,85,05,225)
Decrease / (increase) in trade receivables	(1,61,94,233)	(14,52,07,463)
Decrease / (increase) in Short-term loans and advances	15,69,169	1,98,928
Decrease / (increase) in Other current assets	-	1,10,135
(Decrease) / increase in Trade payables	(4,96,74,016)	8,68,38,745
(Decrease) / increase in Other current liabilities	31,66,976	20,45,752
(Decrease) / increase in Provisions	4,88,944	(52,83,023)
	(1,47,51,720)	(7,62,02,906)
Cash flow from extraordinary items	-	(2,58,64,904)
Cash generated from operations	(1,47,51,720)	(10,20,67,810)
Income taxes (paid) / refunded	(23,40,482)	(1,36,19,969)
Net cash flow from / (used in) operating activities (A)	(1,70,92,202)	(11,56,87,779)
B. Cash flow from investing activities		
Purchase of fixed assets	(5,51,32,366)	(9,65,17,778)
Proceeds from sale of fixed assets	0	3,221
Purchase of long-term investments	-	-
Advances given against Joint venture	-	-
Loans Given -		
- Associates	2,04,85,627	(1,71,52,533)
- others	-	(9,16,76,869)
Interest Income	7,70,118	3,92,129
Effect of exchange differences on restatement of foreign currency	22,76,245	34,12,534
Net cash flow from / (used in) investing activities (B)	(3,16,00,375)	(20,15,39,296)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	2,80,59,962
Proceeds & Repayment of long-term borrowings	22239296.66	-
Net increase / (decrease) in working capital borrowings :		
Proceeds & Repayment of other short-term borrowings	7,71,32,156	(1,11,42,449)
Finance cost	(4,10,12,848)	(3,67,50,731)
Net cash flow from / (used in) financing activities (C)	5,83,58,605	(1,98,33,218)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	96,66,027	(33,70,60,293)
Cash and cash equivalents at the beginning of the year	68,97,584	34,39,57,877
Cash and cash equivalents at the end of the year	1,65,63,611	68,97,584
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Net Cash and cash equivalents included in Note 14	1,65,63,611	68,97,584
	1,65,63,611	68,97,584
* Comprises:		
(a) Cash on hand	9,73,609	29,07,535
(b) Balances with banks		
(i) In current accounts	88,81,307	(8,38,141)
(ii) In deposit accounts	67,08,695	48,28,190
(iii) long term loan and advances as part of Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	1,65,63,611	68,97,584
See accompanying notes to the financial statements	25	

In terms of our report of even date attached.

For Agrawal 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 : 31 July , 2020

Director
(Akhil Kumar Jain)
DIN No: 07573107

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	As at 31 March 2020	As at 31 March 2019
NOTE # 1		
<u>Share Capital</u>		
Authorised Capital		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 30,97,822 of Rs. 10 each)	17,70,72,880	17,70,72,880
	17,70,72,880	17,70,72,880

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

	As at 31.03.2020		As at 31.03.2019	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	1,77,07,288	17,70,72,880	1,77,07,288	17,70,72,880
Add:- Bonus shares	-	-	-	-
Add : Shares issued during the year	-	-	-	-
At the end of the year	1,77,07,288	17,70,72,880	1,77,07,288	17,70,72,880

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 31.03.2020		As at 31.03.2019	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 2		
Reserves and Surplus		
(i) Security Premium Reserve		
Opening Balance	25,58,83,096	28,17,48,000
Add : Received during the year	-	-
Less:- primary exp	-	2,58,64,904
Closing Balance	<u>25,58,83,096</u>	<u>25,58,83,096</u>
(iii) Profit & Loss A/c		
Opening Balance	15,32,64,943	11,17,50,948
Add: Transferred from statement of Profit and Loss	72,61,179	4,15,13,995
Less : Dividend	21,42,022	-
Closing Balance	<u>15,83,84,100</u>	<u>15,32,64,943</u>
Total (i + ii + iii)	<u>41,42,67,196</u>	<u>40,91,48,039</u>

NOTE # 3

Long-Term Borrowings

(i) Secured

Loan From Banks & Financial Institutions		
(b) Loan against Property	2,28,48,789	2,67,44,313
(c) Other Term Loans	6,41,88,412	1,71,57,567
Less : Current maturities repayable in one year for (a + b + c)	(1,94,17,101)	(1,99,01,214)
	<u>6,76,20,100</u>	<u>2,40,00,666</u>

(ii) Unsecured

(d) Inter Corporate Loans and advances	6,44,03,933	2,39,53,167
(e) Loans and advances from Directors	3,56,01,629	9,05,58,108
(f) Business Loan from Banks & NBFC	1,76,57,372	2,43,22,840
Less : Current maturities repayable in one year for (f)	-	-
	<u>11,76,62,934</u>	<u>13,88,34,115</u>

Total (i)+(ii)

	<u>18,52,83,034</u>	<u>16,28,34,781</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 196.67 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

Axis Bank Car Loan (M BEZN V CLASS) having interest Rate 9.05% is payable in 78 installment .70.67 Lacs
HDFC BANK having interest rate 10.00% is payable in 49 installment secured by tempoo Rs 3.61 lacs
ICICI having interest rate 9.15% is payable in 57 installment and secured by NEW INNOVA- 31170 rs 29.34 Lacs
ICICI having interest rate 9.15% is payable in 57 installment and secured by FORTUNER Rs 30.44 Lacs
ICICI having interest rate 9.40% is payable in 53 installment and secured by MARUTI CIAZ Rs 7.45 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 4.73 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 6.44 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 7.06 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 1.25 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 19.25 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 21.06 Lacs
HDFC BANK having interest rate 9.60% is payable in 21 installment secured by KIA SELTOS car Rs 12.54 lacs
HDFC BANK having interest rate 8.30% is payable in 49 installment secured by jagaur car 45.64 lacs

Hdfc Bank Ltd having interest Rate 9% is payable in 25 installment and secured by Nissan Terrano 24080 Rs 5.57 lacs
Icici Bank Ltd having interest Rate is 8.5% and secured by New Mercedes 87101 Rs 35.95 lacs
ICICI having interest rate 8.5% is payable in 14 installment and secured by NEW INNOVA- 40008 rs 9.24 Lacs
Hdfc Bank Ltd CAR Loan (Creato) having interest Rate 9% is payable in 64 installment Rs 9.75 lacs
Icici Bank Ltd having interest Rate is 9.35% is payable in 44 installment and secured by Innova Rs 11.54 Lacs
Icici Bank Ltd having interest Rate is 8.75% is payable in 42 installment and secured by Innova rs 12.46 lacs
Mahindra & Mahindra Finance having 10.65% is payable in 56 installment and secured new baleno Rs. 4.98
Bandhan Bank having interest Rate 11.45% is payable in 52 installments and secured by Plant and machinery Rs 288.89 Lacs

(3) Business Loan from Banks & NBFC

DEUTSCHE BANK having interest Rate is 16.849% is payable in 6 installment Rs. 8.40 lacs
INDIA BULL FINANCE LTD. having interest Rate is 18% is payable in 6 installment Rs. 8.70 lacs
MAGMA FINANCE CORP LTD having interest Rate is 16,50% is payable in 1 installment Rs. 1.24 lacs
Bajaj Finance Ltd having interest Rate is 15.89% is payable in 4 installment Rs. 4.08
Edelwess Retail Finance having interest Rate is 16.64% is payable in 2 installment Rs. 3.94 lacs
Tata Capital Business Loan having interest Rate is 16.20% is payable in 3 installment Rs. 4.10 lacs
HDFC BUSINESS LOAN having interest Rate is 16.00% is payable in 14 installment Rs. 20.85 lacs
icici Business loan having interest Rate is 16.50% is payable in 18 installment Rs. 18.50 lacs
India Infoline finance limited having interest Rate is 18% is payable in 17 installment Rs. 26.95 lacs

