

# BENARA

BENARA



Genuine Engine Parts



## BENARA BEARINGS & PISTONS LTD.

**REGISTERED OFFICE :**

A - 3/4, Site B, Industrial Area, Sikandra,  
AGRA - 282007 (U.P), INDIA  
Telephone : +91-562-2970158

E-mail : info@benara-phb.com  
Tollfree No. : 1800-120-3002

**MARKETING OFFICE :**

Level-12, Building 8C, DLF Cyber City,  
DLF Phase-II, Gurgaon-122002 (Haryana), INDIA  
Telephone : +91-124-4029226

Website : http://www.benara-phb.com  
CIN No. : U50300UP1990PLC012518

September 07, 2019

To,

**Bombay Stock Exchange Limited,  
Dept. of Corporate Services,  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Ref: BSE Scrip Code 541178**

Dear Sir,

**Sub: 29<sup>th</sup> Annual Report for the Financial year 2018-19**

Pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. Please find enclosed herewith 29<sup>th</sup> annual Report of the Company for the financial year 2018-19.

We request you to take the above on your records.

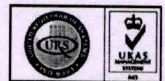
Thanking you,

Yours faithfully,

**For Benara Bearings and Pistons Limited**

**Artee Sahu**

**Company Secretary & Compliance Officer**



An ISO 9001:2015 Certified Organisation

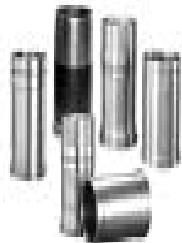
- Engine Bearings & Bushes ● Pistons ● Piston Pins ● Piston Rings ● Air-cooled Blocks ● Cylinder Liners/Sleeves ● Cylinder Kits ● Connecting Rods
- Ball Bearings ● Spark Plugs ● Motorcycle/Inverter Batteries ● Timing Chains ● Cam Shafts ● Rocker Arms ● Engine Valves ● Valve Guides ● Valve Seals

# OUR PRODUCTS

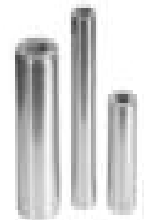
**BENARA**



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](mailto:cs@benara-phb.com)

Website: [www.benara-phb.com](http://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](mailto:ajngupta@gmail.com)

**Internal Auditors**

: Ms. Nalini Pandey, M. No 420436  
Chartered Accountants

**Secretarial Auditor**

**M/s. RS and Associates**  
56/57, Mittal Chambers, 228,  
Nariman Point, Mumbai,

**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

**Bankers**

**Axis Bank Limited**  
GF 1, 3-16, Block 51, Anupam Plaza  
II, Sanjay Place,  
Agra 282002.

**ICICI Bank Limited**  
2<sup>nd</sup> floor, Shanta Tower,  
Sanjay Place  
Agra- 282002.

**SBI Bank**

Sme Branch, Sanjay Place, Agra  
282002.

**Designated stock Exchange**

**SME platform BSE Limited**

P.J. Towers, Dalal Street,  
Fort Mumbai – 400001.  
Maharashtra, India.

**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. Sarla Jain : Member

**Stakeholders relationship Committee**

Mrs. Sarla Jain : Chairman  
Mr. Vivek Benara : Member  
Mrs. Ketaki Benara : Member

## **Coporate Social Responsibility (CSR) Committee**

Mr. Avinash Kashyap : Chairman  
Mr. Panna Lal Jain : Member  
Mrs. Ketaki Benara : Member

## **29th Annual General Meeting**

### **Day, Date & Time & Venue**

Friday, 27th September 2019 at 11.00AM at Conference Hall at A-3 &-4, Site B, Industrial Area, Sikandrabad, Agra-285007 at 11.00 A.M.

### **Book Closure**

21<sup>st</sup> September 2019 to 27<sup>th</sup> September 2019

### **Record Date**

20<sup>th</sup> September, 2019

## **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 2018-19.

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 : 03/09/2019

**NOTICE**

Notice is hereby given that the 29th Annual General Meeting of the Members of Benara Bearings & Pistons Limited will be held on Friday the 27th September, 2019 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 31<sup>st</sup> March, 2019 and the reports of the Board of Directors (“the Board”) and auditors thereon.
2. To consider declaration of Dividend on Equity shares for the Financial Year ended 31<sup>st</sup> March, 2019.

**SPECIAL BUSINESS**

3. **Appointment of Mrs. Nirmala Devi Jain & Akhil Kumar Jain as a Director.**

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

“RESOLVED THAT Mrs. **Nirmala Devi Jain** (DIN: 07140728), and Mr. **Akhil Kumar Jain** (DIN: 07573107) who were appointed by the Board of Directors as an Additional Director of the Company effective April 29, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and who were eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and are hereby appointed a Directors of the Company.”

**4. To appoint M/s RS and Associates as a Secretarial Auditor of the Company.**

“RESOLVED THAT pursuant to the provision of Section 204(1) of the Companies Act 2013 rule 9 of the companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions if any of the Companies Act 2013, Consent of the Board be and is hereby given for appointment of M/s RS and ASSOCIATES Company Secretaries to be appointed as Secretarial Auditors of the Company for the Financial year 2018-2019 and Directors of the Company be and are hereby authorized to fix the remuneration with the consent of Audit Committee.

**5. To appoint Ms. Nalini Pandey Chartered Accountants Membership No 420436 as Internal Auditor of the Company.**

“RESOLVED THAT pursuant to the provision of Section 138 of the Companies Act 2013 rule 13 of the companies (Accounts) Rules 2014 and other applicable provisions if any of the Companies Act 2013, Consent of the Board be and is hereby given for appointment of Ms. Nalini Pandey Chartered Accountants to be appointed as Internal Auditors of the Company for the Financial year 2018-2019.

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

“RESOLVED that pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted for continuation of holding of office of Executive Chairman/Director by Shri Panna Lal Jain (DIN 00204869) who has attained the age of 70 (Seventy) years upto the expiry of his present term of office duly approved by the shareholders through an ordinary resolution.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board,**

**BENARA BEARINGS AND PISTONS LIMITED**

VIVEK BENARA

(MANAGING DIRECTOR)

DIN: 00204869

PLACE : AGRA

DATE : 06/09/2019

**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 Saturday 21st September, 2019 to Friday 27th September, 2019 (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 29th 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 29<sup>th</sup> 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 19<sup>th</sup> 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,**

**BENARA BEARINGS AND PISTONS LIMITED**

VIVEK BENARA

(MANAGING DIRECTOR)

DIN: 00204869

PLACE : AGRA

DATE : 06/09/2019

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

**ITEM NO 3**

Mrs. **Nirmala Devi Jain** (DIN: 07140728), and Mr. **Akhil Kumar Jain** (DIN: 07573107) who were appointed by the Board of Directors as an Additional Director of the Company effective **April 29, 2019** and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and who were eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and are hereby appointed a Directors of the Company.”

Mrs. **Nirmala Devi Jain** and Mr. **Akhil Kumar Jain** are eminent Professionals and bring rich and varied experience to the Board. The Board of Directors recommend the resolution set out in Item no. 4 of the accompanying Notice for approval of the Members.

None of the Directors of the Company, except Mrs. **Nirmala Devi Jain** and Mr. **Akhil Kumar Jain**, are in any way concerned or interested in this resolution.

**ITEM NO 6**

In view of the introduction of the Companies Act, 2013 (new Act) with effect from 1st April 2014 and also for an abundant precaution, the Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the currency of their term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

The Board therefore recommends the special resolutions for your approval. Except Shri Panna Lal Jain none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested,



**ATTENDANCE SLIP**

**29th Annual General Meeting to be held on Friday the 27th September, 2019 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 29th Annual General Meeting on Friday the 27th September, 2019 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 Friday 27th September, 2019 at 11:00 A.M. at Conference Hall at A-3 &-4, SITE B, INDUSTRIAL AREA, SIKANDRABAD, AGRA- 285007 & at any adjournment thereof in respect of any such resolution as are indicated below;-

<b>Resolution No</b>	<b>Description</b>	<b>For</b>	<b>Against</b>
<b>01</b>	Adoption of Annual Accounts and reports thereon for the Financial year ended on 31 <sup>st</sup> March,2019.(Ordinary Resolution)		
<b>02</b>	Declaration of Dividend (Ordinary Resolution)		
<b>03</b>	Appointment of Mrs. Nirmala Devi Jain and Mr. Akhil		

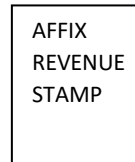
	Kumar Jain as a Director		
<b>04</b>	Appointment of M/s RS and associates as Secretarial Auditor		
<b>05</b>	Appointment of Ms. Nalini Pandey Chartered Accountants as Internal Auditor of the Company.		
<b>06</b>	Approval to continuation of office by Shri Panna lal Jain DIN (00204869) as an Executive Chairman/ Director of the Company upon attaining the age of 70 years during his term of appointment		

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 29th Annual Report and the Company's Audited financial (Standalone and Consolidated) statement for the financial year ended March 31, 2019.

### **1. FINANCIAL RESULTS:**

Financial results of your Company for the year ended 31<sup>st</sup> March 2019 are Summarized below.

<b>Particulars</b>	<b>Standalone (Rs in Lakhs)</b>		<b>Consolidated (Rs in Lakhs)</b>	
	<b>2018-19</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2017-18</b>
Revenue from operation	11433.48	10514.38	11534.92	14542.37
Other Income	235.99	16.88	235.99	16.88
<b>Total Income</b>	<b>11669.47</b>	<b>10531.26</b>	<b>11770.91</b>	<b>14559.25</b>
Total Expenses	11082.55	9977.64	11224.86	13817.27
Exceptional items	104.35		104.35	
Profit before Taxation	482.57	553.62	441.68	741.98
Less: Tax Expense	41.58	208.14	111.19	234.66
Deferred Tax	25.89	(9.83)	28.10	(9.95)

Depreciation	123.96	106.06	160.77	106.92
Profit after Tax	415.14	355.31	377.81	517.27

## **2. PERFORMANCE OVERVIEW AND FUTURE PROSPECTS:**

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

- Revenue from operations increased from Rs. 1,05,14,38,074 in Financial Year 2017-18 to Rs 1,14,33,48,000 in Financial Year 2018-19.
- Net Profit after tax increased from Rs. 3,55,31,000 /- in Financial Year 2017-18 to Rs. 4,15,14,000/- in Financial Year 2018-19.

## **3. TRANSFER TO RESERVES**

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

## **4. DIVIDEND**

Based on the performance of your Company, The Board, at its meeting held on 30<sup>TH</sup> May, 2019 recommended a Dividend of Rs. 0.25/- per equity share for the Financial Year ended 31<sup>st</sup> March, 2019. The proposal is subject to the approval of the Shareholders of the Company at the annual General Meeting to be held on Friday 27th, September, 2019. The Dividend if declared by the members at the forth coming annual General Meeting, will be paid to all those beneficial owners holding the shares in electronic form as per the beneficial ownership made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services of India Limited (CDSL) as on Record date of 20th September, 2019.

## **5. CHANGE IN NATURE OF BUSINESS**

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

**6. CHANGE IN NAME OF THE COMPANY**

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

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

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

**8. DEMATERIALISATION OF EQUITY SHARES**

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

**9. THE BOARD AND KMP**

**a. Composition of the Board of Directors**

The Company has following composition of the Board

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

**b. Independent Director**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Nitesh Kumar Kumavat (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 18-19, there has been no changes in Key Managerial Personnel of the Company under Review.

**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 31<sup>st</sup> March 2019. Your Company has not issued any Equity Shares during the Financial Year 2018-19.

**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.

The dates on which the Board meetings were held are as follows 29/05/2018, 18/07/2018, 30/08/2018, 14/11/2018, and 12/03/2019.

Details of Attendance is as follows:

<b>Sr. No</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No of Directors Present</b>
1	29.05.2018	6	6
2	18.07.2018	6	6
3	30.08.2018	6	6
4	14.11.2018	6	5
5	12.03.2019	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:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Nitesh Kumar Kumavat	Chairman
Mr. Panna Lal jain	Member
Mr. Avinash Kashyap	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:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Avinash Kashyap	Chairman
Mr. Nitesh Kumar Kumavat	Member
Mrs. Sarla 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”).

<b>Name of the Member</b>	<b>Designation</b>
Mrs. Sarla Jain	Chairman
Mr. Vivek Benara	Member
Mrs. Ketaki Benara	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, 2019.

**24. SECRETARIAL AUDIT AND REPORT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed **M/s RS and Associates**, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure.

