42nd Annual Report

ANNUAL REPORT 2021-22

BANARAS BEADS LIMITED

AN EXPORT HOUSE RECOGNISED BY GOVERNMENT OF INDIA

AN ISO CERTIFIED COMPANY

PIONEER OF GLASS BEADS AND FOUNDER OF ORGANIZATION

Late Kanhaiya Lal Gupta Ji

(1925-1992)

Dear Shareholders,

It is my privilege to report the Annual results for the F.Y. 2021-2022.

I am happy to state that in this financial year, the company has been able to increase revenue from operations and Profit after Tax by more than 22% in comparison of previous year despite the continued impact of Covid-19 pandemic. This is on account of continuous efforts of Management, support of US based large Customers (Chain Stores) and improvement in quality and punctuality in execution of orders by the company and team efforts of staff. We hope during incoming periods the turnover and profit both will be increase.

Your company is leading Exporter of Glass Beads, Handicrafts and its related items and having biggest market in US of its products. Normally the company procures its order by participating in International fares and personal meeting with Foreign Buyers, but due to Covid, it is not possible to attend fare/meetings with Buyers. Under these adverse circumstances the company started online meetings with Buyers by showing new developed items to procure orders, which gave good results.

We are in process to expand company business in developing, operating and maintaining industrial parks, logistic parks, warehouses, infrastructure projects; etc. keeping better opportunities.

I want to record my appreciation for co-operation and support provided by the directors, auditors, buyers, suppliers, bankers, artisans, employees and associates of the company in every field of your Company's activities.

With best wishes to all.

Ashok Kumar Gupta
Chairman & Managing Director

डॉ आलोक कुमार कानूनगो द्वारा लिखित किताब "Glass Craft in India' का विमोचन करते हुए (बाएं से) श्री अनिल त्रिपाठी - विधायक, मेडावल, माननीय राज्यपाल उप्र श्रीमती आनंदीबेन पटेल, श्री अशोक कुमार गुप्त , डॉ कानूनगो एवं राकेश तिवारी पूर्व महानिदेशक आर्कियोलॉजिकल सर्वे ऑफ इंडिया। स्थान – राजभवन, लखनऊ दिनांक- 26 जून 2022

BOARD OF DIRECTORS

Ashok Kumar Gupta : Chairman & Managing Director
Siddharth Gupta : CEO & Managing Director
Shalini Chandra : Executive Director
Sushil Kumar Kandoi : Independent and Non-executive Director
Anil Kumar Gupta : Independent and Non-executive Director
Manan Kumar Sah : Independent and Non-executive Director

Company Secretary & Compliance Officer

Ramesh Kumar Singh

KEY MANAGERIAL PERSONNEL

Ashok Kumar Gupta : Chairman & Managing Director
Siddharth Gupta : CEO & Managing Director
Shalini Chandra : Executive Director
Ramesh Kumar Singh : Company Secretary
Vinay Kumar Piyush : Chief Finance Officer

REGISTERED OFFICE

A-1, & A-5, Industrial Estate
Varanasi -221 106 U.P.
Tel.# : 0542-2370161 - 2370164
Fax.# : 0542-2370165 / 2370214
E-mail info@banarasbead.com
Website: www.banarasbead.com

E-MAIL & WEBSITE FOR INVESTOR

E-mail : investor@bblinvestor.com
Website : www.bblinvestor.com

CORPORATE IDENTITY NUMBER (CIN)

L01131UP1980PLC004984

GST NUMBER

09AAACB2252L1ZQ
07AAACB2252L1ZU

AUDITORS

G D Dubey & Associates
Chartered Accountants,
Firm No. 009836C
Varanasi

E-VOTING SCRUTINIZER

Ajay Kumar Jaiswal
Practicing Company Secretary
N-10/58-J-32, Lane No.4,
Sriram Nagar Colony
Near Manduadih Rly Station
Varanasi-221010 UP

BANKERS
Kotak Mahindra Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENTS

Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II,
New Delhi - 110 020
Ph: - 26387281/82/83 Fax:- 26387384

email:- info@masserv.com
website : www.masserv.com

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NOTICE

NOTICE is hereby given that 42nd Annual General Meeting of the Members of Banaras Beads Limited will be held at Registered Office of the Company at A-1, Industrial Estate, Varanasi - 221106 on Thursday the 18th August, 2022 at 3.00 P.M. **through video conferencing ("VC"), to transact the following businesses:**

ORDINARY BUSINESS:

Item No. 1 - Adoption of Financial Statement

To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the year ended March 31, 2022 and the reports of the Board of Directors (the Board) and Auditors thereon.

Item No. 2 – Re-appointment of Director

To appoint a director in place of Shri Siddharth Gupta (DIN: 00342369), who retires by rotation and being eligible, offers himself for re-appointment as director.

Item No. 3. Confirm the Interim Dividend

To confirm the payment of Interim Dividends @ Rs. 2/- per Equity Share declared by board on 28th October, 2021 for the financial year 2021-22.

SPECIAL BUSINESS:

Item No. 4: To re-appoint Statutory Auditors for five years and in this regard pass the following resolutions as **Ordinary Resolutions**

RESOLVED THAT pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules,2014, as amended from time to time and pursuant to recommendations of the Audit Committee and Board of Directors of the Company M/s G D Dubey & Associates, Chartered Accountants (Firm Registration number 009836C) be and is hereby re-appointed as the Statutory Auditors of the Company for the second term of five consecutive years, to hold office from the conclusion of this 42nd annual general meeting till the conclusion of the 47th annual general meeting of the Company to be held in the year 2027 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

Item No. 5: ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

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

RESOLVED FURTHER THAT pursuant to the provision of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and rules made thereunder, including any statutory modification (s) or re-enactment thereof, for the time being in force and subject to such approval(s) as may be necessary from competent authorities, Clause 6 and 7, be and are hereby inserted under Part A of the Object Clause of the Memorandum of Association of the Company after Clause 5:

Clause 6 : To carry on the business of developing, operating and maintaining industrial parks, logistic parks, warehouses, infrastructure projects; and to act as contractors, builders, town planners, land developers, land consolidators, estate agents, immovable property dealers and other allied and/or ancillary activities; and to acquire, build, operate, buy, sell, lease, sub-lease, long lease, leave and license basis, provide on rent, consolidate, exchange, hire or otherwise; lands, buildings, immovable property of any tenure or any interest in the same, warehouses, houses, flats, bungalows, commercial complexes, shopping malls, multiplexes, food courts and other ancillary and/or allied activities, on the land of the company or other land or any immovable property whether belonging to the company or not; and to pull down, rebuild, enlarge, alter any other conveniences and to deal with and improve, in India or outside India either by company or with joint venture or in partnership or on sub-contract basis or otherwise.

Clause 7 : To own, construct, run, furnish of, take over, manage and carry on the business of hotel, holiday resorts, restaurant, café, tavern bars, refreshment rooms, boarding and lodging, housekeepers, clubs in India or in any other part of the world and provide lodging, boarding, restaurants, eating houses, swimming pool and other facilities to the public including tourists and others.

By Order of the Board of Directors
For BANARAS BEADS LIMITED,

Place : VARANASI
Date : 19. 05. 2022

(R.K.SINGH)
Company Secretary

NOTES:

1. The Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 General Circular No. 20/2020 dated May 5, 2020 and Circular no. 02/2021 dated January, 13, 2021, General Circular No. 19/2021 dated 08.12.2021 and 21/2021 dt. 14.12.2021 (collectively "MCA Circulars") and SEBI circular dated May 12, 2020, and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2020/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 42nd AGM of the Company is being convened and conducted through VC.

2. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.

3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.