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 4		
<u>Long-Term Provision</u>		
(a) Provision for Employee Benefits	1,23,58,691	1,02,91,277
	1,23,58,691	1,02,91,277

NOTE # 5

Short Term Borrowings

Secured

Cash credit from bank	30,49,03,478	22,77,71,322
	30,49,03,478	22,77,71,322

(a) Cash credit from Axis Bank Rs. 19 crore and from Bandhan bank Rs. 10 crore 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 # 6

Trade Payables	7,26,37,951	12,23,11,964
	7,26,37,951	12,23,11,964

NOTE # 7

Other Current Liabilities

(a) Statutory Remittances	16,08,566	8,77,843
(b) Expenses Payable	76,12,954	48,77,588
(c) Security deposit received	16,79,281	14,94,281
(d) Current maturities of Long term borrowings	1,94,17,101	1,99,01,214
	3,03,17,902	2,71,50,926

NOTE # 8

Short-Term Provisions

(a) Provision for Employee Benefits	30,57,537	30,37,760
(b) Provision for Tax	83,59,665	1,11,19,183
(c) Provision - Expenses	36,79,898	4,51,212
	1,50,97,100	1,46,08,156

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31 March 2020

Note # 9
FIXED ASSETS

(i)	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK		
	AS AT 1-4-2019	ADDITIONS	SALE	AS AT 31-03-2020	AS AT 1-4-2019	FOR THE YEAR	SALE	AS AT 31-03-2020	AS AT 31-03-2020	AS AT 31-03-2019
	Land	5,84,856	-	-	5,84,856	-	-	-	5,84,856	5,84,856
	Shops*	39,33,020	-	-	39,33,020	-	-	-	39,33,020	39,33,020
	Factory Buildings	90,28,592	-	-	90,28,592	65,19,513	1,60,953	-	66,80,466	23,48,126
	Plant & Machinery	4,77,40,065	4,22,32,893	-	8,99,72,958	4,02,08,886	28,14,078	-	4,30,22,964	4,69,49,994
	Inspection & quality control equipments	36,03,010	-	-	36,03,010	34,33,050	7,078	-	34,40,128	1,62,882
	Electric Fittings	17,94,406	-	-	17,94,406	17,14,473	3,622	-	17,18,095	76,311
	Tools & Dies	5,48,34,806	4,26,34,150	-	9,74,68,956	1,36,49,474	1,18,54,923	-	2,55,04,397	7,19,64,559
	Office Equipment	39,20,527	4,36,305	-	43,56,832	32,88,754	3,37,802	-	36,26,556	7,30,276
	Computer	15,03,854	6,07,321	-	21,11,175	13,38,662	1,28,696	-	14,67,358	6,43,817
	Furniture & Fixture	45,46,001	-	-	45,46,001	36,61,271	2,71,654	-	39,32,925	6,13,076
	Vehicles	5,45,42,241	1,75,51,690	-	7,20,93,931	3,94,13,112	76,54,485	-	4,70,67,597	2,50,26,334
	Reaserch & Development	4,81,17,733	-	-	4,81,17,733	-	-	-	4,81,17,733	4,81,17,733
(ii)	Advance against Property*	6,07,42,322	-	4,83,30,000	1,24,12,322	-	-	-	1,24,12,322	6,07,42,322
	TOTAL	29,48,91,432	10,34,62,359	4,83,30,000	35,00,23,791	11,32,27,196	2,32,33,291	-	13,64,60,487	21,35,63,304
	PREVIOUS YEAR	19,83,76,875	9,65,17,778	3,221	29,48,91,432	10,08,31,106	1,23,96,090	-	11,32,27,196	18,16,64,236

*No Depreciation has been claimed on Reaserch & Development during the year.

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 10		
<u>Non-Current Investments</u>		
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)	1,00,000 -	1,00,000
(ii) Securitrans Trading Private Limited 10,000 (P.Y. - 10000) Equity Shares of Rs. 10/- each (fully paid up)	1,00,000 -	1,00,000
Investment in Alternate Investment Fund	25,00,000	25,00,000
Investment in JV with Easy Photovoltech	-	-
	<u>27,00,000</u>	<u>27,00,000</u>

NOTE # 11

Deferred tax Assets

Deferred tax adjustments recognised in the financial statements are as under -	-	
Deferred tax Assets as at the beginning of the year	49,85,964	75,74,928
Liability / (Asset) arising during the year	(16,26,352)	(25,88,964)
	-	
Deferred tax Assets as at the end of the year	<u>33,59,612</u>	<u>49,85,964</u>

NOTE # 12

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

(a) Sundry Deposits	17,20,395	23,92,446
(b) Inter Corporate Loans & Advances	12,76,36,265	14,74,49,841
	<u>12,93,56,660</u>	<u>14,98,42,287</u>

(b)The work of shop is not started till date for which company has given advances in april 2018 for establishment of shops.

(b) It is Loan to wholly owned Subsidiary Company Benara Solar Private Limited, receivable after 31 march 2020

NOTE # 13

Inventories

(As taken, valued & certified by management)

Raw Material	2,81,35,421	49,18,856
Work-in-Progress	5,02,68,481	4,85,18,994
Finished Goods	30,67,95,750	30,45,91,103
Others	5,03,320	10,03,319
	<u>38,57,02,972</u>	<u>35,90,32,272</u>

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 14		
<u>Trade Receivables</u>		
<u>Unsecured, Considered Good</u>		
- Outstanding for a period exceeding six months	17,78,76,245	16,40,60,496
- Others	24,97,33,741	24,73,55,257
	42,76,09,986	41,14,15,753

NOTE # 15

Cash and Cash Equivalents

(a) Balance with Banks		
(i) In current accounts	88,81,307	(8,38,141)
(ii) In deposit accounts	67,08,695	48,28,190
(b) Cash in Hand	9,73,609	29,07,535
	-	-
	1,65,63,611	68,97,584

NOTE # 16

Short-Term Loans and Advances

(Unsecured, Considered Good)

(a) Advances (receivable in cash or in Kind or for value to be received)	52,48,642	64,43,680
(b) Advances to Suppliers	2,80,000	2,80,000
(c) Prepaid Expenses	2,25,489	17,35,224
(d) Balances with govt. / semi-govt. authorities	1,95,28,293	1,83,92,689
	2,52,82,424	2,68,51,593

NOTE # 17

Other Current Assets

Other Receivables	77,99,663	77,99,663
	-	-
	77,99,663	77,99,663

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	Year ended 31st March, 2020	Year ended 31 March 2019
NOTE # 18		
<u>Revenue From Operations - Automobile Including VAT/GST</u>		
Domestic Sales including trading sale	1,09,79,32,100	1,14,33,47,868
Less : Net Excise Duty	-	-
Total	<u>1,09,79,32,100</u>	<u>1,14,33,47,868</u>
NOTE # 19		
<u>Changes in Inventories</u>		
(a) Closing Stock		
Finished goods *	30,67,95,750	30,45,91,103
Work-in-Progress	5,02,68,481	4,85,18,994
Others	5,03,320	10,03,319
	<u>35,75,67,551</u>	<u>35,41,13,416</u>
(b) opening Stock		
Finished goods *	30,45,91,103	29,94,72,319
Work-in-Progress	4,85,18,994	4,54,43,492
Others	10,03,319	1,32,190
	<u>35,41,13,416</u>	<u>34,50,48,001</u>
(a) - (b)	<u>34,54,135</u>	<u>90,65,415</u>
<i>* Finished goods includes Trading Stock</i>		
NOTE # 20		
<u>Other Incomes</u>		
(A) Interest Income	7,70,118	3,92,129
INCENTIVE	-	1,97,95,000
Profit/(Loss) From Foreign Currency Translator	(1,34,354)	34,12,534
INCOME FROM OTHER SOURCES	22,76,245	-
	<u>29,12,009</u>	<u>2,35,99,663</u>
NOTE # 21		
<u>Cost of Manufacturing & Others</u>		
(i) Cost of Raw Material Consumed		
Opening stock of raw materials	49,18,856	1,12,81,922
Add: Cost of Purchases including VAT/GST	25,30,70,000	24,46,39,235
Less: Closing stock of raw materials	2,81,35,421	49,18,856
	<u>22,98,53,435</u>	<u>25,10,02,301</u>
(ii) Manufacturing Expenses		
Consumption of stores and spare parts	43,76,338	53,42,171
Packing Material consumed	99,02,855	99,16,681
Electricity Expenses	1,03,14,203	1,05,52,361
Wages & Salaries - Factory	1,50,33,530	1,64,84,891
Job Work charges	86,785	-
	<u>3,97,13,711</u>	<u>4,22,96,104</u>
(iii) Purchases		
Cost of Purchases	67,06,45,890	67,74,69,431
VAT / GST (NET)	2,28,02,478	3,52,46,988
FRIGHT	12,45,312	23,54,939
	<u>69,46,93,680</u>	<u>71,50,71,358</u>
Total (i + ii+ iii)	<u>96,42,60,826</u>	<u>1,00,83,69,763</u>