**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 31<sup>st</sup> March 2019.

**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, 2019 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 2018-19 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**

**Panna Lal Jain**  
**Chairman**  
**DIN: 00204869**

**Date: 03/09/2019**  
**Place: AGRA**

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**ANNUAL RETURN**

**As on financial year ended on 31.03.2019**

**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	<b>BENARA SOLAR PRIVATE LIMITED-</b> A-55-56, Gali No. 18 Madhu Vihar, I.P. Extn Delhi East 110092	U74900DL2016PTC290034	Subsidiary	100%	Section 2(87)(ii)
2	<b>SECURITRANS TRADING PRIVATE LIMITED-</b> 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 01/04/2018]				No. of Shares held at the end of the year [As on 31/03/2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	10199840	-	10199840	57.61 %	10199840	-	10199840	57.61 %	



b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	2180000		2180000	12.31 %	2180000	-	2180000	12.31 %	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	
<b>Total shareholding of Promoter (A)</b>	<b>12379840</b>		<b>12379840</b>	<b>69.91 %</b>	<b>12379840</b>	<b>-</b>	<b>12379840</b>	<b>69.91 %</b>	
<b>B. Public Shareholding</b>									
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									
<b>Sub-total (B)(1):-</b>	-	-	-	-	<b>2000</b>	-	<b>2000</b>	<b>0.01</b>	0.01%
<b>2. Non-Institutions</b>									
a) Bodies Corp.	301448		301448	1.70 %	839080	-	839080	4.74%	3.04%
i) Indian	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4018000	-	4018000	22.69 %	693942		693942	3.92%	(18.77) %
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	736000	-	736000	4.16 %	2602000	-	2602000	14.69 %	10.54%
c) Others (specify)	-	-	-	-	-	-	-	-	
Non-Resident Indians	-	-	-	-	-	-	-	-	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	
Foreign Nationals	-	-	-	-	-	-	-	-	
Clearing Members	272000	-	272000	1.54 %	1190426	-	1190426	6.72%	5.19%
Trusts	-	-	-	-	-	-	-	-	

Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>5327448</b>	-	<b>5327448</b>	<b>30.09 %</b>	<b>5327448</b>	-	<b>5327448</b>	<b>30.09 %</b>	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>17707288</b>	-	<b>17707288</b>	<b>100 %</b>	<b>17707288</b>	-	<b>17707288</b>	<b>100%</b>	-

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	Vivek Benara	2179012	12.3057%	Nil	2179012	12.3057%	Nil	-
2	Panna lal Jain	2264852	12.7905%	Nil	2264852	12.7905%	Nil	
3	Sarla Jain	2684964	15.1630%	Nil	2684964	15.1630%	Nil	
4	Ketaki Benara	2047052	11.5605%	Nil	2047052	11.5605%	Nil	
5	Panna Lal Jain HUF	1023960	5.7827%	Nil	1023960	5.7827%	Nil	
6	Skymark Leasing & Finance Limited-	2180000	12.3113%	Nil	2180000	12.3113%	Nil	

**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%	734000	4.15%
2	Rikhav Securities Limited	144000	0.81%	488426	2.76%
3	Ssj Finance & Securities Pvt. Ltd	0	0%	316000	1.78%
4	Mukesh Benara	0	0%	156000	0.88%
5	Bhumika Consultancy Pvt. Ltd.	0	0%	126000	0.71%
6	Nirmalaben Fatechand Sanghavi	0	0%	120000	0.68%
7	Jainet Trading LLP	0	0%	110000	0.62%
8	Rajesh Navalchand Shah	96000	0.54%	96000	0.54%

9	Sabrimala Fintech Private Limited	72000	0.41	12000	0.07
10	Usha D Shah	48000	0.27%	48000	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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	31,65,35,758	5,82,22,919	-	37,47,58,677
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>31,65,35,758</b>	<b>5,82,22,919</b>	-	<b>37,47,58,677</b>
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	8,06,11,196	-	8,06,11,196
* Reduction	(6,47,63,770)	-	-	(6,47,63,770)
<b>Net Change</b>	<b>(6,47,63,770)</b>	<b>8,06,11,196</b>		<b>15847426</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	25,17,71,988	13,88,34,115	-	39,06,06,103
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	<b>25,17,71,988</b>	<b>13,88,34,115</b>	-	<b>39,06,06,103</b>

**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	-	-	-	-	-
	<b>Total (A)</b>	<b>12,00,000</b>	<b>9,60,000</b>	<b>4,00,000</b>	<b>5,40,000</b>	<b>31,00,000</b>
	Ceiling as per the Act	-	-	-	-	-

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Nitesh Kumar Kumavat	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings	<b>1,80,000</b>	-	-	-	<b>1,80,000</b>
	Commission	-	-	-	-	-

	Others, please specify	-	-	-	-	-
	Total (1)	<b>1,80,000</b>	-	-	-	<b>1,80,000</b>
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 (Artee Sahu)	CFO (Vipin Kumar Jain)	Total
1	Gross salary		<b>1,80,000</b>	<b>4,88,213</b>	<b>6,68,213</b>
	(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	-	<b>1,80,000</b>	<b>4,88,213</b>	<b>6,68,213</b>



**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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Vivek Benara  
 Managing Director  
 (Din: 00204647)

Panna lal Jain  
 Chairman  
 (Din: 00204869)

**Date:** 03/09/2019

**Place:** AGRA

**Form AOC-1**

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

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

**Part “A”: Subsidiaries**

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	<b>Name of the subsidiary</b>	Benara Solar Private Limited
2.	<b>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period</b>	01 <sup>st</sup> April 2018 to 31 <sup>st</sup> March, 2019
3.	<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</b>	Not Applicable
4.	<b>Share capital</b>	Rs. 1,00,000
5.	<b>Reserves &amp; surplus</b>	20,17,778
6.	<b>Total assets</b>	8,93,99,720
7.	<b>Total Liabilities</b>	8,72,81,942
8.	<b>Investments</b>	1,66,670
9.	<b>Turnover</b>	5,32,62,800
10.	<b>Profit before taxation</b>	(35,93,683)
11.	<b>Deferred Tax</b>	2,21,089
12.	<b>Previous Year Tax</b>	(5,57,655)
13.	<b>Profit after taxation</b>	(32,38,217)
14.	<b>Proposed Dividend</b>	0.00
15.	<b>% of shareholding</b>	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**

**Panna Lal Jain**  
**Chairman**  
**DIN: 00204869**

**Date: 03/09/2019**

**Place: Agra**

**Form AOC-1**

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

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

**Part “A”: Subsidiaries**

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	<b>Name of the subsidiary</b>	Securitrans Trading Private Limited
2.	<b>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period</b>	01 <sup>st</sup> April 2018 to 31 <sup>st</sup> March, 2019
3.	<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</b>	Not Applicable
4.	<b>Share capital</b>	Rs. 1,00,000
5.	<b>Reserves &amp; surplus</b>	27,28,165
6.	<b>Total assets</b>	31,46,925
7.	<b>Total Liabilities</b>	3,18,760
8.	<b>Investments</b>	5,00,000
9.	<b>Turnover</b>	76,97,598
10.	<b>Profit before taxation</b>	(4,95,477)
11.	<b>Provision for taxation</b>	-
12.	<b>Profit after taxation</b>	(4,95,477)
13.	<b>Proposed Dividend</b>	-
14.	<b>% of shareholding</b>	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**

**Panna Lal Jain**  
**Chairman**  
**DIN: 00204869**

**Date: 03/09/2019**

**Place: Agra**

**Annexure II**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**For the financial year ended 31<sup>st</sup> March, 2019**

[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, 2019 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, 2019 according to the provisions of:

1. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

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

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

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

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

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

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

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

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

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



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

**I further report that:**

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

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

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

**I further report that**

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

**For RS & Associates, Practicing Company Secretaries**

Sd/-

**Rachana Shridharani**

**Practicing Company Secretary ACS#A42877 CP#18887**

**Place: Mumbai**

**Date: 30<sup>th</sup> August, 2019**

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

**Annexure to Secretarial Audit Report**

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and the practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For RS & Associates, Practicing Company Secretaries**

**Sd/-**

**Rachana Shridharani**

**Practicing Company Secretary ACS#A42877 CP#18887**

**Place: Mumbai**

**Date: 30<sup>th</sup> August, 2019**

**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

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>
<b>Sale of goods</b>	(i) Benara Engine & Spares ltd.	98,973,483
	(ii) Benara Bi-Metal Pvt. Ltd	28,52,119
	(iii) Benara Solar Pvt. Limited	72,16,660
	(iv) Vinay Iron Foundry	1,67,12,828
	(v) Benara Industries, Agra	3,99,478
<b>Purchase of goods</b>	(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) Vinay Iron Foundry	7,23,36,883
	(v) Benara Solar Pvt. Limited	4,36,00,000
<b>Jobwork</b>	(i) Vinay Iron foundry	-

<b>Interest</b>	(i) skymark leasing & finance limited	2,64,738
<b>Loans/ advances taken</b>	(i) Skymark Leasing & Finance Limited	30,64,738
	(ii) Benara Infrastructure Dev.P.Ltd*	-
	(iii) Mr. PannaLal Jain	3,91,33,600
	(iv) Mrs. KetakiBenara	65,90,000
	(v) Mrs. Sarla Jain	66,62,000
	(vi) Mr. VivekBenara	3,71,05,000
	(vii) Benara International Pvt. Ltd.	15,63,87,836
<b>Remuneration to Key Managerial Personnel</b>	(i) Mr. PannaLal Jain	9,60,000
	(ii) Mrs. KetakiBenara	400,000
	(iii) Mrs. Sarla Jain	540,000
	(iv) Mr. VivekBenara	12,00,000

## **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 31.03.2019 were Rs. 81,19,96,865/- and as on 31.03.2018 were Rs. 98,77,31,349/-.

#### **(c) Sales**

During the year under review the Company has reached turnover of Rs.1,14,33,47,868 as on 31.03.2019 as compared to Rs. 1,05,14,38,074/- as on 31.03.2018.

### **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: 03/09/2019**

**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, 2019, 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.

Place Agra

Date : 30th August, 2019

**For RS & Associates, Practicing Company Secretaries**

Sd/-

**Rachana Shridharani**

**Practicing Company Secretary ACS#A42877 CP#18887**

## **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 31<sup>st</sup> 2019, 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, 2019, 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 (“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.

## Key audit matters

S/no.	Key audit matters	How our audit addressed the key audit matter
1.	<p>The Company has investments in Research and development of new product and new market Rs- 481.18 Lacs.</p> <p>We identified this as a KAM considering:</p>	<p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the Company’s process for identifying the expenses as Research and development;</li> <li>• reconciled input data to approved budgets and tested mathematical accuracy;</li> <li>• Discussed management’s strategic and operational plans for the foreseeable future.</li> </ul>
2.	<p>The Company has Exceptional Item of new product and new market Rs- 104.36 Lacs. The Said expenses shown as Exceptional items</p>	<p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the Company’s process for identifying the expenses indicators of exceptional item;</li> <li>• reconciled input data to approved budgets and tested mathematical accuracy;</li> <li>• Discussed management’s strategic and operational plans for the foreseeable future.</li> </ul>

## 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 2019 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: 30<sup>th</sup> May 2019

## 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 <sup>st</sup> March 2019	Loan & Advances as on 31 <sup>st</sup> March 2018
1.	Benara solar Private company	Wholly Owned Subsidiary	5,56,39,841	3,80,65,873

- 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:
- 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, 2019 for a period of more than six months from the date of becoming payable.
  - 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)
Tax deduction at source	F.Y. 17-18	3,689/-	Income Tax Officer -TDS-1
	F.Y.2016-17	58,316/-	Income Tax Officer -TDS-1
	F.Y.2015-16	1,970/-	Income Tax Officer -TDS-1
	Prior to F.Y. 2012-13	9,80,336/-	Income Tax Officer -TDS-1
Sales tax Demand		31,15,899/-	Pending before Appeal
Central excise Act , 1944		30,36,098/-	Pending before Appeal



- viii. 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 :30 May, 2019**

**Place :Agra**

**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, 2019 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 : 30 May, 2019**