4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

5. Corporate Members are required to access the link https://www.evoting.nsdl.com and upload a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf. Institutional investors are encouraged to attend and vote at the meeting through VC.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members. The Members seeking to inspect such documents can send an email to **investor@bblinvestor.com.**

7. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at rksingh@banarasbead.com or investor@bblinvestor. The same will be replied by the Company suitably.Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates,nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code,etc.,:

   a. **For shares held in electronic form: to**
   their Depository Participants (DPs)
   The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.

   b. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters along with Business Reply Envelopes (BRE) for furnishing the required details. Members may also refer to Frequently Asked Questions ("FAQs") on RTA website www.bblinvestor.com

   c. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.

9. In accordance with SEBI vide its circular no. SEBI/HO/ MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1st April 2021. Hence no transfer of shares in physical form are allowed.

   Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

   i. Issue of duplicate share certificate
   ii. Claim from unclaimed suspense account
   iii. Renewal/Exchange of securities certificate
   iv. Endorsement
   v. Sub-division / splitting of securities certificate
   vi. Consolidation of securities certificates/folios
   vii. Transmission
   viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

10. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA on or after 1st April 2023.

    The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

    i. PAN;
    ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
    iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
    iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
    v. Specimen signature.

    Any cancellation or change in nomination shall be provided in Form No.SH-14

    All of above required documents/details shall be provided to Company/RTA at rksingh@banarasbead.com /investor@masserv.com and send the documents at the address of registered office of the company or RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company at www.bblinvestor.com as well as RTA website i.e www.masserv.com.
    A separate communication has already been sent to the respective shareholders.

11. Members are requested to address all correspondence, including pending dividend related matters, to the RTA, Mas Services Limited, Unit : Banaras Beads Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020.

12. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF). Accordingly the amount of dividend which remained unpaid/unclaimed for a period of 7 years for the year 2013-14 has already been transferred to IEPF. Shareholders who have not encashed their dividend warrant(s), for the years 2014-15, 2015-16, 2016-17 and 2020- 21 are requested to make claim with the Registrar & Share Transfer Agent of the Company immediately. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web FormNo. IEPF-5 available on www.iepf.gov.in.

13. As per amended Finance Act 2020, if in future dividend will be declared by company then said dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 21-22 does not exceed Rs.5,000/-.

    A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at investor@masserv.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

14. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Mr. Ajay Jaiswal Proprietor of Ajay Jaiswal & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

15. The e-voting period commences on Monday, August 15, 2022 (9:00 a.m. IST) and ends on Wednesday, August 17, 2022 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on August 11, 2022 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on August 11, 2022.

16. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.

18. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cur-off date for e-voting i.e. **Thursday, August, 11, 2022**, such person may obtain the User ID and Password from RTA by e-mail request on investor@masserv.com

19. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

20. Notice of the AGM along with the Integrated Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. In furtherance of the Green Initiative, physical copy of the Notice of the AGM along with the Abridged Integrated Annual Report 2021-22 is being sent by the permitted modes to those Members whose e-mail addresses are not registered. Members may note that the Notice and Integrated Annual Report 2021-22 will also be available on the Company's website www.bblinvestor.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL https://www.evoting.nsdl.com

21. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Mas Services Limited at info@maserv.com to receive copies of the Annual Report 2021-22 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report, user ID / password for e-voting and updation of bank account mandate for the receipt of dividend.

Type of Holder	Process to be followed	
	Registering Email Address	Updating bank account details
Physical	Send a singed request to the RTA of the Company, Mas Services Limited at info@ maserv.com providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for registering email address.	Send a request to the RTA of the Company, Mas Services Limited at T34 2nd Floor, Okhla Industrial Area Phase-II, New Delhi 110020, with original cancelled cheque (name of shareholder should be printed on it) with copy of PAN (if not provided earlier).
Demat	Please contact your DP and register your email address and bank account details in your demat account as per the process advised by your DP	

22. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of revision in salary of CEO & Managing Director and appointment of General Manager –Marketing having place of profit due to relative of Key Managerial Personnel at the AGM, part of this Notice.

23. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

24. In case of joint holder attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.

25. The Register of Members and Share Transfer /Demat books will remain closed from Friday, August 12, 2022 to Thursday, August 18, 2022 (both days inclusive).

26. Pursuant to the Rule 5(8) of the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on July 27, 2021 (date of last Annual General Meeting) on its website at www.bblinvestor.com and also on the website of the Ministry of Corporate Affairs.

27. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL, and RTA and will also be displayed on the Company's and NSDL website, **www.bblinvestor.com** & evoting.nsdl.com.

28. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

29. Members seeking any information with regardto the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before August 16, 2022 through email on rksingh@banarasbead.com or investor@bblinvestor.com. The same will be replied by the Company suitably.

30. The instructions for members for remote e-voting and joining general meeting are stated clearly after explanatory statement.

31. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special businesses to be transacted at the 42nd AGM is annexed hereto. All documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to investor@bblinvestor.com.

By Order of the Board of Directors
For BANARAS BEADS LIMITED,

Place : VARANASI
Date : 19. 05. 2022

(R.K.SINGH)
Company Secretary

Additional information of directors recommended for appointment/re-appointment as required under Regulation 36 (3) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

Name	:	**Shri Siddharth Gupta**
Fathers name	:	Shri Ashok Kumar Gupta
Date of Birth	:	01.03.1983
Nationality	:	Indian
Qualifications	:	Graduate.
Date of appointment on the board	:	Appointed as CEO and Managing Director for the period 01.02.2019 to 31.01.2024.
Permanent Account No.	:	AGEPG1158R
Director Identification No.	:	00342369
List of directorship held in other Company(s)	:	i) M/s Mangalam Hospitality India Pvt. Limited. ii) M/s Banaras Glass Beads Pvt. Limited
Chairperson of Board committees	:	Risk Management Committee
Disclosure of relationships between directors inter-se	:	Son of Sri Ashok Kumar Gupta, Chairman & Managing Director
Member of board committee	:	Risk Management Committee.

Shareholding in the Company

Name	Category	No. of equity shares held
Siddharth Gupta	CEO & MD	701000
Ashok Kumar Gupta	Relative C & MD (Father)	863402
Rekha Gupta	Relative (Mother)	739830
Shivani Gupta	Relative (Spouse)	513900

EXPERIENCE:

Mr. Siddharth Gupta is BA (Hons) Glass from University of Wolverhampton, UK and having more than eighteen years experience of marketing and production of Glass Beads, handicrafts, imitation Jewelry, necklace and other related items.

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, in respect of the above Director, please refer to the corporate governance report which is a part of this report.

EXPLANATORY STATEMENT:

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4. To re-appoint Statutory Auditors for five years.

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and DisclosureRequirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the 37th Annual GeneralMeeting ("AGM") of the Company held on September 28, 2017, had approved the appointment of M/s G D Dubey & Associates, Chartered Accountants of Varanasi (Firm Registration number 009836C)., as Statutory Auditors of the Company, to hold office till the conclusion of the 42nd AGM.

After evaluating and considering various factorssuch as experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 16, 2022, proposed the re-appointment of M/s G D Dubey & Associates, Chartered Accountants of Varanasi (Firm Registration number 009836C) having registered office at M.213/5, Shiv Prasad Gupta Colony, Near Kashi Gomati Samyut Gramin Bank, Samne Ghat, Lanka, Varanasi-221005, U. P. as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of 42nd AGM till the conclusion of 47th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s G D Dubey & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution setout at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnelof the Company or their relatives is, in any way, concerned or interested in the Resolution set out at item No. 4 of the Notice.

Item No.5. Alteration of the Objects Clause of the Memorandum of Association of the Company

The existing Object Clauses in the Memorandum of Association ("MOA") of the Company were having five main objects and were numberedas "1 to 5". Now the Board of the Company has decided to adopt/ insert few more new objects as the main objects which are not interrelated to each other.