BENARA BEARINGS & PISTONS LIMITED
Notes to the financial Statements for the year ended 31st March, 2020

Particulars	Year ended 31st March, 2020	Year ended 31 March 2019
NOTE # 22		
<u>Employee Benefit Expenses</u>		
(a) Salaries and other Allowances	2,60,56,004	2,47,42,637
(b) Contribution to provident and other funds	71,79,447	49,28,469
(c) Staff Welfare expenses	2,73,697	17,09,357
	-	-
	3,35,09,148	3,13,80,463

NOTE # 23

Administration & Other Expenses

Auditors' Remuneration

Audit Fees	1,55,000	2,02,500
Out of Pocket Expenses	-	22,865
Bad debts	1,03,745	-
Donation	32,77,053	3,17,000
Electricity Expenses	22,81,043	11,13,287
Insurance	6,31,845	46,35,333
Other Expenses	32,74,238	18,77,884
Postage & Courier Expenses	1,48,094	1,32,767
Printing & Stationery	3,35,424	5,70,026
Professional & Legal Charges	20,14,186	35,00,338
Rate & Taxes	1,38,878	1,33,565
Rebate & Discount	1,02,387	13,28,682
Repairs & Maintenance - Machinery	3,94,795	1,61,511
Repairs & Maintenance Building	1,66,016	19,280
Repairs & Maintenance Others	7,38,446	5,08,615
Sales Commission	7,34,042	3,28,703
Selling & Distribution	1,30,24,349	1,10,16,014
Telephone Expenses	2,56,448	2,98,238
Travelling Expenses	32,78,130	12,52,456
Travelling Expenses -Foreign	-	10,04,311
Preliminary expenses	-	-
	3,10,54,119	2,84,23,375

NOTE # 24

Finance Cost

(a) Interest expenses	3,62,98,110	3,41,29,520
(b) Financial Charges	47,14,737	26,21,212
	-	-
	4,10,12,847	3,67,50,732

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.

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2020

CIN: L50300UP1990PLC012518

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 said 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, 2020

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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 :

Particulars	(Rs.)	
	2019 -20	2018 -19
Opening stock of raw materials	49,18,856	1,12,81,922
Add: Cost of Purchases	25,30,70,000	24,46,39,235
Less: Closing stock of raw materials	2,81,35,421	49,18,856
Cost Of Goods sold	22,98,53,435	25,10,02,301

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	31.03.2020	31.03.2019
Raw material / Semi Finished Goods	15,83,916	35,80,413
Finished goods	-	87,54,493
Total	15,83,916	12,334,906

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

Particulars	31.03.2020		31.03.2019	
	Value	% of total Consumption	Value	% of total Consumption
Raw materials				
Imported	15,83,916	0.67%	35,80,413	1.43%
Indigenous	22,82,69,519	99.31%	2,47,421,888	98.57%
Total	22,98,53,435	100%	2,51,002,301	100%
PACKING MATARIAL				
Imported	-		-	0%
Indigenous	99,02,855	100%	99,16,681	100%
Total	99,02,855	100%	99,16,681	100%
STORE & SPARES				
Imported	-	0%	-	0%
Indigenous	43,76,338	100%	53,42,171	100%
Total	43,76,338	100%	53,42,171	100%

(d) Expenditure in foreign currency

Particulars	31.03.2020	31.03.2019
Travelling	-	10,04,311
Total	-	10,04,311

(e) Earnings in foreign currency

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Notes to the financial Statements for the Year Ended 31st March, 2020

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Particulars	31.03.2020	31.03.2019
Exports on FOB basis	1,83,44,030	20,218,921
Other Matters	-	-
Total	1,83,44,030	20,218,921

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

Particulars	31.03.2020	31.03.2019
Provident Fund and Employees Pension Scheme	30,78,521	3,090,974
Labour Welfare Fund	31,31,799	513,499
ESIC	9,69,127	1,323,996
Total	71,79,447	4,928,469

(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:-

Particulars	2019-20	2018-19
1. The amounts recognized in the Balance Sheet are as follows: -		
Present value of the obligation at the end of the period	1,21,41,724	99,72,396
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	1,21,41,724	99,72,396
Balance Sheet and related analysis	-	-
Funded Status	(1,21,41,724)	(99,72,396)

2. Current Liability		
Current Liability (Short Term)*	14,29,060	6,90,737
Non Current Liability (Long Term)	1,07,12,664	92,81,659
Total Liability	1,21,41,725	99,72,396

3. The amount recognized in the Profit and Loss A/c are as follows		
Current Service Cost	12,11,397	10,37,915
Interest cost	6,98,068	8,21,869
Net Actuarial (gain)/ loss recognized in the period	9,72,475	(17,63,139)
Expenses to be recognized in the statement of profit and loss accounts	28,81,940	96,645

4. Changes in the present value of defined benefit obligation
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BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2020

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Defined Benefit obligation at the beginning of the period	99,72,396	1,06,04,760
Interest cost	6,98,068	8,21,869
Current Service Cost	12,11,397	10,37,915
Benefits paid (if any)	(7,12,612)	(7,29,009)
Actuarial (gain)/ loss	9,72,475	(17,63,139)
Defined Benefit obligation at the end of the period	1,21,41,724	99,72,396

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	31.03.2020	31.03.2019
(i) Profit / (Loss) after Tax	72,61,179	4,15,13,995
(ii) Weighted average number of equity shares outstanding	17,707,288	17,707,288
Earnings Per Share of Rs. 10/- each	0.41	2.35
Basic and Diluted Earning per share (Before Bonus) (in Rs.)	0.41	2.35
Basic and Diluted Earning per share (After Bonus) (in Rs.)	0.41	2.35

(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	Mrs. KetakiBenara

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2020

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Company -	Mrs. Sarla Jain Mr. VivekBenara
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:

Nature of Transaction	Name of Related Party	Amount 2019-20	Amount 2018-19
Sale of goods	(i) Benara Engine & Spares Ltd.	-	98,973,483
	(ii) Benara Bi-Metal Pvt. Ltd	-	28,52,119
	(iii) Benara Industries, Agra	-	3,99,478
	(iv) Benara Solar Pvt. Limited	-	72,16,660
	(v) Vinay Iron Foundry	8,27,74,900	1,67,12,828
Purchase of goods	(i) Benara Engine & Spares Ltd.	-	3,77,47,614
	(ii) Benara Industries, Agra	-	35,57,401
	(iii) Benara Bi-Metal Pvt. Ltd	-	32,92,115
	(iv) Benara Solar Pvt. Limited	-	4,36,00,000
	(iv) Vinay Iron Foundry	19,12,17,415	7,23,36,883
Interest	(i) skymark leasing & finance limited	3,32,914	2,64,738
Loans/ advances taken	(i) Skymark Leasing & Finance Limited	5,47,314	-
	(iii) Mr. PannaLal Jain	1,65,74,000	13,282,500
	(iv) Mrs. KetakiBenara	1,46,96,700	65,90,000
	(v) Mrs. Sarla Jain	1,29,81,000	66,62,000
	(vi) Mr. VivekBenara	5,57,23,500	3,71,05,000
	Remuneration to Key Managerial Personnel	Mr. PannaLal Jain	9,60,000
Mrs. KetakiBenara		4,00,000	400,000
Mrs. Sarla Jain		540,000	540,000
Mr. VivekBenara		12,00,000	600,000