**Place : Agra**

# BENARA BEARINGS & PISTONS LIMITED

CIN: U50300UP1990PLC012518

Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	177,072,880	177,072,880
(b) Reserves and Surplus	2	409,148,039	393,498,948
(c) Share Application money pending allotment			
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	162,834,781	140,231,024
(b) long term provision	5	10,291,277	9,247,391
<b>(3) Current Liabilities</b>			
(a) ShortTerm Borrowings	5	227,771,322	234,527,652
(b) Trade Payables	6	122,311,966	130,428,561
(c) Other Current Liabilities	7	27,150,926	26,461,401
(d) Short-term Provisions	8	14,608,156	25,097,074
<b>TOTAL</b>		<b>1,151,189,346</b>	<b>1,136,564,931</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	9	72,804,176	37,527,294
(ii) In Tangible Assets		48,117,733	
(ii) Advance against Property	9	60,742,321	60,018,475
		181,664,230	97,545,769
(b) Non-Current Investments	10	2,700,000	2,700,000
(c) Deferred tax Assets (net)	11	4,985,964	7,574,928
(d) Long-term loans and advances	12	149,842,287	41,012,885
		-	-
<b>(2) Current Assets</b>			
(a) Inventories	13	359,032,272	356,336,379
(b) Trade receivables	14	411,415,753	247,406,262
(c) Cash and cash equivalents	15	6,897,584	344,127,879
(d) Short-term loans and advances	16	26,851,593	27,050,521
(e) Other current assets	17	7,799,663	12,810,309
<b>TOTAL</b>		<b>1,151,189,346</b>	<b>1,136,564,931</b>

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 : 30 May, 2019  
Place : Agra

Chairman  
(Panna Lal Jain)  
DIN No: 00204869

Director  
(Vivek Benara)  
DIN No: 00204647

Mr. Vipin Jain  
Chief Financial Officer

Artee Sahu  
Company Secretary

Date: 30 May, 2019  
Place : Agra

# BENARA BEARINGS & PISTONS LIMITED

CIN: U50300UP1990PLC012518

## Profit & Loss Statement for the year ended 31st March, 2019

Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>I Income</b>			
Revenue from Operations	18	1,143,347,868	1,051,438,074
Changes in Inventories	19	9,065,415	163,229,179
Other Incomes	20	23,599,663	1,688,095
<b>Total Revenue</b>		<b>1,176,012,947</b>	<b>1,216,355,348</b>
<b>II Expenses:</b>			
Cost of Manufacturing & Others	21	1,008,369,763	1,048,357,638
Employee Benefit Expenses	22	31,380,463	34,667,648
Administration & Other Expenses	23	28,423,374	30,848,698
Finance Cost	24	36,750,732	36,513,433
Depreciation and amortization expenses	8	12,396,090	10,606,309
<b>Total Expenses</b>		<b>1,117,320,422</b>	<b>1,160,993,727</b>
III Profit before exceptional and extraordinary Items and Tax (I - II)		58,692,525	55,361,622
IV Prior Period Items		-	-
V Exceptional items		10,435,437	-
VI Profit before Extraordinary Items and Tax (III -IV-V)		48,257,088	55,361,622
VII Extra Ordinary Items		-	-
VIII Profit before Tax (VI - VII)		48,257,088	55,361,622
IX Tax Expense:			
(1) Current tax		11,119,183	20,813,750
(2) Deferred Tax		2,588,964	(983,473)
(3) Previous Year Tax		(6,965,055)	-
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		41,513,995	35,531,345
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		41,513,995	35,531,345
<b>See accompanying notes to the financial statements</b>	<b>25</b>		

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 : 30 May, 2019  
Place : Agra

**Chairman**  
(Panna Lal Jain)  
DIN No: 00204869

**Director**  
(Vivek Benara)  
DIN No: 00204647

**Mr. Vipin Jain**  
Chief Financial Officer  
Date: 30 May, 2019  
Place : Agra

**Artee Sahu**  
Company Secretary

**BENARA BEARINGS & PISTONS LIMITED**  
**CIN : U50300UP1990PLC012518**  
**Cash Flow statement for the year ended 31 March, 2019**

Particulars	(Currency : INR)	
	As at 31st March, 2019	As at 31st March, 2018
<b>A. Cash flow from operating activities</b>		
<b>Profit / (loss) before tax</b>	48,257,088	55,361,622
<i>Adjustments for:</i>		
Depreciation and amortisation	12,396,090	10,606,309
Loss / (Profit) on sale of fixed assets (net)	-	(750,790)
Finance costs	36,750,732	36,513,433
Interest income	(392,129)	(1,026,359)
Rental income from investment properties	-	-
Unrealised foreign exchange (gain) (net)	(3,412,534)	89,054
Operating profit / (loss) before working capital changes	93,599,246	100,793,269
<b>Changes in working capital:</b>		
Decrease / (increase) in Inventories	(108,505,225)	(81,775,325)
Decrease / (increase) in trade receivables	(145,207,463)	(74,180,916)
Decrease / (increase) in Short-term loans and advances	198,928	9,491,224
Decrease / (increase) in Other current assets	110,135	(3,414,031)
(Decrease) / increase in Trade payables	86,838,745	107,515,032
(Decrease) / increase in Other current liabilities	2,045,752	10,988,381
(Decrease) / increase in Provisions	(5,283,023)	(28,674,573)
	(76,202,906)	40,743,061
Cash flow from extraordinary items	(25,864,904)	-
Cash generated from operations	(102,067,810)	40,743,061
Income taxes (paid) / refunded	(13,619,969)	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(115,687,779)</b>	<b>40,743,061</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(96,517,778)	(43,612,468)
Proceeds from sale of fixed assets	3221	1,819,123
Purchase of long-term investments	-	(4,695,703)
Advances given against Joint venture	-	16,000,000
Loans Given -		
- Associates	(17,152,533)	(38,065,874)
- others	(91,676,869)	(421,438)
Interest Income	392,129	1,026,359
Effect of exchange differences on restatement of foreign currency	3,412,534	(89,054)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(204,951,830)</b>	<b>(68,039,055)</b>



**BENARA BEARINGS & PISTONS LIMITED**  
**Cash Flow statement for the year ended 31 March, 2019**  
**CIN : U50300UP1990PLC012518**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	334,908,000
Proceeds & Repayment of long-term borrowings	<u>28059962.21</u>	-
<b>Net increase / (decrease) in working capital borrowings :</b>		
Proceeds & Repayment of other short-term borrowings	(11,142,449)	36,442,917
Finance cost	(36,750,733)	(36,513,433)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b><u>(19,833,220)</u></b>	<b><u>334,837,484</u></b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(340,472,829)</b>	<b>307,541,490</b>
Cash and cash equivalents at the beginning of the year	343,957,877	36,416,387
<b>Cash and cash equivalents at the end of the year</b>	<b><u>6,897,582</u></b>	<b><u>343,957,877</u></b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
<b>Net Cash and cash equivalents included in Note 14</b>	<b><u>6,897,584</u></b>	<u>343,957,879</u>
* Comprises:		
<b>(a) Cash on hand</b>	2,907,535	826,832
<b>(b) Balances with banks</b>		
(i) In current accounts	(838,141)	336,078,031
(ii) In deposit accounts	4,828,190	7,053,016
(iii) long term loan and advances as part of Cash and cash equivalents	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>6,897,584</b>	<b>343,957,879</b>
<b>See accompanying notes to the financial statements</b>	<b>25</b>	

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 : 30 May, 2019**  
**Place : Agra**

<b>Chairman</b>	<b>Director</b>
<b>(Panna Lal Jain)</b>	<b>(Vivek Benara)</b>
<b>DIN No: 00204869</b>	<b>DIN No: 00204647</b>

<b>Mr. Vipin Jain</b>	<b>Artee Sahu</b>
Chief Financial Officer	Company Secretary
<b>Date : 30 May, 2019</b>	
<b>Place : Agra</b>	

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31 March 2019	As at 31 March 2018
<b>NOTE # 1</b>		
<b><u>Share Capital</u></b>		
<b>Authorised Capital</b>		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	200,000,000	200,000,000
<b>Issued, Subscribed and Paid up</b>		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 30,97,822 of Rs. 10 each)	177,072,880	177,072,880
	<b>177,072,880</b>	<b>177,072,880</b>

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

	As at 31.03.2019		As at 31.03.2018	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	17,707,288	177,072,880	3,097,822	30,978,220
Add:- Bonus shares	-	-	9,293,466	92,934,660
Add : Shares issued during the year	-	-	5,316,000	53,160,000
At the end of the year	<b>17,707,288</b>	<b>177,072,880</b>	<b>17,707,288</b>	<b>177,072,880</b>

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 31.03.2019		As at 31.03.2019	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Smt. Sarla Jain	671,241	19.73%	671,241	19.73%
Skymark Leasing & Fin. Ltd.	545,000	17.59%	545,000	17.59%
Sri Panna Lal Jain	506,213	16.34%	506,213	16.34%
Sri Vivek Benara	484,753	15.65%	484,753	15.65%
Smt. Ketaki Benara	411,763	13.29%	411,763	13.29%
Panna Lal Jain HUF	155,990	5.04%	155,990	5.04%

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 2</b>		
<b>Reserves and Surplus</b>		
<b>(i) Security Premium Reserve</b>		
Opening Balance	281,748,000	86,887,380
Add : Received during the year	-	281,748,000
Less:- primary exp	25,864,904	(86,887,380)
Closing Balance	<b>255,883,096</b>	<b>281,748,000</b>
<b>(iii) Profit &amp; Loss A/c</b>		
Opening Balance	111,750,948	82,266,885
Add: Transferred from statement of Profit and Loss	41,513,995	35,531,343
Less : Bonus Issue	-	(6,047,280)
Closing Balance	<b>153,264,943</b>	<b>111,750,948</b>
<b>Total ( i + ii + iii)</b>	<b>409,148,039</b>	<b>393,498,948</b>

**NOTE # 3**

**Long-Term Borrowings**

**(i) Secured**

Loan From Banks & Financial Institutions		
(b) Loan against Property	26,744,313	71,786,265
(c ) Other Term Loans	17,157,567	17,516,354
Less : Current maturities repayable in one year for (a + b + c)	(19,901,214)	(7,294,513)
	<b>24,000,666</b>	<b>82,008,106</b>

**(ii) Unsecured**

(d) Inter Corporate Loans and advances	23,953,167	31,559,178
(e) Loans and advances from Directors	90,558,108	11,899,270
(f) Business Loan from Banks & NBFC	24,322,840	23,889,587
Less : Current maturities repayable in one year for (f)	-	(9,125,116)
	<b>138,834,115</b>	<b>58,222,919</b>

**Total (i)+(ii)**

	<b>162,834,781</b>	<b>140,231,024</b>
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**(1) Secured Loan from Banks and NBFC Loan against Property**

(a) Term Loan 1 are taken from DHFL having interest Rate 10.25% is payable in 174 installments and secured by mortgage of immovable property of Benara International Pvt. Ltd. situated at Kh No. 66012, Mauza, Artoni, NH-2, Agra. Rs 234.89 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 32.56 Lacs

**(2) Other Term Loans**

Axis Bank Car Loan (Nissan Terrano) having interest Rate 10.40% is payable in 5 installment .0.93 Lacs  
Volkswagen Finance (P) Ltd. having interest rate 9.75% is payable in 21 installment secured by jagaur car Rs 15.55 lacs  
HDFC BANK having interest rate 8.30% is payable in 61 installment secured by jagaur car 54.67 lacs  
Hdfc Bank Ltd having interest Rate 9% is payable in 37 installment and secured by Nissan Terrano 24080 Rs 7.75 lacs  
Icici Bank Ltd having interest Rate is 8.5% and secured by New Mercedes 87101 Rs 43.02 lacs  
ICICI having interest rate 8.5% is payable in 26 installment and secured by NEW INNOVA- 40008 rs 13.24 Lacs  
Hdfc Bank Ltd having interest Rate 9% is payable in 26 installment Rs 6.98 lacs  
Icici Bank Ltd having interest Rate is 9.35% is payable in 56 installment and secured by Innova Rs 14.05 Lacs  
Icici Bank Ltd having interest Rate is 8.75% is payable in 54 installment and secured by Innova rs 15.38 lacs

**(3) Business Loan from Banks & NBFC**

DEUTSCHE BANK having interest Rate is 16.849% is payable in 18 installment  
INDIA BULL FINANCE LTD. having interest Rate is 18% is payable in 18 installment  
MAGMA FINANCE CORP LTD having interest Rate is 16,50% is payable in 13 installment  
Bajaj Finance Ltd having interest Rate is 15.89% is payable in 16 installment  
Edelwess Retail Finance having interest Rate is 16.64% is payable in 14 installment  
Tata Capital Business Loan having interest Rate is 16.20% is payable in 15 installment  
HDFC BUSINESS LOAN having interest Rate is 16.00% is payable in 26 installment  
VISU LEASING & FINANCE having interest Rate is 18.00% is payable in 5 installment  
icici Business loan having interest Rate is 16.50% is payable in 30 installment  
India Infoline finance limited having interest Rate is 18% is payable in 29 installment

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
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**NOTE # 4**

**Long-Term Provision**

(a) Provision for Employee Benefits	10,291,277	9,247,391
	<b>10,291,277</b>	<b>9,247,391</b>

**NOTE # 5**

**Short Term Borrowings**

**Secured**

Cash credit from bank	227,771,322	233,542,153
	<b>227,771,322</b>	<b>234,527,652</b>