Your Board intends to expand and diversify its present scope of operations and it is proposed to venture into new activities ***(as mentioned in resolution stated at item No. 5 of the Notice)*** which have good potential with respect to the future prospects of the Company. The proposed alteration to the main objects of the memorandum of association shall enable the Company to expand its activities and venture into new areas of business. This will enable the Company to carry on business economically and advantageously combined with the present activities of the Company.

The alteration of MOA requires the approval of the shareholders by means of a Special Resolution pursuant to Section 13 of the Act. Further, in terms of the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules 2014, the approval of the shareholders shall be taken through e-voting in Video Conference (VC) in terms of MCA circular dated 05.05.2022 and SEBI circular dt. 13.05.2022 as stated above instead off Postal Ballot in case of alteration of the main objects of MOA of the Company.

The Board of Directors in its meeting held on May 19, 2022 has accorded its approval for alteration of MOA. Pursuant to the applicable provisions of the Companies Act 2013, and the relevant rules made there under and SEBI LODR Regulations, the Board of Directors recommend passing of the Special Resolution at item No. 5 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwisein the resolution.

Copy of the Memorandum and Articles of Association of the Company alongwith other statutory documents are available for inspection to any member **through electronic inspection without any fee by the members.**

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 15.08. 2022 at 09:00 A.M. and ends on 17.08. 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 11.08.2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 11.08.2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider – NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"**Portal or click athttps://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System My easi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bskashtwal@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@masserv.com or investor@bblinvestor.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@masserv.com or investor@bblinvestor.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e.**Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at rksingh@banarasbead.com or investor@bblinvestor.com. The same will be replied by the company suitably.

General Instructions

i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

ii. Shri Ajay Jaiswal, Practicing Company Secretary (Membership No. FCS-5112 & CP No. 3684), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.

iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

v. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.bblinvestor.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

By Order of the Board of Directors
For BANARAS BEADS LIMITED,

Place: VARANASI
Date : 19. 05. 2022

(R.K.SINGH)
Company Secretary

DIRECTORS REPORT

Dear Shareholders,

Your Directors are pleased to present the 42nd **Annual Reports** together with the Audited Financial Statements of the Company for the year ended on 31st March' 2022.

FINANCIAL RESULTS:

	2021-2022 (Rs. in lacs)	2020-2021 (Rs. in lacs)
Revenue from Operations	2511.80	2047.08
Net Profit Before Taxation	380.66	317.41
Net Profit after taxation	292.04	239.29
Balance of Profit & Loss Account B/F	1937.46	1698.98
APPROPRIATIONS:		
Transfer to General Reserve	0	0.00
Dividend Paid	132.72	0.00
Tax on Dividend paid		0.00
Taxes of earlier Years	1.45	0.81
Balance of Profit & Loss Account C/F	2095.33	1937.46

OPERATION / PERFORMANCE:

During the year revenue from operations of your Company increase by 22.70% at Rs. 2511.80 lacs as compared to Rs. 2047.08 lacs in the corresponding period of the previous year and Profit after Tax increased by 22.04% at Rs. 292.04 lacs as compared to Rs. 239.29 lacs in the corresponding period of the previous year.

EFFECT OF COVID-19 PANDEMIC

Although Covid-19 had negative impact on the export business in India, the company's business was not affected during the current year. Detail disclosure is given in note number 50 of notes on accounts.

DIVIDENDS:

Based on the Company's performance during the year 2021-22, the Board of Directors decided to make payment an Interim dividend of Rs. 2/- per share and not recommended for final dividend.

TRANSFER TO RESERVES

No amount has been transferred to reserve. The closing balance of the retained earnings of the Company for F.Y. 2021 - 2022, after all appropriation and adjustments was 2095.33 lacs.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby state and confirm -

(*a*) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(*b*) the directors had selected such accounting policies and applied them consistently except as required by accounting standards and other applicable law(s) and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(*c*) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(*d*) the directors had prepared the annual accounts on a going concern basis; and

(*e*) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(*f*) 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

ADOPTION OF IND AS:

The company has adopted Ind AS since financial year 2017-18.

PENDING PETITION WITH NCLT:

The Special Leave Petition vide no. 25165-25166/2007 had been disposed off by Hon'ble Supreme Court on 11.04.2018. The company had already complied and executed all the direction given by Hon'ble Company law Board in its order dated 05.09.2007 and nothing is pending to be complied by the company and accordingly disclosed in Annual Report made thereafter. However Mr. Raj Kumar Gupta, ex-director of the company, who had not challenged CLB orders has filed an Execution Petition No. 424/2018 before Hon'ble NCLT to get property of the company situated at Expo Mart, Greater NOIDA, which was neither part of CLB Petition No. 14/1999 nor mentioned in the list of properties to be transferred to 1st Petitioner (Mr. Raj Kumar Gupta group) in CLB final order dt. 04.07.2007 and modified order dt. 03.08.2007. Mr. Raj Kumar Gupta Ex-director of the company had already made an application to get this property before Hon'ble Supreme Court in SLP No. 935-936/2010 and Hon'ble Supreme Court finally dismissed the SLP with all pending applications. Thus after final order of Hon'ble Supreme Court, the Management does not reasonable expect that the Execution Petition, when ultimately concluded and determined, will have any material and adverse effect on the Company's results of operations or financial condition. The Execution Petition 424/2018 is still pending for appropriate order.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) is presented in a separate section forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

INDUCTIONS AND RETIREMENTS / CESSATION OF DIRECTORS:

During the financial year no director ceased / completed his tenure as director or appointed as an additional director.

Shri Siddharth Gupta retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

The Company is having proper composition of whole time and independent director(s) alongwith key managerial personnel in compliance of provisions of Section 203 of the Act, as under:

WHOLE TIME DIRECTORS / KEY MANAGERIAL PERSONNEL	Shri Siddharth Gupta, Chief Executive Officer and Managing Director, Shri Ashok Kumar Gupta, Chairman & Managing Director, Smt. Shalini Chnadra, Executive Director (Lady Director) Shri R.K. Singh, Company Secretary and Mr. Vinay Kumar Piyush, Chief Finance Officer.
INDEPENDENT DIRECTORS	Mr. Shushil Kumar Kandoi, Mr. Anil Kumar Gupta and Mr. Manan Kumar Sah

BOARD EVALUATION:

The Board of Directors has carried out on 26.05.2021 and on 21.01.2022 during the year evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In separate meetings of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS.

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report and same is available on www.bblinvestor.com.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the management discussion & analysis, which forms part of this report.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

AUDITORS:

M/s G D Dubey & Associates, Chartered Accountants (Firm Registration number 009836C) the statutory auditors of the Company, will holdoffice till the conclusion of the forty second Annual General Meeting of the Company.
The Board has recommended the re-appointment of M/s G D Dubey & Associates, Chartered Accountants as the statutory auditors of the Company, for a second term of five consecutiveyears, from the conclusion of the forty second Annual General Meeting scheduled to be held on 18th August 2022 to till the conclusion of the forty seventh Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

AUDITOR'S REPORT

The Statutory Auditor's Report does not contain any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDITOR:

The Board has appointed M/s Ajay Jaiswal & Co., Company Secretaries to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended 31st March 2022 is annexed herewith marked as **Annexure –I** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

RISK MANAGEMENT

The board of directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

VIGIL MECHANISM

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The details of the policy is also available on www.bblinvestor.com.

EXTRACT OF ANNUAL RETURN

The extract of Annual Returns [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014] as on the financial year ended on 31.03.2022 is attached as Annexure- II with this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are furnished as under:

a) **Conservation of Energy** :
The operations of the Company involve low energy consumption. The solar power plant of 150 KVA is properly working and saving grid electricity. During the year 171366 KWH power generated and approx. 65000 KWH transferred to UP electricity board by this way approximately saving of around Rs. 12.50 lacs made to the company against electric charges.