Nature of Transaction	Name of Related Party	Amount 2019-20	Amount 2018-19
Loans/ advances	Mr. PannaLal Jain	2,95,54,317	2,61,24,382

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2020

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repaid	Mrs. KetakiBenara	1,47,73,913	60,27,860
	Mrs. Sarla Jain	1,20,43,189	68,50,620
	Mr. VivekBenara	5,23,00,800	3,10,18,270
	Skymark leasing & finance limited	-	115,396
Advances Given	Securitrans Trading (P) Ltd.	11,780	3300
Advances Given	Benara Solar Pvt. Limited	2,44,83,623	14,84,83,997
Repayment Recd	Benara Solar Pvt. Limited	2,79,01,000	13,10,27,669

Nature of Transaction	Name of Related Party	As at 31.03.2020	As at 31.03.2019
Debtors	Benara industries	-	5,92,807
Creditors	Benara Bi-Metal Private Limited	-	3,00,425
Loan & Advances	Benara Solar Pvt. Limited	5,22,22,464	5,56,39,841
Advances	Securitrans Trading (P) Ltd.	23,915	35,695
Unsecured Loan	Mr. PannaLal Jain	535119	1,35,15,437
Unsecured Loan	Mrs. Sarla Jain	11,42,183	2,04,372
Unsecured Loan	Mr. VivekBenara	48,97,503	14,74,803
Unsecured Loan	Mrs. KetakiBenara	8,40,516	9,17,729
Unsecured Loan	Skymark Leasing & Finance Limited	67,12,388	61,65,075

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

Sr. No.	Particulars	2019-2020	2018-2019
i)	Remuneration to Directors	31,00,000	31,00,000
ii)	Payment to Auditors	1,00,000	1,00,000

(l) **Contingent liabilities and Commitments**

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

Particulars	31.03.2020	31.03.2019
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.	83,14,715	68,76,591
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.	61,51,997	61,51,997
Outstanding Loan form DHFL EMI of Rs 14.35 Lacs paid by BBPL and said EMI reimbursed by Benara International Private Limited. Because said loan against the property of Benara International Private limited and Loan amount also transfer to Benara international Pvt. Limited.	Amount not quantified	Amount not quantified

BENARA BEARINGS & PISTONS LIMITED

Notes to the financial Statements for the Year Ended 31st March, 2020

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(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.

(p) 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.

(q) 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.

(r) 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.

(s) 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 :31st July 2020
Place :AGRA

INDEPENDENT AUDITOR’S REPORT

To

The Members,

Benara Bearing & Piston Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the financial statements of Benara Bearing & Piston Limited (hereinafter referred to as the ‘Holding Company), **and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), its associates and jointly controlled entities** which comprise Consolidated the Balance Sheet as at March 31st 2020, Consolidated Profit and Loss statement for the year then ended, and notes to the financial statements.

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 consolidated state of affairs of the Company as at 31st March 2020, of consolidated profit/loss and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters (“KAM”) are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors’ report thereon

The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding

Company's annual 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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, 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 for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities

Auditor's Responsibilities for the Audit of the 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 ability of the Group and its associates and jointly controlled entities 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 consolidated 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 Group and its associates and jointly controlled entities 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other

auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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

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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2020 taken on record by the Board of Directors of **the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India** is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group 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 Auditors' Report under Section 197(16) of the Act:

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 limits 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 consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group its associates and jointly controlled entities as at 31 March 2020 Refer Note-25(i) to the consolidated financial statements
 - ii. The Group, its associates and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India

For AGRAWAL JAIN & GUPTA

Chartered Accountants

Firm Registration No. 0013538C

CA Narayan Swami

Partner

Membership No. 409759

Agra: 31th July 2020

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 Holding Company") and its subsidiary companies which are companies incorporated in India, as of March 31, 2020 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 Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have 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, 2019, 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

F R N - 013538C

CA Narayan Swami

(Partner)

M R N : 409759

Date : 31 July , 2020

Place : Agra

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Consolidated Balance Sheet as at 31st March, 2020

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	17,70,72,880	17,70,72,880
(b) Reserves and Surplus	2	41,64,43,346	41,38,94,445
(c) Share Application money pending allotment			
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	19,27,51,093	17,03,03,301
(b) long term provision	4	1,23,58,691	1,02,91,277
(3) Current Liabilities			
(a) ShortTerm Borrowings	4	30,49,03,478	22,77,71,322
(b) Trade Payables	5	7,47,11,613	14,56,45,525
(c) Other Current Liabilities	6	3,14,19,992	2,80,58,587
(d) Short-term Provisions	7	1,51,19,100	1,46,58,156
TOTAL		1,22,47,80,192	1,18,76,95,492
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	15,31,63,017	7,30,44,676
intangible Assets		5,89,53,222	6,24,96,462
(ii) Advance against Property	8	1,24,12,321	6,07,42,321
		22,45,28,559	19,62,83,458
(b) Non-Current Investments	9	31,66,670	31,66,670
(c) Deferred tax Assets (net)	10	32,18,554	47,85,307
(d) Long-term loans and advances	11	7,71,34,195	9,42,22,816
		-	-
(2) Current Assets			
(a) Inventories	12	38,83,16,820	36,35,98,489
(b) Trade receivables	13	47,39,83,546	47,93,22,674
(c) Cash and cash equivalents	14	1,69,99,346	72,34,239
(d) Short-term loans and advances	15	2,96,32,839	3,12,82,175
(e) Other current assets	16	77,99,664	77,99,663
TOTAL		1,22,47,80,192	1,18,76,95,492

In terms of our report of even date attached.

For Agrawal 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
Date : 31st July 2020
Place : Agra

Director
(Akhil Kumar Jain)
DIN No: 07573107

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED

CIN: L50300UP1990PLC012518

Consolidated Profit & Loss Statement for the year ended 31st March, 2020

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I Income			
Revenue from Operations	17	1,10,65,21,965	1,15,34,91,606
Changes in Inventories	18	15,01,765	1,36,05,542
Other Incomes	19	2,39,76,224	2,35,99,663
Total Revenue		1,13,19,99,954	1,19,06,96,812
II Expenses:			
Cost of Manufacturing & Others	20	96,97,69,953	1,01,87,87,312
Employee Benefit Expenses	21	3,64,82,226	3,30,03,437
Administration & Other Expenses	22	4,10,50,963	3,14,64,478
Finance Cost	23	4,92,11,476	3,67,60,226
Depreciation and amortization expenses	8	2,68,87,267	1,60,77,991
Total Expenses		1,12,34,01,886	1,13,60,93,444
III Profit before exceptional and extraordinary Items and Tax (I - II)		85,98,068	5,46,03,368
IV Prior Period Items		-	-
V Exceptional items		-	1,04,35,437
VI Profit before Extraordinary Items and Tax (III -IV-V)		85,98,068	4,41,67,931
VII Extra Ordinary Items			
VIII Profit before Tax (VI - VII)		85,98,068	4,41,67,931
IX Tax Expense:			
(1) Current tax		23,40,482	1,11,19,183
(2) Deferred Tax		15,65,574	28,10,053
(3) Previous Year Tax		-	(75,41,610)
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		46,92,012	3,77,80,304
XI Profit/Loss from Discontinuing Operations		-	-
XII Tax Expense of Discontinuing Operations		-	-
XIII Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)		46,92,012	3,77,80,304
XII Profit/ (Loss) for the Period		46,92,012	3,77,80,304
See accompanying notes to the financial statements	24		

In terms of our report of even date attached.