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

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

**NOTE # 6**

Trade Payables	122,311,964	130,428,561
	<b>122,311,964</b>	<b>130,428,561</b>

**NOTE # 7**

**Other Current Liabilities**

(a) Statutory Remittances	877,843	1,971,614
(b) Expenses Payable	4,877,588	6,540,876
(c) Security deposit received	1,494,281	1,529,281
(d) Current maturities of Long term borrowings	19,901,214	16,419,630
	<b>27,150,926</b>	<b>26,461,401</b>

**NOTE # 8**

**Short-Term Provisions**

(a) Provision for Employee Benefits	3,037,760	4,227,074
(b) Provision for Tax	11,119,183	20,813,750
(c) Provision - Expenses	451,212	56,250
	<b>14,608,156</b>	<b>25,097,074</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
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**NOTE # 10**

**Non-Current Investments**

**Investment In Equity Instruments (Unquoted)**

(a) In Subsidiary Company :

(i) Benara Solar Private Limited 10000 (P.Y. -5100) Equity Shares of Rs. 10/- each of (fully paid up)	100,000 -	100,000
(ii) Securitrans Trading Private Limited 10,000 (P.Y. - 10000) Equity Shares of Rs. 10/- each (fully paid up)	100,000 -	100,000 -
Investment in Alternate Investment Fund	2,500,000	2,500,000
Investment in JV with Easy Photovoltech	-	-
	<b>2,700,000</b>	<b>2,700,000</b>

**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	7,574,928	6,591,455
Liability / (Asset) arising during the year	(2,588,964)	983,473
	-	-
Deferred tax Assets as at the end of the year	<b>4,985,964</b>	<b>7,574,928</b>

**NOTE # 12**

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

(a) Sundry Deposits	2,392,446	2,947,012
(b) Inter Corporate Loans & Advances	147,449,841	38,065,873
	<b>149,842,287</b>	<b>41,012,885</b>

(b) It is Loan to wholly owned Subsidiary Company Benara Solar Private Limited, receivable after 31 march 2019

**NOTE # 13**

**Inventories**

(As taken, valued & certified by management)

Raw Material	4,918,856	11,281,922
Work-in-Progress	48,518,994	45,449,978
Finished Goods	304,591,103	299,472,319
Others	1,003,319	132,160
	<b>359,032,272</b>	<b>356,336,379</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 14</b>		
<b><u>Trade Receivables</u></b>		
<b><u>Unsecured, Considered Good</u></b>		
- Outstanding for a period exceeding six months	164,060,496	59,213,160
- Others	247,355,257	188,193,102
	<b><u>411,415,753</u></b>	<b><u>247,406,262</u></b>

**NOTE # 15**

**Cash and Cash Equivalents**

(a) Balance with Banks		
(i) In current accounts	(838,141)	336,078,031
(ii) In deposit accounts	4,828,190	7,223,016
(b) Cash in Hand	2,907,535	826,832
	-	
	<b><u>6,897,584</u></b>	<b><u>344,127,879</u></b>

**NOTE # 16**

**Short-Term Loans and Advances**

**(Unsecured, Considered Good)**

(a) Advances (receivable in cash or in Kind or for value to be received)	6,443,680	7,190,842
(b) Advances to Suppliers	280,000	280,000
(c) Prepaid Expenses	1,735,224	779,330
(d) Balances with govt. / semi-govt. authorities	18,392,689	18,800,349
	<b><u>26,851,593</u></b>	<b><u>27,050,521</u></b>

**NOTE # 17**

**Other Current Assets**

Other Receivables	7,799,663	7,909,798
Preliminary Expenses (IPO)	-	4,900,511
	<b><u>7,799,663</u></b>	<b><u>12,810,309</u></b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	For the year Ended 31st March, 2019	For the year Ended 31 March 2018
<b>NOTE # 18</b>		
<b>Revenue From Operations - Automobile Including VAT/GST</b>		
Domestic Sales including trading sale	1,143,347,868	1,045,523,865
Less : Net Excise Duty		(5,914,209)
<b>Total</b>	<b>1,143,347,868</b>	<b>1,051,438,074</b>
<b>NOTE # 19</b>		
<b>Changes in Inventories</b>		
<b>(a) Closing Stock</b>		
Finished goods *	304,591,103	299,472,319
Work-in-Progress	48,518,994	45,443,492
Others	1,003,319	132,190
	<u>354,113,416</u>	<u>345,048,001</u>
<b>(b) opening Stock</b>		
Finished goods *	299,472,319	159,408,402
Work-in-Progress	45,443,492	22,284,716
Others	132,190	
	<u>345,048,001</u>	<u>181,693,118</u>
<b>(a) - (b)</b>	<b>9,065,415</b>	<b>163,229,179</b>
<b>* Finished goods includes Trading Stock</b>		
<b>NOTE # 20</b>		
<b>Other Incomes</b>		
(A) Interest Income	392,129	1,026,359
INCENTIVE	19,795,000	-
Profit/(Loss) From Foreign Currency Translation	3,412,534	(89,054)
Profit/(Loss) On Sale Of Fixed Assets	-	750,790
	<u>23,599,663</u>	<u>1,688,095</u>
<b>NOTE # 21</b>		
<b>Cost of Manufacturing &amp; Others</b>		
<b>(i) Cost of Raw Material Consumed</b>		
Opening stock of raw materials	11,281,922	92,639,245
Add: Cost of Purchases including VAT/GST	244,639,235	135,341,221
Less: Closing stock of raw materials	4,918,856	11,281,922
	<u>251,002,301</u>	<u>216,698,544</u>
<b>(ii) Manufacturing Expenses</b>		
Consumption of stores and spare parts	5,342,171	3,382,782
Packing Material consumed	9,916,681	5,333,959
Electricity Expenses	10,552,361	9,953,993
Wages & Salaries - Factory	16,484,891	24,934,054
Job Work charges	-	2,085,877
	<u>42,296,104</u>	<u>45,690,664</u>
<b>(iii) Purchases</b>		
Cost of Purchases	677,469,431	779,681,827
VAT / GST (NET)	35,246,988	6,286,603
FRIGHT	2,354,939	
	<u>715,071,358</u>	<u>785,968,430</u>
<b>Total ( i + ii+ iii)</b>	<b>1,008,369,763</b>	<b>1,048,357,638</b>

**BENARA BEARINGS & PISTONS LIMITED**

Notes to the financial Statements for the year ended 31st March, 2019

Particulars	Year ended 31st March, 2019	Year ended 31 March 2018
<b>NOTE # 22</b>		
<b>Employee Benefit Expenses</b>		
(a) Salaries and other Allowances	24,742,637	29,284,749
(b) Contribution to provident and other funds	4,928,469	4,342,588
(c) Staff Welfare expenses	1,709,357	1,040,311
	-	
	<b>31,380,463</b>	<b>34,667,648</b>

**NOTE # 23**

**Administration & Other Expenses**

Auditors' Remuneration

Audit Fees	202,500	62,500
Out of Pocket Expenses	22,865	320,690
Bad debts	-	8,032
Donation	317,000	1,225,000
Electricity Expenses	1,113,287	2,699,380
Insurance	4,635,333	989,658
Other Expenses	1,877,884	3,406,189
Postage & Courier Expenses	132,767	289,934
Printing & Stationery	570,026	238,791
Professional & Legal Charges	3,500,338	4,134,101
Rate & Taxes	133,565	48,252
Rebate & Discount	1,328,682	89,766
Repairs & Maintenance - Machinery	161,511	104,558
Repairs & Maintenance Building	19,280	14,746
Repairs & Maintenance Others	508,615	409,810
Sales Commission	328,703	105,263
Selling & Distribution	11,016,014	13,766,506
Telephone Expenses	298,238	366,694
Travelling Expenses	1,252,456	170,240
Travelling Expenses -Foreign	1,004,311	1,173,460
Preliminary expenses	-	1,225,127
	<b>28,423,374</b>	<b>30,848,698</b>

**NOTE # 24**

**Finance Cost**

(a) Interest expenses	34,129,520	33,362,467
(b) Financial Charges	2,621,212	3,150,966
	<b>36,750,732</b>	<b>36,513,433</b>



**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31 March 2019

**Note # 9**  
**FIXED ASSETS**

(i)	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK			
	AS AT 1-4-2018	ADDITIONS	SALE	AS AT 31/03/2019	AS AT 1-4-2018	FOR THE YEAR	SALE	AS AT 31/03/2019	AS AT 31/03/2019	AS AT 31/03/2018	
	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	63,49,667	1,69,846	-	65,19,513	25,09,079	26,78,925
	Plant & Machinery	4,77,40,065	-	-	4,77,40,065	3,84,29,390	17,79,496	-	4,02,08,886	75,31,179	93,10,675
	Inspection & quality control equipments	36,03,010	-	-	36,03,010	34,21,951	11,099	-	34,33,050	1,69,960	1,81,059
	Electric Fittings	17,94,406	-	-	17,94,406	17,10,703	3,770	-	17,14,473	79,933	83,703
	Tools & Dies	1,13,84,271	4,34,50,535	-	5,48,34,806	97,86,540	38,62,934	-	1,36,49,474	4,11,85,332	15,97,731
	Office Equipment	34,89,810	4,33,938	3,221	39,20,527	30,49,602	2,39,152	-	32,88,754	6,31,773	4,40,208
	Computer	13,38,925	1,64,929	-	15,03,854	12,56,267	82,395	-	13,38,662	1,65,192	82,658
	Furniture & Fixture	45,46,001	-	-	45,46,001	33,57,702	3,03,569	-	36,61,271	8,84,730	11,88,299
	Vehicles	5,09,15,445	36,26,796	-	5,45,42,241	3,34,69,284	59,43,828	-	3,94,13,112	1,51,29,129	1,74,46,161
	Reaserch & Development		4,81,17,733							4,81,17,733	
(ii)	Advance against Property*	6,00,18,475	7,23,847	-	6,07,42,322	-	-	-	-	6,07,42,322	6,00,18,475
	<b>TOTAL</b>	<b>19,83,76,875</b>	<b>9,65,17,778</b>	<b>3,221</b>	<b>29,48,91,432</b>	<b>10,08,31,106</b>	<b>1,23,96,090</b>	<b>-</b>	<b>11,32,27,196</b>	<b>18,16,64,236</b>	<b>9,75,45,769</b>
	<b>PREVIOUS YEAR</b>	<b>15,21,61,172</b>	<b>36,71,568</b>	<b>-</b>	<b>15,58,32,740</b>	<b>8,30,49,522</b>	<b>71,75,273</b>	<b>-</b>	<b>9,02,24,796</b>	<b>6,56,07,944</b>	<b>6,91,11,650</b>

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

**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.

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*Notes to the financial Statements for the Year Ended 31st March, 2019*

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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.