The other adequate measures are being taken to conserve the energy.

b) **Technological Absorption**:
The Company upgrades its technological inputs time to time for its products. However presently company has no collaboration arrangement with any foreign organization.

c) **Foreign Exchange Earning and Outgo:**
The actual foreign exchange earnings (inflow) of the Company during the financial year has been Rs 2227.58 lakhs from Exports of Glass Beads, Handicrafts and other items. The actual foreign Exchange Outflow during the year has been Rs.328.84 lakhs for the import of materials, foreign traveling expenses and other sales promotional activities.

CORPORATE GOVERNANCE:

Corporate Governance Report, Management Discussion and Analysis statement and Business Responsibility Report and a certificate from the Auditors confirming compliance are annexed herewith to this report.

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

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statements relate on the date of this report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

NUMBER OF MEETING OF BOARD

Four Board Meetings were held during the F.Y. on 27th May 2021, 29th July 2021, 28th October, 2021, and 20th January 2022.

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS U/S 149 (6).

All the Independent Directors have given their declaration as per Section 149(7) that they meet the criteria of independence as provided in section 149(6) of the Companies Act 2013.

There has been no change in the circumstances affecting their status as independent directors of the Company.
During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION-

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on 31.03.2022, the board consists of 6 members, three of whom are executive or whole-time directors including one woman and three are independent directors.

The policy of the company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters is as provided under Sub-section (3) of section 178 of the Companies Act, 2013. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

FIXED DEPOSITS FROM PUBLIC:

The Company have not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as of the balance sheet date.

FINANCE

The Company has taken credit facility by way of working capital limit from Kotak Mahindra Bank Ltd. of Rs. 1400.00 lakhs and the amount of loan outstanding as on 31.03.2022 was Rs. 580.06 Lakhs.

DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013.

Loans given and Investments made are given under the respective heads of the Balance Sheet.

No Corporate Guarantees given by the Company in respect of loans as at 31st March, 2022.

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which form part of this report.

As per Regulation 34 of the SEBI Listing Regulations, a Business Responsibility Report is attached and is a part of this annual report.

As per Regulation 43A of the SEBI Listing Regulations, the Dividend Distribution Policy is disclosed in the Corporate Governance Report and on the website of the Company.

TRANSACTIONS WITH RELATED PARTIES.

All the transactions are done at arm length price during ordinary course of business. Information on transactions with related parties pursuant to section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure III** in Form AOC-2 and the same forms part of this report.

PARTICULARS OF CONTRACT U/S 188

Transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large.

During the period under review, the Company had not entered into any material transaction with any of its related parties that may have potential conflict with the Company's interests at large. All the transactions with related parties are done at arm length price and in compliance of Ind AS 24, the disclosure of which is made in Note No. 32 of Financial Statements which is forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY.

The Provision of Section 135 of Companies Act 2013 concerning with Corporate Social Responsibility is not applicable during the F.Y. 2021-22.

TRANSFER TO IEPF ACCOUNT

During the year the company has transferred unclaimed dividends and related shares in to IEPF account i.e. Interim unclaimed dividend for F.Y. 2013-14 amounting Rs. 676932/- and corresponding 35697 shares of 271 shareholders on 09.09.2021.

EVALUATION REPORT ON CAPITAL

The Provision of Evaluation on Capital is not applicable to the Company. Besides that the Board met time to time and appraised performance of the Company. The ways and means were made to increase the business and growth of the Company.

INCREASE IN PAID-UP CAPITAL-

During the year Rs.1500 as calls in arrear has been realised from three shareholders. The paid-up capital Rs. 66140720 and balance calls in arrears are @ Rs. 5 per share on 44300 shares amounting to Rs. 221500/-

MATERIAL CHANGES :

No material changes were made during the year which affects the financial and commitments of the Company.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

QUALITY INITIATIVES AND SOCIAL AUDIT

The Company continues to sustain its commitment on quality control with new technology and reduction of cost. The Company successfully completed the Audits done by BQC certificates for its product specifically quality certifications viz., ISO 9001-2015.

The Company has also successfully completed Factory/Social Audit SA8000 done by British Standards Institution (BSI) and they have valid till December, 2022. The another social /ethical and C-PAT audit done by Qima and valid till October, 2023 and October, 2024.

COMPLAINTS PERTAINING TO SEXUAL HARASSMENT:

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the Business responsibility report of this Annual Report.

PARTICULARS OF EMPLOYEES:

The details pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014.

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 in Rs	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/to median remuneration of employee	Comparison of the Remuneration of the KMP against the performance of the Company
1	Ashok Kumar Gupta Chairman & Managing Director	2421600	NIL	25.00	Profit before Tax has increased by 19.93% and after tax increase by 22.04 % in Financial year 2021-22 in comparison to previous financial year.
2	Siddharth Gupta CEO & Managing Director	3064466	83.9	31.64	
3	Shalini Chandra Executive Director	672000	NIL	6.94	
4	Ramesh Kumar Singh Company Secretary	908472	6.76	9.38	
5	Vinay Kumar Piyush Chief Finance Officer	474296	21.69	4.90	

ii) The median remuneration of employees of the Company during the financial year 2021-22 is Rs.96854 and in Financial Year 2020-21 was Rs. 73517.

iii) In the financial year, there was increase of 31.75 % (previous year decrease of 19.72%) in the median remuneration of employees;

iv) There were 248 permanent employees on the rolls of Company as on March 31, 2022;

v) Relationship between average increase in remuneration and company performance:-

The Profit before Tax for the financial year ended March 31, 2022 increased by 19.93 % and increased in median remuneration was 31.75%

vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel Increased by 15.41 from 60.00 lacs (annualised) in 2020-21 to 75.41 lacs in 2021-22 whereas the Profit before Tax increased by 19.93 % to 380.66 lacs in 2021-22 (317.41 lacs in 2020-21) .

vii) a) Variations in the market capitalisation of the Company :
The market capitalisation as on March 31, 2022 was Rs.4861.04 lacs (Rs.3278.29 lacs as on March 31, 2021).

b) Price Earnings ratio of the Company was 16.65 as at March 31, 2022 and was 13.68 as at March 31, 2021.

vii) Average percentage increase was made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 is 32.62 % and in the managerial remuneration increase for the last financial year was 25.69%.

viii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

ix) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

TRADING OF SHARES UNDER "B" GROUP:

The shares of your Company are presently being traded with BSE and NSE Stock Exchanges under **"B"** Group.

ACKNOWLEDGMENT:

The Directors wish to place on record their sincere appreciation of the devoted and efficient services rendered by all officers, employees and others associated with the Company.

By order of the Board of Directors
For BANARAS BEADS LTD.

Place : VARANASI
Date : 19.05.2022

(Ashok Kumar Gupta)
Chairman & Managing Director

ANNEXURE- I TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT OF BANARAS BEADS LIMITED, VARANASI FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] and Regulation 24A of SEBI (LODR) Regulations 2015

To,
The Members,
Banaras Beads Limited
Varanasi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Banaras Beads Limited (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 our opinion thereon.

Based on our verification of the Banaras Beads Limited 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 covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 and made available to us, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   (d) 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;
   (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
   (f) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 and
   (g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   (h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the listed entity during the Review Period);
   (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the listed entity during the Review Period)

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).
(iii) All the applicable provisions of law including ESIC, EPF, Labour laws,

and based on the above examination, **we report that**, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above.

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	All complied	NIL	NIL

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges *(including under the Standard Operating Procedures issued by SEBI through various circulars)* under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if
	NIL	NIL	NIL	NIL

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended ... *(The years are to be mentioned)*	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	No adverse action	NIL	NIL	NIL

We 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. There is no changes in the composition of the Board of Directors during the year.

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.

All the decision is carried out unanimously/majority by the members and recorded proper way in minutes.

We further report that there are 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.

We further report that during the audit period there were no issues which required specific compliance of the provisions of Companies Act 2013, SEBI (Issue of capital and disclosure Requirements) Regulation 2009 and other acts.