For Agrawal 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
Date : 31st July 2020
Place : Agra

Director
(Akhil Kumar Jain)
DIN No: 07573107

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED
CIN : L50300UP1990PLC012518
Consolidated Cash Flow statement for the year ended 31 March , 2020

Particulars	As at 31st March, 2020	As at 31st March, 2019
A. Cash flow from operating activities		
Profit / (loss) before tax	85,98,068	4,41,67,931
<i>Adjustments for:</i>		
Depreciation and amortisation	2,68,87,267	1,60,77,991
Loss / (Profit) on sale of fixed assets (net)	-	-
Finance costs	4,92,11,476	3,67,60,226
Interest income	(7,70,118)	(3,92,129)
Rental income from investment properties	-	-
Unrealised foreign exchange (gain) (net)	1,34,354	(34,12,534)
Operating profit / (loss) before working capital changes	8,40,61,047	9,32,01,485
Changes in working capital:		
Decrease / (increase) in Inventories	(2,47,18,330)	(72,36,021)
Decrease / (increase) in trade receivables	53,39,129	1,91,05,808
Decrease / (increase) in Short-term loans and advances	16,49,337	(3,71,896)
Decrease / (increase) in Other current assets	-	50,10,646
(Decrease) / increase in Trade payables	(7,09,33,912)	(18,08,01,973)
(Decrease) / increase in Other current liabilities	33,61,406	(24,26,872)
(Decrease) / increase in Provisions	4,60,944	(10,13,069)
	(7,80,380)	(7,45,31,892)
Cash flow from extraordinary items	-	(2,58,64,904)
Cash generated from operations	(7,80,380)	(10,03,96,796)
Income taxes (paid) / refunded	(23,40,482)	(1,57,05,164)
Net cash flow from / (used in) operating activities (A)	(31,20,862)	(11,61,01,960)
B. Cash flow from investing activities		
Purchase of fixed assets	(5,51,32,368)	(11,45,20,251)
Proceeds from sale of fixed assets	-	3,221
Purchase of long-term investments	-	(1,66,670)
Advances given against Joint venture	-	-
Loans Given -		
- Associates	-	(9,18,10,001)
- others	1,70,88,621	5,54,565
Interest Income	7,70,118	3,92,129
Effect of exchange differences on restatement of foreign currency	(1,34,354)	34,12,534
Net cash flow from / (used in) investing activities (B)	(3,74,07,983)	(20,21,34,473)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds & Repayment of long-term borrowings	2,23,72,957	1,96,95,455
Net increase / (decrease) in working capital borrowings :		
Proceeds & Repayment of other short-term borrowings	7,71,32,156	(67,56,332)
Finance cost	(4,92,11,477)	(3,67,60,227)
Net cash flow from / (used in) financing activities (C)	5,02,93,636	(2,38,21,104)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	97,64,791	(34,20,57,537)
Cash and cash equivalents at the beginning of the year	72,34,239	34,58,79,243
Cash and cash equivalents at the end of the year	1,69,99,030	72,34,239
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
(a) Cash on hand	13,21,621	30,50,007
(b) Balances with banks		
(i) In current accounts	89,69,030	(8,38,141)
(ii) In deposit accounts	67,08,695	50,22,374
Cash and cash equivalents at the end of the year	1,69,99,346	72,34,239

See accompanying notes to the financial statements

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In terms of our report of even date attached.

For Agrawal Jain & Gupta

For and on behalf of the Board

Chartered Accountants
F R N - 013538C

Benara Bearings & Pistons Limited

CA Nitesh Agrawal
(Partner)
M R N : 406155
Date : 31st July 2020
Place : Agra

Director
(Akhil Kumar Jain)
DIN No: 07573107

Director
(Vivek Benara)
DIN No: 00204647

BENARA BEARINGS & PISTONS LIMITED
Notes of consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31 March 2020	As at 31 March 2019
NOTE # 1		
<u>Share Capital</u>		
Authorised Capital		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	20,00,00,000	3,60,00,000
Issued, Subscribed and Paid up		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 30,97,822 of Rs. 10 each)	17,70,72,880	3,09,78,220
	17,70,72,880	3,09,78,220

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

	As at 31.03.2020		As at 31.03.2019	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	1,77,07,288	17,70,72,880	1,77,07,288	17,70,72,880
Add:- Bonus shares				
Add : Shares issued during the year				
At the end of the year	1,77,07,288	17,70,72,880	1,77,07,288	17,70,72,880

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 31.03.2020		As at 31.03.2019	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Smt. Sarla Jain	26,84,964	15.16%	26,84,964	15.16%
Skymark Leasing & Fin. Ltd.	21,80,000	12.31%	21,80,000	12.31%
Sri Panna Lal Jain	22,64,852	12.79%	22,64,852	12.79%
Sri Vivek Benara	21,79,012	12.31%	21,79,012	12.31%
Smt. Ketaki Benara	20,47,052	11.56%	20,47,052	11.56%
Panna Lal Jain HUF	10,23,960	5.78%	10,23,960	5.78%

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 2		
<u>Reserves and Surplus</u>		
(i) Security Premium Reserve		
Opening Balance	25,58,83,096	28,17,48,000
Add : Received during the year	-	-
Less:- primary exp	-	2,58,64,904
Closing Balance	<u>25,58,83,096</u>	<u>25,58,83,096</u>
(iii) Profit & Loss A/c		
Opening Balance	15,80,11,349	12,02,31,045
Add: Transferred from statement of Profit and Loss	46,92,012	3,77,80,304
Less : Dividend	21,43,112	-
Closing Balance	<u>16,05,60,250</u>	<u>15,80,11,349</u>
Total (i + ii + iii)	<u>41,64,43,346</u>	<u>41,38,94,445</u>

NOTE # 3

Long-Term Borrowings

(i) Secured

Loan From Banks & Financial Institutions		
(b) Loan against Property	2,28,48,789	2,67,44,313
(c) Other Term Loans	6,41,88,412	1,71,57,567
Less : Current maturities repayable in one year for (a + b + c)	(1,94,17,101)	(1,99,01,214)
	<u>6,76,20,100</u>	<u>2,40,00,666</u>

(ii) Unsecured

(d) Inter Corporate Loans and advances	6,44,03,933	2,39,53,167
(e) Loans and advances from Directors	4,30,69,688	9,80,26,628
(f) Business Loan from Banks & NBFC	1,76,57,372	2,43,22,840
Less : Current maturities repayable in one year for (f)	-	-
	<u>12,51,30,993</u>	<u>14,63,02,635</u>

Total (i)+(ii)

	<u>19,27,51,093</u>	<u>17,03,03,301</u>
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(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 196.67 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

Axis Bank Car Loan (M BEZN V CLASS) having interest Rate 9.05% is payable in 78 installment .70.67 Lacs
HDFC BANK having interest rate 10.00% is payable in 49 installment secured by tempoo Rs 3.61 lacs
ICICI having interst rate 9.15% is payable in 57 installment and secured by NEW INNOVA- 31170 rs 29.34 Lacs
ICICI having interst rate 9.15% is payable in 57 installment and secured by FORTUNER Rs 30.44 Lacs
ICICI having interst rate 9.40% is payable in 53 installment and secured by MARUTI CIAZ Rs 7.45 Lacs
ICICI having interst rate 14.00% is payable in 50 installment and secured by USED CAR Rs 4.73 Lacs
ICICI having interst rate 14.00% is payable in 50 installment and secured by USED CAR Rs 6.44 Lacs

ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 7.06 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 1.25 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 19.25 Lacs
ICICI having interest rate 14.00% is payable in 50 installment and secured by USED CAR Rs 21.06 Lacs
HDFC BANK having interest rate 9.60% is payable in 21 installment secured by KIA SELTOS car Rs 12.54 lacs
HDFC BANK having interest rate 8.30% is payable in 49 installment secured by jagaur car 45.64 lacs
Hdfc Bank Ltd having interest Rate 9% is payable in 25 installment and secured by Nissan Terrano 24080 Rs 5.57 lacs
Icici Bank Ltd having interest Rate is 8.5% and secured by New Mercedes 87101 Rs 35.95 lacs
ICICI having interest rate 8.5% is payable in 14 installment and secured by NEW INNOVA- 40008 rs 9.24 Lacs
Hdfc Bank Ltd CAR Loan (Creatra) having interest Rate 9% is payable in 64 installment Rs 9.75 lacs
Icici Bank Ltd having interest Rate is 9.35% is payable in 44 installment and secured by Innova Rs 11.54 Lacs
Icici Bank Ltd having interest Rate is 8.75% is payable in 42 installment and secured by Innova rs 12.46 lacs
Mahindra & Mahindra Finance having 10.65% is payable in 56 installment and secured new
Bandhan Bank having interest Rate 11.45% is payable in 52 installments and secured by

(3) Business Loan from Banks & NBFC

DEUTSCHE BANK having interest Rate is 16.849% is payable in 6 installment Rs. 8.40 lacs
INDIA BULL FINANCE LTD. having interest Rate is 18% is payable in 6 installment Rs. 8.70 lacs
MAGMA FINANCE CORP LTD having interest Rate is 16,50% is payable in 1 installment Rs. 1.24 lacs
Bajaj Finance Ltd having interest Rate is 15.89% is payable in 4 installment Rs. 4.08
Edelwess Retail Finance having interest Rate is 16.64% is payable in 2 installment Rs. 3.94 lacs
Tata Capital Business Loan having interest Rate is 16.20% is payable in 3 installment Rs. 4.10 lacs
HDFC BUSINESS LOAN having interest Rate is 16.00% is payable in 14 installment Rs. 20.85 lacs
icici Business loan having interest Rate is 16.50% is payable in 18 installment Rs. 18.50 lacs
India Infoline finance limited having interest Rate is 18% is payable in 17 installment Rs. 26.95 lacs

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 4		
<u>Long-Term Provisions</u>		
(a) Provision for Employee Benefits	1,23,58,691	1,02,91,277
	<u>1,23,58,691</u>	<u>1,02,91,277</u>

NOTE # 5

Short Term Borrowings

Secured

Cash credit from bank	30,49,03,478	22,77,71,322
	<u>30,49,03,478</u>	<u>22,77,71,322</u>

(a) Cash credit from Axis Bank and Bandhan 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

NOTE # 6

Trade Payables	7,47,11,613	14,56,45,525
	<u>7,47,11,613</u>	<u>14,56,45,525</u>

NOTE # 7

Other Current Liabilities

	-	
(a) Statutory Remittances	16,38,566	9,05,232
(b) Expenses Payable	86,85,044	57,57,860
(d) Security deposit received	16,79,281	14,94,281
(e) Current maturities of Long term borrowings	1,94,17,101	1,99,01,214
	<u>3,14,19,992</u>	<u>2,80,58,587</u>

NOTE # 8

Short-Term Provisions

(a) Provision for Employee Benefits	30,57,537	30,37,760
(b) Provision for Tax	83,59,665	1,11,19,183
(c) Provision - Expenses	37,01,898	5,01,212
	<u>1,51,19,100</u>	<u>1,46,58,156</u>

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31 March 2020

Note # 9
FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	AS AT 1-4-2019	ADDITIONS	SALE	AS AT 31-03-2020	AS AT 1-4-2019	FOR THE YEAR	SALE	AS AT 31-03-2020	AS AT 31-03-2020	AS AT 31-03-2019
Land	5,84,856	-	-	5,84,856	-	-	-	-	5,84,856	5,84,856
Shops*	39,33,020	-	-	39,33,020	-	-	-	-	39,33,020	39,33,020
Factory Buildings	90,28,592	-	-	90,28,592	65,19,513	1,60,953	-	66,80,466	23,48,126	25,09,079
Plant & Machinery	4,77,40,065	4,22,32,893	-	8,99,72,958	4,02,08,886	28,14,078	-	4,30,22,964	4,69,49,994	75,31,179
Inspection & quality control equipments	36,03,010	-	-	36,03,010	34,33,050	7,078	-	34,40,128	1,62,882	1,69,960
Electric Fittings	17,94,406	-	-	17,94,406	17,14,473	3,622	-	17,18,095	76,311	79,933
Tools & Dies	5,48,34,806	4,26,34,150	-	9,74,68,956	1,36,49,474	1,18,54,923	-	2,55,04,397	7,19,64,561	4,11,85,329
Office Equipment	40,59,877	4,36,305	-	44,96,182	33,92,319	3,54,230	-	37,46,549	7,49,633	6,67,556
Computer	15,32,916	6,07,321	-	21,40,237	13,46,397	1,32,328	-	14,78,725	6,61,512	1,86,519
Furniture & Fixture	48,69,839	-	-	48,69,839	38,01,723	3,10,886	-	41,12,609	7,57,230	10,68,116
Vehicles	4,93,59,966	1,75,51,690	-	6,69,11,656	3,42,30,837	76,54,485	-	4,18,85,322	2,50,26,334	1,51,29,129
Reaserch & Development	6,60,91,144	-	-	6,60,91,144	35,94,682	35,94,682	-	71,89,364	5,89,01,780	6,24,96,462
Advance against Property*	6,07,42,322	-	4,83,30,000	1,24,12,322	-	-	-	-	1,24,12,322	6,07,42,322
TOTAL	30,81,74,817	10,34,62,359	4,83,30,000	36,33,07,176	11,18,91,354	2,68,87,265	-	13,87,78,619	22,45,28,559	19,62,83,458
PREVIOUS YEAR	19,36,57,787	11,45,20,251	3,221	30,81,74,817	9,58,13,362	1,60,77,992	-	11,18,91,354	19,62,83,458	9,78,44,425

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
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NOTE # 10

Non-Current Investments

Investment In Equity Instruments (Unquoted)

(ii) Chirag Silk Mills Pvt Ltd 2,000 (P.Y. - 2000) Equity Shares of Rs. 10/- each@ 250 per share (fully Paid Up)	5,00,000	5,00,000
Investment in Alternate Investment Fund	25,00,000	25,00,000
Investment in other companies	1,66,670	1,66,670
	31,66,670	31,66,670

NOTE # 11

Deferred tax Assets

Deferred tax adjustments recognised in the financial statements are as under -	-	-
Deferred tax Assets as at the beginning of the year	47,84,129	75,95,360
Liability / (Asset) arising during the year	(15,65,574)	(28,10,053)
Deferred tax Assets as at the end of the year	32,18,554	47,85,307

NOTE # 12

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

(a) Sundry Deposits	17,20,395	24,12,816
(b) Inter Corporate Loans & Advances	7,54,13,800	9,18,10,000
	7,71,34,195	9,42,22,816

(b)The work of shops is not started upto till date for which company has given advances in april 2018 for establishment of shops.