**The Company has investments in Research and development of new product and new market Rs- 481.18 Lacs.**

<b>Particulars</b>	<b>R &amp; D</b>
Purchase	444.30
electricity expenses	14.39
Wages	22.49
<b>Total</b>	<b>481.18</b>

**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.

**During the company incurred cost in Research and development of new product and market. 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 sales taxes and net of Central Excise duty and 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**

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**

***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 -**

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Notes to the financial Statements for the Year Ended 31st March, 2019

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**(a) Cost of Raw Material Consumed :**

Particulars	(Rs.)	
	2018 -19	2017 -18
Opening stock of raw materials	1,12,81,922	92,639,245
Add: Cost of Purchases	24,46,39,235	135,341,221
Less: Closing stock of raw materials	49,18,856	11,281,922
<b>Cost Of Goods sold</b>	<b>25,10,02,301</b>	<b>216,698,544</b>

**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	31.03.2019	31.03.2018
Raw material / Semi Finished Goods	35,80,413	5,886,021
Finished goods	87,54,493	14,933,963
<b>Total</b>	<b>12,334,906</b>	<b>40,076,124</b>

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

Particulars	31.03.2019		31.03.2018	
	Value	% of total Consumption	Value	% of total Consumption
<b>Raw materials</b>				
Imported	35,80,413	1.43%	5,886,021	2.72%
Indigenous	2,47,421,888	98.57%	210,812,523	97.28%
<b>Total</b>	<b>2,51,002,301</b>	<b>100%</b>	<b>216,698,544</b>	<b>100%</b>
<b>PACKING MATERIAL</b>				
Imported	-		-	0%
Indigenous	99,16,681	100%	5,333,959	100%
<b>Total</b>	<b>99,16,681</b>	<b>100%</b>	<b>5,333,959</b>	<b>100%</b>
<b>STORE &amp; SPARES</b>				
Imported	-	0%	-	0%
Indigenous	53,42,171	100%	3,382,782	100%
<b>Total</b>	<b>53,42,171</b>	<b>100%</b>	<b>3,382,782</b>	<b>100%</b>

**(d) Expenditure in foreign currency**

Particulars	31.03.2019	31.03.2018
Travelling	10,04,311	2,06,630
<b>Total</b>	<b>10,04,311</b>	<b>2,06,630</b>

**(e) Earnings in foreign currency**

Particulars	31.03.2019	31.03.2018
Exports on FOB basis	20,218,921	11,145,090
Other Matters	-	-
<b>Total</b>	<b>20,218,921</b>	<b>11,145,090</b>

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

Particulars	31.03.2019	31.03.2018
Provident Fund and Employees Pension Scheme	3,090,974	2,936,446
Labour Welfare Fund	513,499	200,687
ESIC	1,323,996	1,205,455
<b>Total</b>	<b>4,928,469</b>	<b>4,342,588</b>

**(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	2018-19	2017-18
<b>1. The amounts recognized in the Balance Sheet are as follows: -</b>		
Present value of the obligation at the end of the period	99,72,396	106,04,760
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	99,72,396	106,04,760
Balance Sheet and related analysis		
Funded Status	(99,72,396)	(106,04,760)
Best estimate for contribution during next period	12,45,899	12,35,496

<b>2. Current Liability</b>		
Current Liability (Short Term)*	6,90,737	13,57,369
Non Current Liability (Long Term)	92,81,659	92,47,391
<b>Total Liability</b>	<b>99,72,396</b>	<b>1,06,04,760</b>

<b>3. The amount recognized in the Profit and Loss A/c are as follows</b>
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**BENARA BEARINGS & PISTONS LIMITED**

Notes to the financial Statements for the Year Ended 31st March, 2019

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Current Service Cost	10,37,915	10,54,398
Interest cost	8,21,869	7,45,740
Net Actuarial (gain)/ loss recognized in the period	(17,63,139)	(6,17,139)
Expenses to be recognized in the statement of profit and loss accounts	96,645	11,82,999

4. Changes in the present value of defined benefit obligation		
Defined Benefit obligation at the beginning of the period	1,06,04,760	96,22,448
Interest cost	8,21,869	7,45,740
Current Service Cost	10,37,915	10,54,398
Benefits paid (if any)	(7,29,009)	(2,00,687)
Actuarial (gain)/ loss	(17,63,139)	(6,17,139 )
Defined Benefit obligation at the end of the period	99,72,396	1,06,04,760

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	31.03.2019	31.03.2018
(i) Profit / (Loss) after Tax	4,15,13,995	35,531,346
(ii) Weighted average number of equity shares outstanding	17,707,288	12,397,120
Earnings Per Share of Rs. 10/- each	2.35	2.87
<b>Basic and Diluted Earning per share (Before Bonus) ( in Rs.)</b>	<b>2.35</b>	<b>2.87</b>
<b>Basic and Diluted Earning per share (After Bonus) ( in Rs.)</b>	<b>2.35</b>	<b>2.87</b>

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

**Related party disclosures**

Name of the parties	Relationships
<b>Wholly owned subsidiary companies</b>	(i) Securitrans Trading (P) Ltd.
<b>Other subsidiary companies</b>	(i) Benara Solar Private Pvt Ltd
<b>With companies under the same management</b>	(i) Benara International Pvt. Ltd. (ii) Four Square Retail Pvt. Ltd.
<b>Key Management Personnel</b>	
Managing Director -	Mr. PannaLal Jain
Directors of the Company -	Mrs. KetakiBenara Mrs. Sarla Jain Mr. VivekBenara
<b>Joint Venture</b>	With M/S easy Photovoltech Pvt. Ltd
<b>Related parties where significant influence exists and with whom transactions have taken place during the year</b>	(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 2018-19	Amount 2017-18
<b>Sale of goods</b>	(i) Benara Engine & Spares Ltd.	98,973,483	44,593,698
	(ii) Benara Bi-Metal Pvt. Ltd	28,52,119	715,789
	(iii) Benara Industries, Agra	3,99,478	
	(iv) Benara Solar Pvt. Limited	72,16,660	7,000
	(v) Vinay Iron Foundry	1,67,12,828	1,748,856
<b>Purchase of goods</b>	(i) Benara Engine & Spares Ltd.	3,77,47,614	152,225,774
	(ii) Benara Industries, Agra	35,57,401	-
	(iii) Benara Bi-Metal Pvt. Ltd	32,92,115	111,038
	(iv) Benara Solar Pvt. Limited	4,36,00,000	
	(iv) Vinay Iron Foundry	7,23,36,883	29,548,616
<b>Jobwork</b>	(i) Vinay Iron foundry	-	2,085,,877
<b>Interest</b>	(i) skymark leasing & finance limited	2,64,738	275,705

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<b>Loans/ advances taken</b>	(i) Skymark Leasing & Finance Limited	30,64,738	-
	(ii) Benara Infrastructure Dev.P.Ltd*	-	3470662
	(iii) Mr. PannaLal Jain	3,91,33,600	13,282,500
	(iv) Mrs. KetakiBenara	65,90,000	3,510,000
	(v) Mrs. Sarla Jain	66,62,000	11,00,000
	(vi) Mr. VivekBenara	3,71,05,000	16,651,020
	(ix) Benara International Pvt. Ltd.	15,63,87,836	78,675,408
<b>Remuneration to Key Managerial Personnel</b>	Mr. PannaLal Jain	9,60,000	9,60,000
	Mrs. KetakiBenara	4,00,000	400,000
	Mrs. Sarla Jain	540,000	540,000
	Mr. VivekBenara	12,00,000	600,000

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
<b>Loans/ advances repaid</b>	Mr. PannaLal Jain	2,61,24,382	12,917,500
	Mrs. KetakiBenara	60,27,860	16,188,298
	Mrs. Sarla Jain	68,50,620	5,000
	Mr. VivekBenara	3,10,18,270	161,88,298
	(ii) Benara Infrastructure Dev.P.Ltd*	17,09,516	-
	Benara International Pvt. Ltd.	9,31,72,291	78,345,940
	Skymark leasing & finance limited	171,093	115,396
<b>Advances Given</b>	Securitrans Trading (P) Ltd.	3300	520,440
<b>Advances Given</b>	Benara Solar Pvt. Limited	14,84,83,997	60,438,104
<b>Repayment Recd</b>	Benara Solar Pvt. Limited	13,10,27,669	22,372,231
<b>Advance Against Purchase of Property</b>	Benara International Pvt. Ltd.	-	23,230,000

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
Debtors	Benara industries	5,92,807	-
Debtors	Benara Engine & Spares Limited	24,354,039	41,82,833
Creditors	Benara Bi-Metal Private Limited	3,00,425	-
Unsecured Loan	Benara Infrastructure Development Private Limited	-	1,709,516
Loan & Advances	Benara Solar Pvt. Limited	5,56,39,841	3,80,65,,873
Debtors	Benara Solar Pvt. Limited	-	260,410
Advances	Securitrans Trading (P) Ltd.	35,695	630,440
Unsecured Loan	Mr. PannaLal Jain	1,35,15,437	506,219
Unsecured Loan	Mrs. Sarla Jain	2,04,372	392,953

**BENARA BEARINGS & PISTONS LIMITED**

Notes to the financial Statements for the Year Ended 31st March, 2019

CIN: U50300UP1990PLC012518

Unsecured Loan	Mr. VivekBenara	14,74,803	388,074
Unsecured Loan	Mrs. KetakiBenara	9,17,729	355,589
Unsecured Loan	Skymark Leasing & Finance Limited	61,65,075	3,271,429

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

Sr. No.	Particulars	2018-2019	2017-2018
i)	Remuneration to Directors	31,00,000	28,75,000
ii)	Payment to Auditors	1,00,000	62,500

(l) **Contingent liabilities and Commitments**

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

Particulars	31.03.2019	31.03.2018
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.	68,76,591	33,97,550
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

(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	Total (Segments) 31-3-19	Total (Enterprise) 31-3-19	Total (Enterprise) 31-3-18
<b>1. Segment Revenue</b>					
(a) External	1,14,33,47,868	-	1,14,33,47,868	1,14,33,47,868	1,051,438,074
(b) Inter-segment Sales	-	-	-	-	-
(c) Total Revenue	<b>1,14,33,47,868</b>	-	<b>1,14,33,47,868</b>	<b>1,14,33,47,868</b>	<b>1,051,438,074</b>
<b>2. Segment Result(Profit/(Loss))</b>					
Segment results	9,28,22,045	-	9,28,22,045	9,28,22,045	91,875,055
Unallocable income/ (Expenses)	(1,04,35,437)	-	(1,04,35,437)	(1,04,35,437)	-
Operating profit	8,23,86,608		8,23,86,608	8,23,86,608	91,875,055

**BENARA BEARINGS & PISTONS LIMITED**

*Notes to the financial Statements for the Year Ended 31st March, 2019*

*CIN: U50300UP1990PLC012518*

Interest expenses	3,41,29,520	-	3,41,29,520	3,41,29,520	36,513,433
Income taxes	67,43,093	-	67,43,093	67,43,093	19,830,277
Profit from ordinary activities	4,15,13,995	-	4,15,13,995	4,15,13,995	35,531,346
<b>Net profit</b>	<b>4,15,13,995</b>	<b>-</b>	<b>4,15,13,995</b>	<b>4,15,13,995</b>	<b>35,531,346</b>
<b>3. Other information</b>					
Segment assets	1,11,08,80,647	40,308,699	<b>1,151,189,346</b>	<b>1,151,189,346</b>	1,136,564,934
Unallocable assets					
<b>Total assets</b>	<b>1,096,256,235</b>	<b>40,308,699</b>	<b>1,136,564,934</b>	<b>1,136,564,934</b>	<b>1,136,564,934</b>
<b>4. Segment liabilities</b>	<b>56,45,68,427</b>	<b>400,000</b>	<b>56,49,68,427</b>	<b>56,49,68,427</b>	<b>565,993,196</b>
Unallocable liabilities					-
<b>Total liabilities</b>	<b>56,45,68,427</b>	<b>400,000</b>	<b>56,49,68,427</b>	<b>56,49,68,427</b>	<b>565,993,196</b>
<b>5. Capital expenditure</b>					-
Unallocable capital expenditure					-
<b>Total capital expenditure</b>					-

Particulars	Automobile	Solar	Total (Segments)	Total (Enterprise) 31-3-19	Total (Enterprise) 31-3-18
<b>6. Depreciation &amp; amortization</b>	12,396,090	-	12,396,090	12,396,090	10,606,309
Unallocable depreciation					
<b>Total depreciation &amp; amortization</b>	<b>12,396,090</b>	<b>-</b>	<b>12,396,090</b>	<b>12,396,090</b>	<b>10,606,309</b>

(n) **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).

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

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

(q) 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.

**BENARA BEARINGS & PISTONS LIMITED**

*Notes to the financial Statements for the Year Ended 31st March, 2019*

**CIN: U50300UP1990PLC012518**

- (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 has Exceptional Item of new product and new market Rs- 104.36 Lacs. The Said expenses shown as Exceptional items due to product is not viable, Salary and wages Rs 72.06 Lacs and travelling 32.28 lacs.

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

**Vivek Benara**  
Managing Director  
DIN No: 00204647

**Panna lal jain**  
Chairman  
DIN No: 00204869

**Mr. Vipin Jain**  
Chief Financial Officer

**Artee Sahu**  
Company Secretary

**Date : 30 May, 2019**

**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 31<sup>st</sup> 2019, 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 2019, 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.