Place: Varanasi
Date:16.05.2022

Sd/-
Ajay Jaiswal & Co.
Company Secretaries
(Ajay Jaiswal)
C P No.: 3684
UDIN: F005112D000328105

(This report is to be read with Annexure A which forms an integral part of this report)

Annexure A

To,
The Members,
Banaras Beads Limited
A-1, Industrial Estate, Varanasi, U.P.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we 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. Our examination was limited to the verification of procedure 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.

Place: Varanasi
Date: 16.05.2022

Sd/-
Ajay Jaiswal & Co.
Company Secretaries
(Ajay Jaiswal)
C P No.: 3684
UDIN: F005112D000328105

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Banaras Beads Limited
A-1 Industrial Estate, Varanasi,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Banaras Beads Limited having CIN L01131UP1980PLC004984 and having registered office at A-1, Industrial Estate, Varanasi-221106 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl No.	Name of Directors	DIN	Date of appointment in Company
1	ASHOK KUMAR GUPTA	00016661	April 10, 1980
2	SIDDHARTH GUPTA	00342369	August 5, 2010
3	SHALINI CHANDRA	01036394	March 1, 2015
4	SUSHIL KUMAR KANDOI	08664771	January 17, 2020
5	ANIL KUMAR GUPTA	00895938	January 17, 2020
6	MANAN KUMAR SAH	00702864	January 17, 2020

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Varanasi
Date: 16.05.2022

Sd/-
Ajay Jaiswal & Co.
Company Secretaries
(Ajay Jaiswal)
C P No.: 3684
UDIN: F005112D000328105

ANNEXURE-II TO DIRECTOR REPORT
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2022
[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Sl. No.			
I		**REGISTRATION AND OTHER DETAILS**:	
	i)	Corporate Identity Number (CIN) of the company :-	L01131UP1980PLC004984
	ii)	Registration Date	**10.04.1980**
	iii)	Name of the Company	**Banaras Beads Limited**
	iv)	Category / Sub-Category of the Company	**Public Limited Company**
	v)	Address of the Registered office and contact details	**A-1, Industrial Estate, Varanasi-221106** **e-mail- investor@bblivestor.com** **Website. www.bblivestor.com** **Ph. No. 0542-2370161-164 (Four Lines)** **Fax No. 0542-2370165**
	vi)	Whether listed company Yes / No	**Yes, BSE and NSE**
	vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**M/s Mas Services Limited** T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph: - 26387281/82/83 Fax:- 26387384 email:- info@masserv.com website : www.masserv.com

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company are stated as under:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	**Handicraft items like Glass Beads Necklaces, Imitation Jewellary**	**2310 and 3212**	**100%**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. N0	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NIL					

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2021				No. of Shares held at the end of the year 31.03.2022				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters/Promoter group									
(1) **Indian**	3835592	0	3835592	57.80	3835592	0	3835592	57.80	0
a) Indiv/HUF	0	0	0	0	0	0	0	0	0
h) Central Govt	0	0	0	0	0	0	0	0	0
i) State Govt (s)	0	0	0	0	0	0	0	0	0
j) Bodies Corp.	0	0	0	0	0	0	0	0	0
k) Banks / FI	0	0	0	0	0	0	0	0	0
l) Any Other….									
Sub-total (A) (1):-	3835592	0	3835592	57.80	3835592	0	3835592	57.80	0
(2) **Foreign**	0	0	0	0	0	0	0	0	0

a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….									
Sub-total (A) (2):- Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**3835592**	0	**3835592**	**57.80**	**3835592**	0	**3835592**	**57.80**	0
B. **Public Shareholding**									
1. **Institutions**									
a) Mutual Funds	30	0	30	0.00	30	0	30	0.00	0
b) Banks / FI	00	0	00	0.00	0	0	0	0.00	0
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIs	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-total (B)(1):-	**30**	0	**30**	0.00	**30**	0	**30**	0.00	0
2. **Non-Institutions**									
a) Bodies Corp. i) Indian ii) Overseas	31411	5840	37251	0.56	74567	5410	79977	1.20	+0.64
b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	929971	261045	1191016	17.95	966081	235275	1201356	18.10	+0.15
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	226942	1350	228292	3.44	174272	0	174272	2.62	-0.82
c) Others (specify) non-resident Indian./OCB	7686	0	7686	0.11	6487	0	6487	0.10	-0.01
d) Any other (specify) clearing member	17119	0	17119	0.26	17145	0	17145	0.26	0.00
e) Any other (specify) Employee	330	620	950	0.01	230	620	850	0.01	0.00
f) Any other (specify) Directors and relative	33580	4580	38160	0.58	1010	4680	5690	0.09	-0.49
g) NBFCs regt.with RBI	220	0	220	0.00	220	0	220	0.00	0
e) Trust	1072010	0	1072000	16.15	1072010	0	1072010	16.15	0
f) Any other IPF	207896	0	207896	3.13	242593	0	242593	3.66	+0.53
Sub-total (B)(2):-	**2527165**	**273435**	**2800600**	**42.20**	**2554615**	**245985**	**2800600**	**42.20**	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2527195	273435	2800630	42.20	2554645	245985	2800630	42.20	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	**0**
Grand Total (A+B+C)	**6362787**	**273435**	**6636222**	**100.00**	**6390237**	**245985**	**6636222**	**100.00**	**0**

(ii)***Shareholding of Promoters/Promoter Group***

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in share holding during the year
1	ASHOK KUMAR GUPTA	863402	13.01	NIL	863402	13.01	NIL	NIL
2	REKHA GUPTA	739830	11.15	NIL	739830	11.15	NIL	NIL
3	ASHOK KUMAR GUPTA HUF	544920	8.21	NIL	544920	8.21	NIL	NIL
4	PRASHANT GUPTA/ ASHOK KUMAR GUPTA (joint)	472540	7.12	NIL	472540	7.12	NIL	NIL
5	SHIVANI GUPTA	513900	7.74	NIL	513900	7.74	NIL	NIL
6	SIDDHARTH GUPTA	701000	10.56	NIL	701000	10.56	NIL	NIL

(iii) ***Change in Promoters' Shareholding (please specify, if there is no change)***

Sl. No.		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	3835592	57.80	3835592	57.80
	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	3835592	57.80	3835592	57.80

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RAM GULAM KANHIYA LAL CHARITABLE TRUST	1072010	16.15	1072010	16.15
2	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY (IEPF)	207896	3.13	242593	3.66
3	MITA DIPAK SHAH	100000	1.51	112000	1.69
4	SUNIL KUMAR KAUSHAL			40150	0.60
5	MI LIFESTYLE MARKETING GLOBAL PVT. LTD.			37000	0.56
6	MUNNI LAL DUGAR			22122	0.33
7	GUNTUPALLI HARISH	17544	0.26	17604	0.26
8	GAUTAM DAS MAHESHWARI HUF			14344	0.22
9	SANDEEP RAO			14011	0.21
10	H.V. GUPTA	33850	0.51	12350	0.19

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Shri Ashok Kumar Gupta	863402	13.01	863402	13.01

	Shri Siddharth Gupta	701000	10.56	701000	10.56
	Shri Sushil Kuamr Kandoi	50	0.00	50	0.00
	Shri Anil Kumar Gupta	1000	0.01	1000	0.01
	Shri Manan Kumar Sah	NIL	NIL	-	-
	Shri Ramesh Kumar Singh	50	0.00	50	-
	Shri Vinay Kumar Piyush	130	0.00	130	0.00
	Total at the beginning of the year	1565632	23.59	1565632	23.59
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the End of the year	1565632	23.59	1565632	23.59