NOTE # 12

Inventories

(As taken, valued & certified by management)

Raw Material	2,81,35,421	49,18,856
Work-in-Progress	5,02,68,481	4,85,18,994
Finished Goods	30,94,09,597	30,91,57,320
Others	5,03,320	10,03,319
	38,83,16,819	36,35,98,489

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 13		
<u>Trade Receivables</u>		
<u>Unsecured, Considered Good</u>		
- Outstanding for a period exceeding six months	20,31,85,488	16,40,60,494
- Others	27,07,98,057	31,52,62,180
	<u>47,39,83,545</u>	<u>47,93,22,674</u>
NOTE # 14		
<u>Cash and Cash Equivalents</u>		
(a) Balance with Banks		
(i) In current accounts	89,69,030	(8,38,141)
(ii) In deposit accounts*	67,08,695	50,22,374
(b) Cash in Hand	13,21,621	30,50,007
	-	
	<u>1,69,99,346</u>	<u>72,34,239</u>
NOTE # 15		
<u>Short-Term Loans and Advances</u>		
<u>(Unsecured, Considered Good)</u>		
(a) Advances (receivable in cash or in Kind or for value to be received)		87,43,680
	95,82,856	
(b) Advances to Suppliers	2,80,000	2,80,000
(c) Prepaid Expenses	2,25,489	17,35,224
(d) Balances with govt. / semi-govt. authorities	1,95,44,493	2,05,23,271
	<u>2,96,32,838</u>	<u>3,12,82,175</u>
NOTE # 16		
<u>Other Current Assets</u>		
Other Receivables	77,99,663	77,99,663
Preliminary Expenses (IPO)	-	
	<u>77,99,663</u>	<u>77,99,663</u>

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
NOTE # 17		
Revenue From Operations - Automobile Including VAT/GST		
Domestic Sales including trading sale	1,10,65,21,965	1,15,34,91,606
(A)	1,10,65,21,965	1,15,34,91,606
Changes in Inventories		
(a) Closing Stock		
Finished goods *	30,94,09,597	30,91,57,320
Work-in-Progress	5,02,68,481	4,85,18,994
Others	5,03,320	10,03,319
	<u>36,01,81,398</u>	<u>35,86,79,633</u>
(b) opening Stock		
Finished goods *	30,91,57,320	29,94,98,409
Work-in-Progress	4,85,18,994	4,54,43,492
Others	10,03,319	1,32,190
	<u>35,86,79,633</u>	<u>34,50,74,091</u>
(a) - (b)	15,01,765	1,36,05,542
* Finished goods includes Trading Stock		
NOTE # 19		
Other Incomes		
(A) Interest Income	7,70,118	3,92,129
(B) Other Non-Operating Income	2,32,06,106	2,32,07,534
	<u>2,39,76,224</u>	<u>2,35,99,663</u>
NOTE # 20		
Cost of Manufacturing & Others		
(i) Cost of Raw Material Consumed		
Opening stock of raw materials	49,18,856	1,12,81,922
Add: Cost of Purchases including VAT/GST	25,30,70,000	24,46,39,235
Less: Closing stock of raw materials	2,81,35,421	49,18,856
	<u>22,98,53,435</u>	<u>25,10,02,301</u>
(ii) Manufacturing Expenses		
Consumption of stores and spare parts	53,42,171	53,42,171
Packing Material consumed	99,16,681	99,16,681
Electricity Expenses	1,03,14,203	1,05,52,361
Wages & Salaries - Factory	1,50,33,530	1,64,84,891
Job Work charges	86,785	-
	<u>4,06,93,370</u>	<u>4,22,96,104</u>
(iii) Purchases		
Cost of Purchases	67,51,75,359	68,78,86,980
VAT / GST (NET)(discount 1 and 2)	2,28,02,478	3,52,46,988
FRIGHT	12,45,312	23,54,939
	<u>69,92,23,149</u>	<u>72,54,88,907</u>
Total (i + ii+ iii)	96,97,69,953	1,01,87,87,312

BENARA BEARINGS & PISTONS LIMITED
Notes Consolidated financial Statements for the year ended 31st March, 2020

Particulars	As at 31st March, 2020	As at 31 March 2019
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NOTE # 21

Employee Benefit Expenses

(a) Salaries and other Allowances	2,90,30,762	2,63,50,591
(b) Contribution to provident and other funds	71,79,447	49,28,469
(c) Staff Welfare expenses	2,72,017	17,24,377
	-	
	3,64,82,226	3,30,03,437

NOTE # 22

Administration & Other Expenses

Auditors' Remuneration

Audit Fees	1,95,000	3,09,500
Out of Pocket Expenses	-	22,865
Bad debts	1,03,745	-
Donation	32,77,053	3,17,000
Electricity Expenses	25,90,026	16,44,964
Insurance	6,31,845	46,35,333
Other Expenses	40,35,129	34,54,447
Postage & Courier Expenses	1,48,094	1,37,087
Printing & Stationery	3,35,424	5,81,055
Professional & Legal Charges	50,21,872	36,43,838
Rates & Taxes	1,38,878	1,46,603
Rebate & Discount	1,02,387	13,28,682
Repairs & Maintenance - Machinery	3,94,795	1,61,511
Repairs & Maintenance Building	1,66,016	19,280
Repairs & Maintenance Others	7,67,468	6,28,900
Sales Commission	7,34,042	3,28,703
Selling & Distribution	1,56,29,367	1,10,42,034
Telephone Expenses	2,62,337	3,32,568
Travelling Expenses	65,17,485	17,25,798
Travelling Expenses -Foreign		10,04,311
	4,10,50,963	3,14,64,478

NOTE # 23

Finance Cost

(a) Interest expenses	4,44,77,806	3,67,50,732
(b) Financial Charges	47,33,670	9,494
	4,92,11,476	3,67,60,226

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 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.

As per opinion of the management during the year company have not been charged any depreciation on said 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.

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.)	
	2019 -20	2018 -19
Opening stock of raw materials		1,12,81,922
	49,18,856	
Add: Cost of Purchases	25,30,70,000	24,46,39,235
Less: Closing stock of raw materials	2,81,35,421	49,18,856
Cost Of Goods sold	22,98,53,435	25,10,02,301

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	2019-20	2018-2019
Raw material / Semi Finished Goods	15,83,916	35,80,413
Finished goods	-	87,54,493
Total	15,83,916	12,334,906

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

Particulars	2019-20		2018-19	
	Value	% of total Consumption	Value	% of total Consumption
Raw materials				
Imported	15,83,916	0.67%	35,80,413	1.43%
Indigenous	22,82,69,519	99.31%	2,47,421,888	98.57%
Total	22,98,53,435	100%	2,51,002,301	100%
PACKING MATARIAL				

Imported	-	0%	-	0%
Indigenous	99,02,855	100%	99,16,681	100%
Total	99,02,855	100%	99,16,681	100%
STORE & SPARES				
Imported	-	0%	-	0%
Indigenous	43,76,338	100%	53,42,171	100%
Total	43,76,338	100%	53,42,171	100%

(d) Expenditure in foreign currency

Particulars	31.03.2020	31.03.2019
Travelling	-	10,04,311
Total	-	10,04,311

(e) Earnings in foreign currency

Particulars	31.03.2020	31.03.2019
Exports on FOB basis	1,83,44,030	20,218,921
Other Matters	-	-
Total	1,83,44,030	20,218,921

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

Particulars	31.03.2020	31.03.2019
Provident Fund and Employees Pension Scheme	30,78,521	3,090,974
Labour Welfare Fund	31,31,799	513,499
ESIC	9,69,127	1,323,996
Total	71,79,447	4,928,469

(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:-

Particulars	2019-20	2018-19
1. The amounts recognized in the Balance Sheet are as follows: -		
Present value of the obligation at the end of the period	1,21,41,724	99,72,396
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	1,21,41,724	99,72,396

BENARA BEARINGS & PISTONS LIMITED

Consolidated Notes to the financial Statements for the Year Ended 31 March, 2020

Balance Sheet and related analysis		
Funded Status	(1,21,41,724)	(99,72,396)
Best estimate for contribution during next period		12,45,899

2. Current Liability		
Current Liability (Short Term)*	14,29,060	6,90,737
Non Current Liability (Long Term)	1,07,12,664	92,81,659
Total Liability	1,21,41,725	99,72,396

3. The amount recognized in the Profit and Loss A/c are as follows		
Current Service Cost	12,11,397	10,37,915
Interest cost	6,98,068	8,21,869
Net Actuarial (gain)/ loss recognized in the period	9,72,475	(17,63,139)
Expenses to be recognized in the statement of profit and loss accounts	28,81,940	96,645

4. Changes in the present value of defined benefit obligation		
Defined Benefit obligation at the beginning of the period		1,06,04,760
Interest cost		8,21,869
Current Service Cost		10,37,915
Benefits paid (if any)		(7,29,009)
Actuarial (gain)/ loss		(17,63,139)
Defined Benefit obligation at the end of the period		99,72,396