## Key audit matters

S/no.	Key audit matters	How our audit addressed the key audit matter
1.	The Company has investments in Research and development of new product and new market Rs- 481.18 Lacs.  We identified this as a KAM considering:	Our audit procedures included, amongst others, the following: <ul style="list-style-type: none"><li>• Evaluating the Company's process for identifying the expenses as Research and development;</li><li>• reconciled input data to approved budgets and tested mathematical accuracy;</li><li>• Discussed management's strategic and operational plans for the foreseeable future.</li></ul>
2.	The Company has Exceptional Item of new product and new market Rs- 104.36 Lacs. The Said expenses shown as Exceptional items	Our audit procedures included, amongst others, the following: <ul style="list-style-type: none"><li>• Evaluating the Company's process for identifying the expenses indicators of exceptional item;</li><li>• reconciled input data to approved budgets and tested mathematical accuracy;</li><li>• Discussed management's strategic and operational plans for the foreseeable future.</li></ul>

## 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 2019 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 2019 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 2019 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: 30<sup>th</sup> May 2019

## **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, 2019 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 : 30 May , 2019**

**Place : Agra**

# BENARA BEARINGS & PISTONS LIMITED

CIN: U50300UP1990PLC012518

Consolidated Balance Sheet as at 31st March, 2019

(Currency : INR)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	177,072,880	177,072,880
(b) Reserves and Surplus	2	413,894,445	401,979,045
(c) Share Application money pending allotment			
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	170,303,301	148,409,199
(b) long term provision	4	10,291,277	9,247,391
<b>(3) Current Liabilities</b>			
(a) ShortTerm Borrowings	5	227,771,322	234,527,654
(b) Trade Payables	6	145,645,525	326,447,498
(c) Other Current Liabilities	7	28,058,587	30,485,459
(d) Short-term Provisions	8	14,658,156	27,798,824
<b>TOTAL</b>		<b>1,187,695,492</b>	<b>1,355,967,950</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	73,044,676	37,825,950
intangible Assets		62,496,462	
(ii) Advance against Property	9	60,742,321	60,018,475
		196,283,458	97,844,425
(b) Non-Current Investments	10	3,166,670	3,000,000
(c) Deferred tax Assets (net)	11	4,785,307	7,595,360
(d) Long-term loans and advances	12	94,222,816	2,967,382
		-	-
<b>(2) Current Assets</b>			
(a) Inventories	13	363,598,489	356,362,469
(b) Trade receivables	14	479,322,674	498,428,483
(c) Cash and cash equivalents	15	7,234,239	346,049,244
(d) Short-term loans and advances	16	31,282,175	30,910,279
(e) Other current assets	17	7,799,663	12,810,309
<b>TOTAL</b>		<b>1,187,695,492</b>	<b>1,355,967,950</b>

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 : 30 May, 2019  
Place : Agra

**Chairman**  
(Panna Lal Jain)  
DIN No: 00204869

**Vivek Benara**  
Managing Director  
DIN No: 00204647

**Mr. Vipin Jain**  
Chief Financial Officer  
Date : 30 May, 2019  
Place : Agra

**Artee Sahu**  
Company Secretary



# BENARA BEARINGS & PISTONS LIMITED

CIN: U50300UP1990PLC012518

## Consolidated Profit & Loss Statement for the year ended 31st March, 2019

Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>I Income</b>			
Revenue from Operations	18	1,153,491,606	1,454,236,949
Changes in Inventories	19	13,605,542	152,071,400
Other Incomes	20	23,599,663	1,688,095
<b>Total Revenue</b>		<b>1,190,696,812</b>	<b>1,607,996,444</b>
<b>II Expenses:</b>			
Cost of Manufacturing & Others	21	1,018,787,312	1,416,021,136
Employee Benefit Expenses	22	33,003,437	36,688,420
Administration & Other Expenses	23	31,464,478	33,884,204
Finance Cost	24	36,760,226	36,513,433
Depreciation and amortization expenses	9	16,077,991	10,691,265
<b>Total Expenses</b>		<b>1,136,093,444</b>	<b>1,533,798,458</b>
III Profit before exceptional and extraordinary Items and Tax (I - II)		54,603,368	74,197,987
IV Prior Period Items		-	-
V Exceptional items		10,435,437	-
VI Profit before Extraordinary Items and Tax (III -IV-V)		44,167,931	74,197,987
VII Extra Ordinary Items		-	-
VIII Profit before Tax (VI - VII)		44,167,931	74,197,987
IX Tax Expense:			
(1) Current tax		11,119,183	23,465,500
(2) Deferred Tax		2,810,053	(995,229)
(3) Previous Year Tax		(7,541,610)	-
XI Profit/ (Loss) for the period from Continuing Operations (VIII - IX - X)		37,780,304	51,727,716
XI Profit/Loss from Discontinuing Operations		-	-
XII Tax Expense of Discontinuing Operations		-	-
XIII Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)		37,780,304	51,727,716
XII Profit/ (Loss) for the Period		37,780,304	51,727,716
<b>See accompanying notes to the financial statements</b>	<b>24</b>		

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 : 30 May, 2019  
Place : Agra

**Chairman**  
(Panna Lal Jain)  
DIN No: 00204869

**Director**  
(Vivek Benara)  
DIN No: 00204647

**Mr. Vipin Jain**  
Chief Financial Officer  
Date : 30 May, 2019  
Place : Agra

**Artee Sahu**  
Company Secretary

**BENARA BEARINGS & PISTONS LIMITED**  
**CIN : U50300UP1990PLC012518**  
**Consolidated Cash Flow statement for the year ended 31 March , 2019**

Particulars	(Currency : INR)	
	As at 31st March, 2019	As at 31st March, 2018
<b>A. Cash flow from operating activities</b>		
<b>Profit / (loss) before tax</b>	44,167,931	74,197,987
<i>Adjustments for:</i>		
Depreciation and amortisation	16,077,991	10,691,265
Loss / (Profit) on sale of fixed assets (net)	-	(750,790)
Finance costs	36,760,226	36,513,433
Interest income	(392,129)	(1,026,359)
Rental income from investment properties	-	-
Unrealised foreign exchange (gain) (net)	(3,412,534)	89,054
Operating profit / (loss) before working capital changes	93,201,484	119,714,589
<b>Changes in working capital:</b>		
Decrease / (increase) in Inventories	(7,236,021)	(70,617,546)
Decrease / (increase) in trade receivables	19,105,808	(305,186,074)
Decrease / (increase) in Short-term loans and advances	(371,896)	10,969,434
Decrease / (increase) in Other current assets	5,010,646	
(Decrease) / increase in Trade payables	(180,801,973)	280,399,621
(Decrease) / increase in Other current liabilities	(2,426,872)	14,689,710
(Decrease) / increase in Provisions	(1,013,069)	(29,110,769)
	(74,531,893)	20,858,965
Cash flow from extraordinary items	(25,864,904)	(49,000)
Cash generated from operations	(100,396,797)	20,809,965
Income taxes (paid) / refunded	(15,705,164)	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(116,101,961)</b>	<b>20,809,965</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(114,520,251)	(43,612,468)
Proceeds from sale of fixed assets	3,221	1,819,123
Purchase of long-term investments	(166,670)	(5,146,703)
Advances given against Joint venture	-	-
Loans Given -		
- Associates	(91,810,001)	-
- others	554,565	(421,435)
Interest Income	392,129	1,026,359
Effect of exchange differences on restatement of foreign currency	3,412,534	(89,054)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(202,134,473)</b>	<b>(46,424,178)</b>

**BENARA BEARINGS & PISTONS LIMITED**  
**Consolidated Cash Flow statement for the year ended 31 March , 2019**  
**CIN : U50300UP1990PLC012518**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	334,908,000
Proceeds & Repayment of long-term borrowings	19,695,455	
<u>Net increase / (decrease) in working capital borrowings :</u>		
Proceeds & Repayment of other short-term borrowings	(6,756,332)	36,131,659
Finance cost	(36,760,227)	(36,513,433)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(23,821,104)</b>	<b>334,526,226</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		
Cash and cash equivalents at the beginning of the year	345,879,243	36,967,229
<b>Cash and cash equivalents at the end of the year</b>	<b>7,234,239</b>	<b>345,879,243</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
(a) Cash on hand	3,050,007	996,335
(b) Balances with banks		
(i) In current accounts	(838,141)	337,829,893
(ii) In deposit accounts	5,022,374	7,053,016
<b>Cash and cash equivalents at the end of the year</b>	<b>7,234,239</b>	<b>345,879,244</b>
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 Nitesh Agrawal**  
**(Partner)**  
**M R N : 406155**  
**Date : 30 May, 2019**  
**Place : Agra**

<b>Chairman</b>	<b>Director</b>
<b>(Panna Lal Jain)</b>	<b>(Vivek Benara)</b>
<b>DIN No: 00204869</b>	<b>DIN No: 00204647</b>

<b>Mr. Vipin Jain</b>	<b>Artee Sahu</b>
Chief Financial Officer	Company Secretary
<b>Date : 30 May, 2019</b>	
<b>Place : Agra</b>	

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31 March 2019	As at 31 March 2018
<b>NOTE # 1</b>		
<b><u>Share Capital</u></b>		
<b>Authorised Capital</b>		
2,00,00,000 equity shares of Rs. 10/- each (March 31, 2018: 36,00,000 of Rs. 10 each)	200,000,000	36,000,000
<b>Issued, Subscribed and Paid up</b>		
17707288 equity shares of Rs. 10/- each fully paid up (March 31, 2018: 30,97,822 of Rs. 10 each)	177,072,880	30,978,220
	<b>177,072,880</b>	<b>30,978,220</b>

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

	As at 31.03.2019		As at 31.03.2018	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	17,707,288	177,072,880	3,097,822	30,978,220
Add:- Bonus shares			9,293,466	92,934,660
Add : Shares issued during the year			5,316,000	53,160,000
At the end of the year	<b>17,707,288</b>	<b>177,072,880</b>	<b>17,707,288</b>	<b>177,072,880</b>

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 31.03.2019		As at 31.03.2018	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Smt. Sarla Jain	671,241	19.73%	671,241	19.73%
Skymark Leasing & Fin. Ltd.	545,000	17.59%	545,000	17.59%
Sri Panna Lal Jain	506,213	16.34%	506,213	16.34%
Sri Vivek Benara	484,753	15.65%	484,753	15.65%
Smt. Ketaki Benara	411,763	13.29%	411,763	13.29%
Panna Lal Jain HUF	155,990	5.04%	155,990	5.04%

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 2</b>		
<b><u>Reserves and Surplus</u></b>		
<b>(i) Security Premium Reserve</b>		
Opening Balance	281,748,000	86,887,380
Add : Received during the year	-	281,748,000
Less:- primary exp	25,864,904	(86,887,380)
Closing Balance	<b>255,883,096</b>	<b>281,748,000</b>
<b>(iii) Profit &amp; Loss A/c</b>		
Opening Balance	120,231,045	78,799,505
Add: Transferred from statement of Profit and Loss	37,780,304	51,727,716
Add:- P&L utilised for goodwill w/off	-	(4,248,896)
Less : Bonus Issue	-	(6,047,280)
Closing Balance	<b>158,011,349</b>	<b>120,231,045</b>
<b>Total ( i + ii + iii)</b>	<b>413,894,445</b>	<b>401,979,045</b>

**NOTE # 3**

**Long-Term Borrowings**

**(i) Secured**

Loan From Banks & Financial Institutions

(b) Loan against Property	26,744,313	71,786,265
(c) Other Term Loans	17,157,567	17,516,354
Less : Current maturities repayable in one year for (a + b + c)	(19,901,214)	(7,294,513)
	<b>24,000,666</b>	<b>82,008,106</b>

**(ii) Unsecured**

(d) Inter Corporate Loans and advances	23,953,167	31,559,178
(e) Loans and advances from Directors	98,026,628	20,077,445
(f) Business Loan from Banks & NBFC	24,322,840	23,889,587
Less : Current maturities repayable in one year for (f)	-	(9,125,116)
	<b>146,302,635</b>	<b>66,401,094</b>

**Total (i)+(ii)**

	<b>170,303,301</b>	<b>148,409,199</b>
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**(1) Secured Loan from Banks and NBFC Loan against Property**

(a) Term Loan 1 are taken from DHFL having interest Rate 10.25% is payable in 174 installments and secured by mortgage of Immovable property of Benara International Pvt. Ltd. situated at Kh No. 66012, Mauza, Artoni, NH-2, Agra. Rs 234.89 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 32.56 Lacs

**(2) Other Term Loans**

Axis Bank Car Loan (Nissan Terrano) having interest Rate 10.40% is payable in 5 installment .0.93 Lacs  
Volkswagen Finance (P) Ltd. having interest rate 9.75% is payable in 21 installment secured by jagaur car Rs 15.55 lacs  
HDFC BANK having interest rate 8.30% is payable in 61 installment secured by jagaur car 54.67 lacs  
Hdfc Bank Ltd having interest Rate 9% is payable in 37 installment and secured by Nissan Terrano Rs 7.75 lacs  
Icici Bank Ltd having interest Rate is 8.5% and secured by New Mercedes Rs 43.02 lacs  
ICICI having interst rate 8.5% is payable in 26 installment and secured by NEW INNOVA Rs 13.24 Lacs  
Hdfc Bank Ltd having interest Rate 9% is payable in 26 installment Rs 6.98 lacs  
Icici Bank Ltd having interest Rate is 9.35% is payable in 56 installment and secured by Innova Rs 14.05 Lacs  
Icici Bank Ltd having interest Rate is 8.75% is payable in 54 installment and secured by Innova rs 15.38 lacs