V. INDEBTEDNESS

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

(Rs. In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 432.77 ----- -----	 ----- ----- -----	 ----- ----- -----	 432.77 ----- -----
Total (i+ii+iii)	432.77	-----	-----	432.77
Change in Indebtedness during the financial year □ Addition □ Reduction	 2591.74 2444.45	 ----- -----	 ----- -----	 2591.74 2444.45
Net Change	147.29	------	-----	147.29
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 580.06 ---- ----	 ---- ---- ----	 ---- ----- ----	 580.06 ---- ----
Total (i+ii+iii)	----	----	----	----

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Siddharth Gupta (CEO & MD)	Shalini Chandra (E. D.)	Ashok Kumar Gupta (C&MD)		
1.	Gross salary (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	2314700	600000	2400000		5314700
2.	Stock Option	NIL	NIL			
3.	Sweat Equity	NIL	NIL			

4.	Commission - as % of profit - others, specify…	NIL	NIL			
5.	Others, please specify	NIL	NIL			
	Total (A)	2314700	600000	2400000		5314700
	Ceiling as per the Act	8400000	8400000	8400000		25200000

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors						Total Amount
1	Independent Directors Fee for attending board / committee meetings (sitting fee)	Sushil Kumar Kandoi 20000	Anil Kumar Gupta 22000	Manan Kumar Sah 18000				60000
	Total (1)	**20000**	**22000**	**18000**				**60000**
2	Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL	NIL				NIL
	Total (2)	NIL	NIL	NIL				NIL
	Total (B)=(1+2)	**20000**	**22000**	**18000**				**60000**
	Total Managerial Remuneration	**20000**	**22000**	**18000**				**60000**
	Overall Ceiling as per the Act	Only sitting fee paid						

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (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		817560 NIL NIL	428840 NIL NIL	1246400 NIL NIL
2.	Stock Option		NIL	NIL	NIL
3.	Sweat Equity		NIL	NIL	NIL

4.	Commission - as % of profit - Others, specify…		NIL	NIL	NIL
5.	Others, please specify				
	Total C(1+2+3+4+5)		817560	428840	1246400

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For BANARAS BEADS LTD.,

Place : VARANASI
Date :19.05.2022

(Ashok Kumar Gupta)
Chairman & Managing Director

ANNEXURE-III TO DIRECTOR REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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:**

Banaras Beads Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2021-2022. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) Name(s) of the related party and nature of relationship: **Not Applicable**
(b) Nature of contracts/arrangements/transactions: **Not Applicable**
(c) Duration of the contracts / arrangements/transactions: **Not Applicable**
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
(e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
(f) Date(s) of approval by the Board: **Not Applicable**
(g) Amount paid as advances, if any: **Not Applicable**
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

2. **DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

Sl No.	Particulars	Detail of transaction		
a	Name(s) of the related party	.		Key Managerial Persons (for detail refer page 25,26 & 27 of board report)
	Nature of relationship			KMP
b	Nature of contracts / arrangements / transactions	0	0	
	Sale	0	0	
	Purchase	0	0	
	Remuneration to KMP			7540834
c	Duration of the contracts / arrangements / transactions			2021-22
d	Salient terms of the contracts or arrangements or transactions including the value, if any	• Strictly at arm length price • Maximum Rs. 2.00 Crores d/y • Transaction and payment in ordinary course of business		As approved by Board/Member as applicable
e	Date(s) of approval by the Board, if any	17.01.2020 and thereafter		At various date
f	Amount paid as advances, if any	NIL	NIL	NIL

Note: all related party transactions are benchmarked for arm's length, approved by Audit Committee.

By order of the Board of Directors
For BANARAS BEADS LTD.

Place : Varanasi
Date : 19.05.2022

(Ashok Kumar Gupta)
Chairman & Managing Director

ANNEXURE-IV TO DIRECTOR REPORT

ANNUAL REPORT ON CSR ACTIVITIES

A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

1. **The composition of the CSR committee:** The Company has a CSR committee of directors comprising Mr. Sushil Kumar Kandoi, Chairman of the Committee, Mr. Anil Kumar Gupta, and Mr. Manan Kumar Sah.

2. The average net profit of the company for last three financial years is Rs.2.55 Crore and for immediate preceding financial year is Rs. 2.92 Crore. Hence CSR provisions does not apply during the financial year to the company.

3. **Prescribed CSR Expenditure (two per cent of the amount as in item 2 above):** `NIL.

4. **Details of CSR spent during the financial year: NA**

a. **Total amount to be spent for the financial year:** `NA.

b. **Amount unspent:** `NIL.

c. **Manner in which the amount spent during the financial year: NA**

5. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.** NA.

6. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For BANARAS BEADS LTD.

For BANARAS BEADS LTD.

Place : Varanasi
Date : 19.05.2022

(Siddharth Gupta)
CEO & Managing Director

(Sushil Kumar Kandoi)
Chairman
CSR Committee of the Company

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW:

The statements made in this Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from such expectation whether express or implied. Several factors that could make significant impact on the company's operations include global and supply conditions, input availability and prices, changes in Government regulations, foreign policy, foreign currency, tax laws, economic developments within the country.

INDUSTRIAL STRUCTURE AND DEVELOPMENT:

Your company is an Export House recognized by Government of India, Ministry of Commerce & Industries and main business of handicrafts like Glass Beads, Necklaces, Imitation Jewellary in indigenous and Export market. The company exports its products in U.S.A., U.K., France, Germany, Japan, and other countries with various reputed customers.

OPPORTUNITIES & THREATS:

The company's product is fashionable items which are being made by hand/small machines and take times in production. The products of the company appreciated in International market. The change of fashion in sort period directly affect demand of products in market. The fluctuation in foreign currency price also affected the profit of the Company. The management has taken appropriate steps to meet the threats and making extensive efforts on quality control, cost reduction and widen its marketing network.

SEGMENT:

The Company's main business is Manufacturing and export of Handicraft items like Glass Beads; Neckleces, Imitation Jewellary etc.. All those items form just one Segment. As the company has its commercial activity mainly at Varanasi, hence separate geographical segment wise reporting is not required.

FINANCIAL / OPERATIONAL PERFORMANCE:

	2021-2022 (Rs. in lacs)	2020-2021 (Rs. in lacs)
Revenue from Operations	2511.80	2047.08
Net Profit Before Taxation	380.66	317.41
Net Profit after taxation	292.04	239.29
Balance of Profit & Loss Account B/F	1937.46	1698.97
APPROPRIATIONS:		
Transfer to General Reserve	0	0.00
Dividend Paid	132.72	0.00
Tax on Dividend		0.00
Taxes of earlier Years	1.45	0.81
Balance of Profit & Loss Account C/F	2095.33	1937.46

OUTLOOK:

The Company is developing new items/products and getting order on the basis of same and in coming year's demand of company products will be increased in international and indigenous market.

The Company is in process to expand its business in developing Logistic Park/ Godown to get rent income.

RISK & CONCERNS:

The main business of your Company is Export business. In future Covid impact,change in duty drawback, DEPB, Exchange Rate, custom duty on import and Government policies would have a direct effect on the profitability of the Company. The management of your Company is hopeful on offsetting any adverse impact by better management abilities.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

The Company has developed adequate Internal Control Systems, commensurate to its size and business, which are aimed at achieving efficiency in operations, effective monitoring and optimum utilisation of resources. The Company has appointed Internal auditors to conduct the Internal Audit work. The reports of the Internal Auditors are periodically reviewed by the Audit Committee. The Company has been accredited with ISO 9001:2015 and follows the prescribed parameters.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year revenue from operations of your Company increase by 22.70% at Rs. 2511.80 lacs as compared to Rs. 2047.08 lacs in the corresponding period of the previous year and Profit after Tax increased by 22.04% at Rs. 292.04 lacs as compared to Rs. 239.29 lacs in the corresponding period of the previous year. Thus, the Revenue and net profit are having increasing trend.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Labour relations have been cordial with management without interruption of manufacturing activities. The total number of permanent employees of the company is 248 as on March 31, 2022 and out of which women employees are 110.