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	31.03.2020	31.03.2019
(i) Profit / (Loss) after Tax	46,92,012	37,780,304
(ii) Weighted average number of equity shares outstanding	1,77,07,288	1,77,07,288
Earnings Per Share of Rs. 10/- each (i) / (ii)	0.27	2.14
Basic and Diluted Earning per share (inRs.)	0.27	2.14

(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:

Nature of Transaction	Name of Related Party	Amount 2019-20	Amount 2018-19
Remuneration to Key Managerial Personnel	Mr. Panna Lal Jain	9,60,000	960,000
	Mrs. Ketaki Benara	4,00,000	400,000
	Mrs. Sarla Jain	540,000	540,000
	Mr. Vivek Benara	12,00,000	12,00,000
Sale of Goods	Benara Bi Metals Pvt Ltd	-	28,52,119
	Benara Engine & Spares Ltd	-	98,973,483
	Vinay Iron foundry	8,27,74,900	1,67,12,828
Purchase of Goods	Benara Industries, Agra	-	35,57,401

BENARA BEARINGS & PISTONS LIMITED
Consolidated Notes to the financial Statements for the Year Ended 31 March, 2020

	Benara Bi-Metal Pvt. Ltd	-	32,92,115
	Vinay Iron Foundry	19,12,17,415	7,23,36,883
	Benara Engine & Spares Ltd		3,77,47,614
Job Work	Vinay Iron foundry	19,12,17,415	-
Interest	skymark leasing & finance Ltd	3,32,914	2,64,738

Nature of Transaction	Name of Related Party	Amount 2019-20	Amount 2018-19
Loans & advances Taken	Panna Lal Jain	1,65,74,000	3,91,33,600
	Mrs. Ketaki Benara	1,46,96,700	65,90,000
	Mrs. Sarla Jain	1,29,81,000	66,62,000
	Vivek Benara	5,57,23,500	3,71,05,000
	Skymark leasing & finance limited	5,47,314	
Loans/ advances repaid	Mr. Panna Lal Jain	2,95,54,317	2,61,24,382
	Mrs. Ketaki Benara	1,47,73,913	60,27,860
	Mrs. Sarla Jain	1,20,43,189	68,50,620
	Mr. Vivek Benara	5,23,00,800	3,10,18,270
	Skymark leasing & finance limited	-	171,093

Nature of Transaction	Name of Related Party	Amount 2019-20	Amount 2018-19
Creditors	Benara Bi-Metal Private Limited	-	3,00,425
Unsecured Loan	Mr. Panna Lal Jain	55,35,119	1,85,15,437
Unsecured Loan	Mrs. Sarla Jain	11,42,183	2,04,372
Unsecured Loan	Mr. Vivek Benara	73,65,931	39,43,231
Unsecured Loan	Mrs. Ketaki Benara	8,40,516	9,17,729
Unsecured Loan	Skymark Leasing & Finance Limited	67,12,388	61,65,075

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

Particulars	2019-20	2018-2019
Remuneration to Directors	31,00,000	31,00,000
Payment to Auditors	1,35,000	3,09,500

(l) Contingent liabilities and Commitments

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

Particulars	2019-20	2018-19
Outstanding demand of Income taxes related to earlier previous years that may arise in respect of which the Company is in appeal.	83,14,715	68,76,591
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.	61,51,997	61,51,997
Outstanding Loan form DHFL EMI of Rs 14.35 Lacs paid by BBPL and said EMI reimbursed by Benara International Private Limited. Because said loan against the property of Benara International Private limited and Loan amount also transfer to Benara international Pvt. Limited.	Amount not quantified	Amount not quantified

(m) Segment Reporting

Company's operating Businesses, organized & Managed unit wise, according to the nature of the products and services provided, are recognized in segments representing one or more strategic business units that offer products or services of different nature and to different Markets.

Information about business segments:

Particulars	Automobile	Solar	Trading in cloth material	Total (Segments)	Total (Enterprise) 2019-20	Total (Enterprise) 2018-19
1. Segment Revenue						
(a) External	1,09,79,32,100	85,89,865	-	1,10,65,21,965	1,10,65,21,965	1,20,43,08,266
(b) Inter-segment Sales			-	-		(5,08,16,660)
(c) Total Revenue	1,09,79,32,100	85,89,865	-	1,10,65,21,965	1,10,65,21,965	1,15,34,91,606
2. Segment Result (Profit/(Loss))						
Segment results	5,22,40,859	56,59,420	(1,08,959)	5,77,91,320	5,77,91,320	8,87,32,885
Unallocable income/ (Expenses)	-	-	-	-	-	(1,04,35,437)
Operating profit	5,22,40,859	(56,59,420)	(1,08,959)	5,77,91,320	5,77,91,320	7,82,97,448
Interest expenses	4,10,12,847	81,80,404	-	4,92,11,476	4,92,11,476	3,41,29,520
Income taxes	39,66,834	-	-	39,66,834	39,66,834	63,87,627
Profit from ordinary activities	72,61,178	(25,20,984)	(1,08,959)	46,92,012	46,92,012	3,77,80,301
Net profit	72,61,178	(25,20,984)	(1,08,959)	46,92,012	46,92,012	3,77,80,301

BENARA BEARINGS & PISTONS LIMITED

Consolidated Notes to the financial Statements for the Year Ended 31 March, 2020

Particulars	Automobile	Solar	Trading in cloth material	Total (Segments)	Total (Enterprise 2019-20)	Total (Enterprise) 2018-19
3. Other information						
Segment assets	1,15,95,15,765	6,22,60,213	30,04,215	1,22,47,80,192		1,18,87,02,881
Unallocable assets						
Total assets	1,15,95,15,765	6,22,60,213	30,04,215	1,22,47,80,192		1,391,682,812
4. Segment liabilities	62,05,98,155	1,03,80,802	2,85,010	63,12,63,967		56,03,62,435
Unallocable liabilities						-
Total liabilities	62,05,98,155	1,03,80,802	2,85,010	63,12,63,967		56,03,62,435
5. Capital expenditure						-
Unallocable capital expenditure						-
Total capital expenditure						-
6. Depreciation & amortization	2,32,33,293	36,53,974	-	2,68,87,267		1,60,77,991
Unallocable depreciation						-
Total depreciation & Amorisation	2,32,33,293	36,53,974		2,68,87,267		1,60,77,991

(n) **Additional Statutory Information in respect of the components of the group -**

S. No.	Name of the Companies	Share in Profit/ (Loss) 31.Mar.20		Share in Profit/ (Loss) 31.Mar.19	
		Amount	As % Consolidated Profit / (Loss)	Amount	As % Consolidated Profit / (Loss)
1	PARENT Benara Bearings & Pistons Limited	72,61,177	154.77%	4,15,13,995	109.88%
2	SUBSIDIARY Securitrans Trading Private Limited	(1,08,959)	(2.33%)	(4,95,477)	(1.30%)
3	Benara Solar Private Limited	(24,60,206)	(52.44%)	(32,38,217)	(8.58%)
	Total	46,92,012	100.00%	3,77,80,304	100.00%
	Consolidation Adjustment	-	-	-	-
	Total Net Assets	46,92,012	100.00%	3,77,80,304	100.00%

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.

(o) **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).

BENARA BEARINGS & PISTONS LIMITED

Consolidated Notes to the financial Statements for the Year Ended 31 March, 2020

- (p) 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.
- (q) The outstanding balances of Sundry Debtors, Sundry Creditors, and loans & advances are subject of confirmation and reconciliation/ consequential adjustment, if any.
- (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) 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.
- (t) 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.
- (u) 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 : 31 July , 2020
Place : Agra

**ROAD MAP -
BENARA BEARINGS & PISTONS LTD.**

Registered Off:-
A-3 & A-4, Site-B, Industrial Area,
Sikandra, AGRA - 282007 (U.P.) INDIA.