**(3) Business Loan from Banks & NBFC**

DEUTSCHE BANK having interest Rate is 16.849% is payable in 18 installment  
INDIA BULL FINANCE LTD. having interest Rate is 18% is payable in 18 installment  
MAGMA FINANCE CORP LTD having interest Rate is 16.50% is payable in 13 installment  
Bajaj Finance Ltd having interest Rate is 15.89% is payable in 16 installment  
Edelwess Retail Finance having interest Rate is 16.64% is payable in 14 installment  
Tata Capital Business Loan having interest Rate is 16.20% is payable in 15 installment  
HDFC BUSINESS LOAN having interest Rate is 16.00% is payable in 26 installment  
VISU LEASING & FINANCE having interest Rate is 18.00% is payable in 5 installment  
icici Business loan having interest Rate is 16.50% is payable in 30 installment  
India Infoline finance limited having interest Rate is 18% is payable in 29 installment

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 4</b>		
<b><u>Long-Term Provisions</u></b>		
(a) Provision for Employee Benefits	10,291,277	9,247,391
	<b>10,291,277</b>	<b>9,247,391</b>
<b>NOTE # 5</b>		
<b>Short Term Borrowings Secured</b>		
Cash credit from bank	227,771,322	234,527,652
	<b>227,771,322</b>	<b>234,527,652</b>
(a) Cash credit from Axis Bank is primarily secured by hypothecation of Current assets of the Company.		
(b) Credit from National Small Industries Corporation Ltd. is under Raw material Assistance scheme and is secured against Bank		
<b>NOTE # 6</b>		
Trade Payables	145,645,525	326,447,498
	<b>145,645,525</b>	<b>326,447,498</b>
<b>NOTE # 7</b>		
<b><u>Other Current Liabilities</u></b>		
(a) Statutory Remittances	905,232	2,295,750
(b) Expenses Payable	5,757,860	7,240,798
(d) Security deposit received	1,494,281	1,529,281
(e) Current maturities of Long term borrowings	19,901,214	16,419,630
(f) other Advances	-	3,000,000
	<b>28,058,587</b>	<b>30,485,459</b>
<b>NOTE # 8</b>		
<b><u>Short-Term Provisions</u></b>		
(a) Provision for Employee Benefits	3,037,760	4,227,074
(b) Provision for Tax	11,119,183	23,465,500
(c) Provision - Expenses	501,212	106,250
	<b>14,658,156</b>	<b>27,798,824</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 10</b>		
<b><u>Non-Current Investments</u></b>		
<b>Investment In Equity Instruments (Unquoted)</b>		
(ii) Chirag Silk Mills Pvt Ltd		
2,000 (P.Y. - 2000) Equity Shares of Rs. 10/- each@ 250 per share (fully Paid Up)	500,000	500,000
Investment in Alternate Investment Fund	2,500,000	2,500,000
Investment in other companies	166,670	
	<b>3,166,670</b>	<b>3,000,000</b>
<b>NOTE # 11</b>		
<b><u>Deferred tax Assets</u></b>		
Deferred tax adjustments recognised in the financial statements are as under -	-	
Deferred tax Assets as at the beginning of the year	7,595,360	6,600,131
Liability / (Asset) arising during the year	(2,810,053)	995,229
Deferred tax Assets as at the end of the year	<b>4,785,307</b>	<b>7,595,360</b>
<b>NOTE # 12</b>		
<b>Long-Term Loans and Advances (Unsecured, Considered Good)</b>		
(a) Sundry Deposits	2,412,816	2,967,382
(b) Inter Corporate Loans & Advances	91,810,000	-
	<b>94,222,816</b>	<b>2,967,382</b>
(a) It is Loan to wholly owned Subsidiary Company Benara Solar Private Limited, receivable after 31 march 2019		
<b>NOTE # 12</b>		
<b><u>Inventories</u></b>		
(As taken, valued & certified by management)		
Raw Material	4,918,856	11,281,922
Work-in-Progress	48,518,994	45,449,978
Finished Goods	309,157,320	299,498,409
Others	1,003,319	132,160
	<b>363,598,489</b>	<b>356,362,469</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	As at 31st March, 2019	As at 31 March 2018
<b>NOTE # 13</b>		
<b><u>Trade Receivables</u></b>		
<b><u>Unsecured, Considered Good</u></b>		
- Outstanding for a period exceeding six months	164,060,496	59,213,160
- Others	315,262,180	439,215,323
	<b>479,322,676</b>	<b>498,428,483</b>
<b>NOTE # 14</b>		
<b><u>Cash and Cash Equivalents</u></b>		
(a) Balance with Banks		
(i) In current accounts	(838,141)	337,829,893
(ii) In deposit accounts*	5,022,374	7,223,016
(b) Cash in Hand	3,050,007	996,335
	-	
	<b>7,234,239</b>	<b>346,049,244</b>
<b>NOTE # 15</b>		
<b><u>Short-Term Loans and Advances</u></b>		
<b>(Unsecured, Considered Good)</b>		
(a) Advances (receivable in cash or in Kind or for value to be received)	8,743,680	11,050,601
(b) Advances to Suppliers	280,000	280,000
(c) Prepaid Expenses	1,735,224	779,330
(d) Balances with govt. / semi-govt. authorities	20,523,271	18,800,349
	<b>31,282,175</b>	<b>30,910,280</b>
<b>NOTE # 16</b>		
<b><u>Other Current Assets</u></b>		
Other Receivables	7,799,663	7,909,798
Preliminary Expenses (IPO)	-	4,900,511
	<b>7,799,663</b>	<b>12,810,309</b>



**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31 March 2018
<b>NOTE # 17</b>		
<b>Revenue From Operations - Automobile Including VAT/GST</b>		
Domestic Sales including trading sale	1,153,491,606	1,448,322,740
Less : Net Excise Duty		5,914,209
(A)	<b>1,153,491,606</b>	<b>1,454,236,949</b>
<b>NOTE # 18</b>		
<b>Changes in Inventories</b>		
<b>(a) Closing Stock</b>		
Finished goods *	309,157,320	299,498,409
Work-in-Progress	48,518,994	45,449,978
Others	1,003,319	
	<u>358,679,633</u>	<u>344,948,387</u>
<b>(b) opening Stock</b>		
Finished goods *	299,498,409	170,592,271
Work-in-Progress	45,443,492	22,284,716
Others	132,190	
	<u>345,074,091</u>	<u>192,876,987</u>
(a) - (b)	<b>13,605,542</b>	<b>152,071,400</b>
<b>* Finished goods includes Trading Stock</b>		
<b>NOTE # 19</b>		
<b>Other Incomes</b>		
(A) Interest Income	392,129	1,026,359
(B) Other Non-Operating Income	23,207,534	661,736
	<u>23,599,663</u>	<u>1,688,095</u>
<b>NOTE # 20</b>		
<b>Cost of Manufacturing &amp; Others</b>		
<b>(i) Cost of Raw Material Consumed</b>		
Opening stock of raw materials	11,281,922	92,639,245
Add: Cost of Purchases including VAT/GST	244,639,235	135,341,221
Less: Closing stock of raw materials	4,918,856	11,281,922
	<u>251,002,301</u>	<u>216,698,544</u>
<b>(ii) Manufacturing Expenses</b>		
Consumption of stores and spare parts	5,342,171	3,382,782
Packing Material consumed	9,916,681	5,333,959
Electricity Expenses	10,552,361	9,953,993
Wages & Salaries - Factory	16,484,891	24,934,054
Job Work charges	-	2,085,877
VAT / GST (NET)(discount 1 and 2)	31,747,363	-
<b>(iii) Purchases</b>		
VAT / GST (NET)(discount 1 and 2)	35,246,988	6,286,603
FRIGHT	2,354,939	
	<u>725,488,907</u>	<u>1,153,631,927</u>
<b>Total ( i + ii+ iii)</b>	<b>1,018,787,312</b>	<b>1,416,021,136</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31st March, 2019

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31 March 2018
<b>NOTE # 21</b>		
<b>Employee Benefit Expenses</b>		
(a) Salaries and other Allowances	26,350,591	31,300,201
(b) Contribution to provident and other funds	4,928,469	4,342,588
(c) Staff Welfare expenses	1,724,377	1,045,631
	-	
	<b>33,003,437</b>	<b>36,688,420</b>
<b>NOTE # 22</b>		
<b>Administration &amp; Other Expenses</b>		
<u>Auditors' Remuneration</u>		
Audit Fees	309,500	134,500
Out of Pocket Expenses	22,865	320,690
Bad debts	-	8,032
Electricity Expenses	1,644,964	2,863,854
Postage & Courier Expenses	137,087	291,152
Printing & Stationery	581,055	257,349
Professional & Legal Charges	3,643,838	4,156,101
Preliminary expenses	-	1,225,127
Rates & Taxes	146,603	58,752
Rebate & Discount	1,328,682	89,766
Repairs & Maintenance - Machinery	161,511	177,352
Repairs & Maintenance Building	19,280	14,746
Repairs & Maintenance Others	628,900	409,810
Sales Commission	328,703	105,263
Selling & Distribution	11,042,034	14,495,570
Telephone Expenses	332,568	442,731
Travelling Expenses	1,725,798	489,689
Travelling Expenses -Foreign	1,004,311	1,173,460
	<b>31,464,478</b>	<b>33,884,204</b>
<b>NOTE # 23</b>		
<b>Finance Cost</b>		
(a) Interest expenses	36,750,732	33,362,467
(b) Financial Charges	9,494	3,150,966
	<b>36,760,226</b>	<b>36,513,433</b>

**BENARA BEARINGS & PISTONS LIMITED**  
Notes to the financial Statements for the year ended 31 March 2019

**Note # 9**  
**FIXED ASSETS**

(i)	PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		AS AT 1-4-2018	ADDITIONS	SALE	AS AT 31/03/2019	AS AT 1-4-2018	FOR THE YEAR	SALE	AS AT 31/03/2019	AS AT 31/03/2019	AS AT 31/03/2018
	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	63,49,667	1,69,846	-	65,19,513	25,09,079	26,78,925
	Plant & Machinery	4,77,40,065	-	-	4,77,40,065	3,84,29,390	17,79,496	-	4,02,08,886	75,31,179	93,10,675
	Inspection & quality control equipments	36,03,010	-	-	36,03,010	34,21,951	11,099	-	34,33,050	1,69,960	1,81,059
	Electric Fittings	17,94,406	-	-	17,94,406	17,10,703	3,770	-	17,14,473	79,933	83,703
	Tools & Dies	1,13,84,271	4,34,50,535	-	5,48,34,806	97,86,540	38,62,934	-	1,36,49,474	4,11,85,332	15,97,731
	Office Equipment	36,29,160	4,33,938	3,221	40,59,877	31,40,190	2,52,129	-	33,92,319	6,67,558	4,88,970
	Computer	13,38,925	1,93,991	-	15,32,916	12,56,267	90,130	-	13,46,397	1,86,519	82,658
	Furniture & Fixture	48,69,839	-	-	48,69,839	34,31,646	3,70,077	-	38,01,723	10,68,115	14,38,193
	Vehicles	4,57,33,170	36,26,796	-	4,93,59,966	2,82,87,009	59,43,828	-	3,42,30,837	1,51,29,127	1,74,46,161
	Reaserch & Development		6,60,91,144	-	6,60,91,144		35,94,682	-	35,94,682	6,24,96,460	
(ii)	Advance against Property*	6,00,18,475	7,23,847	-	6,07,42,322	-	-	-	-	6,07,42,322	6,00,18,475
	<b>TOTAL</b>	<b>19,36,57,787</b>	<b>11,45,20,251</b>	<b>3,221</b>	<b>30,81,74,817</b>	<b>9,58,13,362</b>	<b>1,60,77,992</b>	<b>-</b>	<b>11,18,91,354</b>	<b>19,62,83,458</b>	<b>9,78,44,425</b>
	<b>PREVIOUS YEAR</b>										

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

**NOTE # 25**

**I. COMPANY OVERVIEW**

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

**Components of the Group**

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

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>Holding %</b>
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.

**The Company has investments in Research and development of new product and new market Rs- 481.18 Lacs.**

Particulars	R & D
Purchase	444.30
electricity expenses	14.39
Wages	22.49
<b>Total</b>	<b>481.18</b>

**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.

**During the company incurred cost in Research and development of new product and market. 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 sales taxes and net of Central Excise duty and 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.



**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**

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 2019.