DISCLOSURES BY SENIOR MANAGEMENT PERSONNEL (I.E) ONE LEVEL BELOW THE BOARD INCLUDING ALL FUNCTIONAL HEADS:

None of the Senior Management personnel has Financial and Commercial transaction with the Company, where they have personal interest that would have a potential conflict with the interest of the Company at large.

ACCOUNTING STANDARDS.

The financial statements of the company (Banaras Beads Limited) are prepared in compliance with the Companies Act, 2013 and in accordance with Indian Accounting Standards (Ind. AS).

The balance sheet as at March 31, 2022, statement of profit and loss for the year ended March 31, 2022, statement of change in equity and the cash flow statement for the year ended March 31, 2022 read with statements annexed thereto are more relevant for understanding the performance of the company.

For BANARAS BEADS LTD.

Place : VARANASI
Date : 19.05.2022

(Ashok Kumar Gupta)
Chairman & Managing Director

CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the format prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is set out below:

1. **COMPANY'S PHILOSOPHY:**

The Company has made fair, transparent and ethical governance practices to maintain high level of transparency and accountability in it's all area of functioning and relationship with suppliers, buyers, employees, bankers and proper regulatory compliances. The company also believes that its systems and procedure will enhance Corporate performance and maximize shareholders value in the long term.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. **BOARD OF DIRECTORS:**

The company is having six directors including three executive and three independent directors. The composition of the board is in conformity with Regulation 17 of SEBI Listing Regulation read with section 149 of the companies act, 2013. The profiles of Directors can be found on www. bblinvestor.com.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other except Shri Ashok Kumar Gupta and Shri Siddharth Gupta.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

The Board's role, function responsibility, accountability and number of other Directorship and Chairmanship / Membership of Committees of each Director in various other Companies are as follows:

NAME OF DIRECTOR	Category	NUMBER OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBER/CHAIRMANSHIP		
		Other Directorship	Committee Membership	Committee Chairmanship
1. Shri Ashok Kumar Gupta	Chairman & Managing Director	3	3	NIL
2. Shri Sushil Kuamr Kandoi	Non-Executive and Independent Director	NIL	3	2
3. Shri Anil Kumar Gupta	Non-Executive and Independent Director	2	4	1
4. Shri Manan Kumar Sah	Non-Executive and Independent Director	6	3	1
5. Shri Siddharth Gupta	CEO & Managing Director	3	NIL	1
6. Smt. Shalini Chandra	Executive Director	2	1	NIL

3. **NUMBERS OF BOARD MEETING HELD:**

Four Board Meetings were held during the F.Y. on 27th May 2021, 29th July 2021, 28th October, 2021, and 20th January 2022.

4. **ATTENDANCE OF EACH DIRECTORS:**

The following is the attendance of each director at the Board Meetings and last Annual General Meeting:-

NAME OF DIRECTOR	ATTENDANCE PARTICULARS	
	Board Meeting	Last AGM
1. Shri Ashok Kumar Gupta	4	Yes
2. Shri Siddharth Gupta	4	Yes
3. Smt. Shalini Chandra	4	Yes
4. Shri Sushil Kumar Kandoi	4	Yes
5. Shri Anil Kumar Gupta	4	Yes
6. Shri Manan Kumar Sah	4	Yes

5. **CODE OF CONDUCT:**

The company has made Code of Conduct for its directors, senior management and employees. The said code of conduct is available on the Company's website www.bblinvestor.com. All the Board Members and senior management of the Company as on March 31, 2022 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the CEO & Managing Director is annexed with this Annual Report.

6. **DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE DIRECTORS AS ON MARCH 31, 2022 ARE GIVEN BELOW**:

Name	Category	Number of Equity shares held
Shri Ashok Kumar Gupta	Chairman & Managing Director	863402
Shri Siddharth Gupta	CEO & Managing Director	701000
Shri Shalini Chandra	Executive Director	NIL
Shri Sushil Kumar Kandoi	Independent Director	50
Shri Anil Kumar Gupta	Independent Director	1000
Shri Manan Kumar Sah	Independent Director	NIL

The Company has not issued any convertible instruments.

7. **AUDIT COMMITTEE:**

The Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act. by comprising of three Non-Executive Directors viz. Shri Sushil Kumar Kandoi, Chairman, Shri Anil Kumar Gupta and Shri Manan Kumar Sah. The Company Secretary acts as Secretary to the Committee.

The meetings of the Audit Committee were held 24th May' 2021, 27th July, 2021, 26th October, 2021 and 18th January, 2022 for reviewing the financial performance of the company on quarterly basis and for consideration of Annual Accounts for the year 2021-2022 on 16.05.2022. Mr. Sushil Kumar Kandoi, Mr. Manan Kumar Sah and Mr. Anil Kumar Gupta have attended all the meetings.

The terms of reference to this committee cover the matters specified for Audit Committee its related matter.

8. **RISK MANAGEMENT COMMITTEE:**

The provision of the Risk Management Committee presently does not apply to the company. However the board constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations and other applicable provisions of the Companies Act by comprising of two Non-Executive Directors and two executive directors viz. Mr. Siddharth Gupta, Mr. Ashok Kumar Gupta, CA Sushil Kumar Kandoi and Mr. Manan Kumar Sah, as its Members and Mr. Siddharth Gupta is the Chairman. The Company Secretary acts as Secretary to the Committee.

The meetings of the Risk Management Committee were held on 27th May' 2021 & 18th January, 2022 to review Risk. Mr. Siddharth Gupta, Mr. Ashok Kumar Gupta, CA Sushil Kumar Kandoi and Mr. Manan Kumar Sah, have attended all meetings.

9. **NOMINATION AND REMUNERATION COMMITTEE**:

The Committee is constituted under regulation of SEBI as Nomination and Remuneration Committee comprising of Mr.Sushil Kumar Kandoi Mr. Anil Kumar Gupta and Mr. Manan Kumar Sah as its Members. Mr. Manan Kumar Sah, is the Chairman. The main function of the said committee is to review and recommend appointment and remunerations of managerial personnel and to do all other related works.

The meetings of the Nomination and Remuneration Committee were held on 26th May' 2021, 28th July, 2021, 27th October, 2021 & 19th January, 2022 to review remuneration. Mr. Sushil Kumar Kandoi, Mr. Manan Kumar Sah and Mr. Anil Kumar Gupta have attended all meetings.

REMUNERATION POLICY:

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Directors. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the remuneration commission payable to the Managing Director and the Executive Directors with the approval of the members. No other benefit/commission is paid to Managing Director and Executive Director.

The Company pays sitting fees of 1,000 per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of committees of the Board. No remuneration/commission is paid to Non-executive and independent Directors.

The Remuneration policy is available on www.bblinvestor.com.

10. **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**:

During the year the CSR provision does not applied to the company. Mr. Sushil Kuamr Kandoi Mr. Anil Kumar Gupta and Mr. Manan Kumar Sah as its Members. Mr. Manan Kumar Sah, is the Chairman. The main function of the said committee is to formulate and monitor the CSR policy of the company. The CSR report as required under the companies act 2013 for the year ended 31st March, 2022 is attached as Annexure-IV of the board report.
.
The meeting of the CSR Committee was held on 21.01.2022.

11. **INDEPENDENT DIRECTORS MEETING.**

Mr. Sushil Kumar Kandoi Mr. Anil Kumar Gupta and Mr. Manan Kumar Sah are independent directors.

The meetings of the Independent Directors were held on 26.05.2021 and 21.01.2022, the said meetings was chaired by Mr. Anil Kumar Gupta.