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**

**Additional information pursuant to the provisions of the Companies Act, 2013 to the extent applicable –**

**(a) Cost of Raw Material Consumed**

Particulars	(Rs.)	
	2018 -19	2017 -18
Opening stock of raw materials	1,12,81,922	92,639,245
Add: Cost of Purchases	24,46,39,235	135,341,221
Less: Closing stock of raw materials	49,18,856	11,281,922
<b>Cost Of Goods sold</b>	<b>25,10,02,301</b>	<b>216,698,544</b>

**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	2018-19	2017-2018
Raw material / Semi Finished Goods	35,80,413	5,886,021
Finished goods	87,54,493	14,933,963
<b>Total</b>	<b>12,334,906</b>	<b>40,076,124</b>

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

Particulars	2018-19		2017-18	
	Value	% of total Consumption	Value	% of total Consumption
<b>Raw materials</b>				
Imported	35,80,413	1.43%	5,886,021	2.72%
Indigenous	2,47,421,888	98.57%	210,812,523	97.28%

**BENARA BEARINGS & PISTONS LIMITED**

*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

<b>Total</b>	<b>2,51,002,301</b>	<b>100%</b>	<b>216,698,544</b>	<b>100%</b>
<b>PACKING MATARIAL</b>				
Imported	-	0%	-	0%
Indigenous	99,16,681	100%	5,333,959	100%
<b>Total</b>	<b>99,16,681</b>	<b>100%</b>	<b>5,333,959</b>	<b>100%</b>
<b>STORE &amp; SPARES</b>				
Imported	-	0%	-	0%
Indigenous	53,42,171	100%	3,382,782	100%
<b>Total</b>	<b>53,42,171</b>	<b>100%</b>	<b>3,382,782</b>	<b>100%</b>

**(d) Expenditure in foreign currency**

Particulars	31.03.2019	31.03.2018
Travelling	10,04,311	2,06,630
<b>Total</b>	<b>2,06,630</b>	<b>25,34,731</b>

**(e) Earnings in foreign currency**

Particulars	31.03.2018	31.03.2017
Exports on FOB basis	20,218,921	11,145,090
Other Matters	-	-
<b>Total</b>	<b>20,218,921</b>	<b>11,145,090</b>

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

Particulars	31.03.2019	31.03.2018
Provident Fund and Employees Pension Scheme	3,090,974	2,936,446
Labour Welfare Fund	513,499	200,687
ESIC	1,323,996	1,205,455
<b>Total</b>	<b>4,928,469</b>	<b>4,342,588</b>

**(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	2018-19	2017-18
<b>1. The amounts recognized in the Balance Sheet are as follows: -</b>		
Present value of the obligation at the end of the period	99,72,396	106,04,760
Fair Value of the plan assets at the end of the period	-	-
Net Liability/(asset) recognized in the	99,72,396	106,04,760

**BENARA BEARINGS & PISTONS LIMITED**

*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

Balance Sheet and related analysis		
Funded Status	(99,72,396)	(106,04,760)
Best estimate for contribution during next period	12,45,899	12,35,496

<b>2. Current Liability</b>		
Current Liability (Short Term)*	6,90,737	13,57,369
Non Current Liability (Long Term)	92,81,659	92,47,391
Total Liability	99,72,396	1,06,04,760

<b>3. The amount recognized in the Profit and Loss A/c are as follows</b>		
Current Service Cost	10,37,915	10,54,398
Interest cost	8,21,869	7,45,740
Net Actuarial (gain)/ loss recognized in the period	(17,63,139)	(6,17,139)
Expenses to be recognized in the statement of profit and loss accounts	96,645	11,82,999

<b>4. Changes in the present value of defined benefit obligation</b>		
Defined Benefit obligation at the beginning of the period	1,06,04,760	96,22,448
Interest cost	8,21,869	7,45,740
Current Service Cost	10,37,915	10,54,398
Benefits paid (if any)	(7,29,009)	(2,00,687)
Actuarial (gain)/ loss	(17,63,139)	(6,17,139 )
Defined Benefit obligation at the end of the period	99,72,396	1,06,04,760

<b>Benefit Description</b>	-	
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	31.03.2019	31.03.2018
(i) Profit / (Loss) after Tax	37,780,304	51,727,716
(ii) Weighted average number of equity shares outstanding	12,397,120	12,397,120
Earnings Per Share of Rs. 10/- each <span style="float: right;">(i) / (ii)</span>	3.05	4.17

<b>Basic and Diluted Earning per share ( inRs.)</b>	3.05	<b>4.17</b>
-----------------------------------------------------	------	-------------

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

**Related party disclosures**

<b>Name of the parties</b>	<b>Relationships</b>
<b>With companies under the same management</b>	(i) Benara International Pvt. Ltd. (ii) Four Square Retail Pvt. Ltd.
<b>Key Management Personnel</b>	
Managing Director -	Mr. Panna Lal Jain
Directors of the Company -	Mrs. Ketaki Benara Mrs. Sarla Jain Mr. Vivek Benara
<b>Joint Venture</b>	With M/S easy Photovoltech Pvt. Ltd
<b>Related parties where significant influence exists and with whom transactions have taken place during the year</b>	(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:**

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
<b>Remuneration to Key Managerial Personnel</b>	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	900,000
<b>Sale of Goods</b>	Benara Bi Metals Pvt Ltd	28,52,119	715,789
	Benara Engine & Spares Ltd	98,973,483	44,593,698
	Vinay Iron foundry	1,67,12,828	1,748,856
<b>'Purchase of Goods</b>	Benara Industries, Agra	35,57,401	-
	Benara Bi-Metal Pvt. Ltd	32,92,115	111,038
	Vinay Iron Foundry	7,23,36,883	29,548,616
	Benara Engine & Spares Ltd	3,77,47,614	152,225,774
<b>Job Work</b>	Vinay Iron foundry	-	2,085,,877
<b>Interest</b>	skymark leasing & finance Ltd	2,64,738	275,705

**BENARA BEARINGS & PISTONS LIMITED**
*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
<b>Loans &amp; advances Taken</b>	Panna Lal Jain	3,91,33,600	13,282,500
	Mrs. Ketaki Benara	65,90,000	3,510,000
	Mrs. Sarla Jain	66,62,000	11,00,000
	Vivek Benara	3,71,05,000	16,651,020
	Benara infrastructure Dev. P. ltd	-	3470662
	Vivek Benara (HUF)	-	-
	Panna Lal Jain (HUF)	-	-
	Benara International Pvt. Ltd.	15,63,87,836	78,675,408
<b>Loans/ advances repaid</b>	Mr. Panna Lal Jain	2,61,24,382	12,917,500
	Mrs. Ketaki Benara	60,27,860	16,188,298
	Mrs. Sarla Jain	68,50,620	6,220,289
	Mr. Vivek Benara	3,10,18,270	161,88,298
	Benara International Pvt. Ltd.	9,31,72,291	78,345,940
	Skymark leasing & finance limited	171,093	115,396
	Benara Infrastructure Dev.P.Ltd	17,09,516	-

<b>Nature of Transaction</b>	<b>Name of Related Party</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
Creditors	Benara Infrastructure Development Private Limited	-	1,709,516
Debtors	Benara Engine & Spares Limited	24,354,039	41,82,833
Creditors	Benara Bi-Metal Private Limited	3,00,425	-
Unsecured Loan	Mr. Panna Lal Jain	1,85,15,437	5506,219
Unsecured Loan	Mrs. Sarla Jain	2,04,372	392,953
Unsecured Loan	Mr. Vivek Benara	39,43,231	18,62,877
Unsecured Loan	Mrs. Ketaki Benara	9,17,729	355,589
Unsecured Loan	Skymark Leasing & Finance Limited	61,65,075	3,271,429

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

<b>Particulars</b>	<b>2018-19</b>	<b>2017-2018</b>
Remuneration to Directors	31,00,000	28,75,000
Payment to Auditors	3,09,500	1,34,500

**BENARA BEARINGS & PISTONS LIMITED**

*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

(l) **Contingent liabilities and Commitments**

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

Particulars	2018-19	2017-18
Outstanding demand of Income taxes related to earlier previous years that may arise in respect of which the Company is in appeal.	68,76,591	33,97,550
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	36,97,113

(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)	Total (Enterprise)
<b>1. Segment Revenue</b>						
(a) External	1,14,33,47,868	5,32,62,800	76,97,598	1,20,43,08,266	1,20,43,08,266	1,45,243,949
(b) Inter-segment Sales	(72,16,660)	(4,36,00,000)	-	(5,08,16,660)	(5,08,16,660)	(7000)
(c) Total Revenue	<b>1,13,61,31,208</b>	<b>96,62,800</b>	<b>76,97,598</b>	<b>1,15,34,91,606</b>	<b>1,15,34,91,606</b>	<b>1,45,236,949</b>
<b>2. Segment Result (Profit/(Loss))</b>						
Segment results	9,28,22,045	(35,93,683)	(4,95,477)	8,87,32,885	8,87,32,885	110,711,420
Unallocable income/ (Expenses)	(1,04,35,437)		-	(1,04,35,437)	(1,04,35,437)	
Operating profit	8,23,86,608	(35,93,683)	(4,95,477)	7,82,97,448	7,82,97,448	110,711,420
Interest expenses	3,41,29,520	-	-	3,41,29,520	3,41,29,520	36,513,433
Income taxes	67,43,093	(3,55,466)	-	63,87,627	63,87,627	22,470,271
Profit from ordinary activities	4,15,13,995	(32,38,217)	(4,95,477)	3,77,80,301	3,77,80,301	51,727,716
<b>Net profit</b>	<b>4,15,13,995</b>	<b>(32,38,217)</b>	<b>(4,95,477)</b>	<b>3,77,80,301</b>	<b>3,77,80,301</b>	<b>51,727,716</b>

Particulars	Automobile	Solar	Trading in cloth material	Total (Segments)	Total (Enterprise 2018-19)	Total (Enterprise 2017-18)
<b>3. Other information</b>						
Segment assets	1,096,256,235	8,93,99,721	30,46,925	1,18,87,02,881	1,18,87,02,881	1,355,967,398
Unallocable assets						
<b>Total assets</b>	<b>1,096,256,235</b>	<b>8,93,99,721</b>	<b>30,46,925</b>	<b>1,391,682,812</b>	<b>1,391,682,812</b>	<b>1,355,967,398</b>
<b>4. Segment liabilities</b>	472,761,733	8,72,81,942	3,18,760	56,03,62,435	56,03,62,435	776,916,025
Unallocable liabilities						-

**BENARA BEARINGS & PISTONS LIMITED**

*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

<b>Total liabilities</b>	<b>472,761,733</b>	<b>8,72,81,942</b>	<b>3,18,760</b>	<b>56,03,62,435</b>	<b>56,03,62,435</b>	<b>776,916,025</b>
<b>5. Capital expenditure</b>						-
Unallocable capital expenditure						-
<b>Total capital expenditure</b>						-
<b>6. Depreciation &amp; amortisation</b>						
	12,396,090	36,81,903	-	1,60,77,991	1,60,77,991	10,776,,221
Unallocable depreciation						-
<b>Total depreciation &amp; Amorisation</b>	<b>12,396,090</b>	<b>36,81,903</b>		<b>1,60,77,991</b>	<b>1,60,77,991</b>	<b>10,776,,221</b>

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

S. No.	Name of the Companies	Share in Profit/ (Loss) 31.Mar.19		Share in Profit/ (Loss) 31.Mar.18	
		Amount	As % Consolidated Profit / (Loss)	Amount	As % Consolidated Profit / (Loss)
1	<b>PARENT</b> Benara Bearings & Pistons Limited	4,15,13,995	109.88%	35,531,346	68.69%
2	<b>SUBSIDIRY</b> Securitrans Trading Private Limited	(4,95,477)	(1.30%)	2,269,161	4.39%
3	Benara Solar Private Limited	(32,38,217)	(8.58%)	13,927,210	26.92%
	<b>Total</b>	<b>3,77,80,304</b>	<b>100.00%</b>	<b>51,727,717</b>	<b>100.00%</b>
	Consolidation Adjustment	-	-	-	-
	<b>Total Net Assets</b>	<b>51,727,717</b>	<b>100.00%</b>	<b>44,856,178</b>	<b>100.00%</b>

**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).

- (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.



**BENARA BEARINGS & PISTONS LIMITED**

*Consolidated Notes to the financial Statements for the Year Ended 31 March, 2019*

- (r) 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.
- (s) All items of receipts and payments, Income & Expenditure wherever details, vouchers, supporting and or any sort of evidences not available are hereby approved confirmed, authenticated and certified by the management.
- (t) The Company has Exceptional Item of new product and new market Rs- 104.36 Lacs. The Said expenses shown as Exceptional items due to product is not viable., Salary and wages Rs 72.06 Lacs and travelling 32.28 lacs.

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

**Vivek Benara**  
Managing Director  
DIN No: 00204647

**Panna lal Jain**  
Chairman  
DIN No: 204749

**Mr. Vipin Jain**  
Chief Financial Officer

**Artee Sahu**  
Company Secretary

**Date : 30 May, 2019**

**Place : Agra**

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

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