12. **COMMITTEE FOR THE SHAREHOLDERS**:

a) **SHAREHOLDER / INVESTORS' GRIEVANCE COMMITTEE:**

Stake Holders Relationship, Grievance And Share Transfer Committee
An Investor Grievance Committee comprising of three Non-executive Independent Directors and executive director viz. Mr. Ashok Kumar Gupta, Mr. Sushil Kumar Kandoi, Mr. Anil Kumar Gupta and Mr. Manan Kumar Sah as its members, Mr. Anil Kumar Gupta is the Chairman. The main function of the said committee specifically to look into the redressal of Grievances / Complaints of Shareholders and investors such as Transfer of Shares, demat, transmission, remat non-receipt of Balance Sheet, etc. The meetings of said Committee were held on 26th May' 2021, 29th July,2021, 28th October ,2021 & 20th January, 2022. The Minutes of the share transfer committee were laid before the Board of Directors of the Company for their ratification and they have ratified from time to time.

Particulars				
	Physical Transfer	Transmission	Demat	Remat
No. of shares received	0	0	12000	0
No. of shares accepted	0	0	5500	0
No. of shares rejected due to signature difference / incomplete transfer deeds / DRF forms	0	0	6500	

b) **COMPLIANCE OFFICER**:

The Board has designated Shri R.K. Singh, Company Secretary as the Compliance officer. But the investors will lodge their query, requests/complaints with the Registrar to the Company at-

M/s Mas Services Ltd. (share transfer Registrar / agent)
T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020,
Ph:- 26387281/82/83, Fax:- 26387384, email:- info@masserv.com

In special case shareholder may write to the Company for any query at-

Banaras Beads Limited,
A-1, Industrial Estate, Varanasi – 221106. Phone No. 0542-2370161-164, Fax No. 0542-2370165
E-mail- investor@bblinvestor.com or rksingh@banarasbead.com

c) The status of total number of complaint received during the financial year 2020-2021 –

The Company has made policy to resolve / redress the complaint within 10 days by the company or through Registrar of Transfer Agent. During the year company has not received any complaint regarding non-receipt of dividend, demat/ transfer of shares, only 8 request towards payment of dividend were received and resolved. All complaints / request have been resolved timely including issue of duplicate DDs/Warrant/online transfer of unclaimed dividend. Some Members have talked over phone time to time about demat, transfer, change of address, issue of duplicate share certificate, future prospects, dividend position, non-receipt of dividend etc. The same have been replied timely. No complaint / query are pending for reply / redressal as on 31.3.2022.

13. **GENERAL BODY MEETINGS:**

Location and time for the last three Annual General meetings are as under –

Year	Location	Date	Time	Special resolutions passed
	A-1, Industrial Estate, Varanasi			
2017-2018	-Do-	16.08.2018	3.00PM	Special resolution passed.
2018-2019	-Do-	08.08.2019	3.00PM	No special resolution passed.
2019-2020	-Do-	10.09.2020	3.00PM	No special resolution passed
2020-2021	-Do-	27.07.2021	3.00PM	Special resolution passed

Postal ballots : For the year ended on 31st March' 2022 there have been no ordinary or special resolution passed by the shareholders of the Company through Postal ballot and there is resolution no. 5 proposed at the ensuing Annual General Meeting, which needs to be passed through Postal Ballot. But in this regard the approval of the shareholders shall be taken through e-voting in Video Conference (VC) in terms of MCA circular dated 05.05.2022 and SEBI circular dt. 13.05.2022 as stated in explanatory Statement at above instead off Postal Ballot alteration of the main objects of MOA of the Company.

14. **OTHER DISCLOSURES:**

a) None of the transactions with related parties falls under the scope of section 188(1) of the Act as all the transaction are done at arm length price during ordinary course of business. Although all the transactions with related parties are done at arm length price, but in compliance of Ind AS 24 the disclosure of transactions with related parties are set out in Note No. 32 of Financial Statements which is forming part of the Annual Report.

b) The Company has done all compliances timely. No penalties, strictures has been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the year.

15. **MEANS OF COMMUNICATION**:

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include, Business Standard, Financial Express, Aaj and Business Standard Hindi. The results are also displayed on the Company's website www.bblinvestor.com.

The Company also issues press releases from time to time. Financial results, statutory notices, press releases and after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website. www.bblinvestor.com. A Management Discussion and Analysis report is a part of this Annual Report.

16 (i) **SHAREHOLDERS INFORMATION:**

1.	**Annual General Meeting**	**Date** **Time**	: :	18.08.2022, 3:00 P.M
2.	**Meeting mode**		:	Through Video Conference or Other Audio-Visual Means (OAVM).
3.	**Financial Calendar 2021-2022**		:	**(F.Y. 01/04/2021 to 31/03/2022)**
4.	**Dates of Books Closure**		:	From **Friday, the 12th August, 2022 to Thursday 18th August, 2022 (both days inclusive).**
5.	**Dividend**		:	Interim Dividend for F.Y.2021-2022 declared by board @ Rs. 2/- per share. No final dividend recommended by board.
6.	**Listing on Stock Exchanges**		:	Bombay Stock Exchange National Stock Exchange
7.	**Listing Fees**		:	Fees paid to BSE and NSE.
8.	**Stock Code with BSE**		:	526849
9.	**Demat ISIN Number in NSDL**		:	INE655B01011
10.	**Registered Office/ address for correspondence**		:	A-1, Industrial Estate, Varanasi-221106 U.P.
11.	**Location of the Plant**		:	A-1, A-5, Industrial Estate and G.T. Road, Tandia, Varanasi
12.	**Registrars for share transfer and demat purposes**		:	**Mas Services Limited** T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph:- 26387281/82/83 Fax:- 26387384 email:- info@masserv.com website : www.masserv.com
13.	**Shareholders' Correspondence**		:	All correspondence / communications regarding shares related i.e. transfer, transmission, demat, Duplicate Share Certificates, Dividends, change of Address, etc. shall be addressed to the Registrar M/s Mas Services Limited directly. In case of any problem, shareholder(s) may write to the company.
14.	**Compliance Officer**		:	Sri R.K. Singh, Company Secretary
15.	**Designated Exclusive E-mail for investor service and Website**		:	**investor@bblinvestor.com or www.bblinvestor.com**

16(ii) **SHARE TRANSFER SYSTEM:**

The company has appointed M/s Mas Services Ltd., New Delhi as the Registrar and Transfer Agent for all shares related works i.e. transmission of shares, duplicate issue of certificate, change of address /mandate, update bank detail etc. The Share Transfer Committee is empowered to approve/ ratify the shares related works done by RTA and officer(s) of the company.

Further in terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

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16(iii) **DISTRIBUTION OF SHAREHOLDINGS AS ON 31st MARCH' 2022:**

Particular	No. of Shareholder	% out of total share holders	Number of Share held	% of share holding
001 – 500	6572	94.303	627437	9.454
501 – 1000	222	3.186	167601	2.526
1001 – 2000	85	1.220	128387	1.935
2001 – 3000	29	0.416	72282	1.089
3001 – 4000	17	0.244	59964	0.904
4001 – 5000	15	0.215	70332	1.060
5001 – 10000	12	0.172	90443	1.363
10001 – above	17	0.244	5419776	81.669
	6969	**100.00**	**6636222**	**100.00**

16(iv) **CATEGORY WISE SHARE HOLDING AS ON 31.03.2022:**

The category wise share holding of Members of the Company as on 31.03.2022 is as under –

Category	No. of Shares held	% of the Shares held
1- a) Promoters / Associates / Directors	3835592	57.798
b) Non Promoters and Independent Directors	1050	0.016
2- Other Bodies Corporate	79977	1.205
3- Financial Institution / Bank	0	0.000
4- NBFC's registered with RBI	220	0.000
4- Mutual Fund	30	0.000
5- Trust	1072010	16.154
6- Non resident Indian/OCB	6487	0.0977
7- Clearing Member	17145	0.258
8- Employee	850	0.013
9- Director`s relative	5690	0.086
10-IEPF	242592	3.655
11- Indian Public	1374579	20.713
Total -	**6636222**	**100.00**

16 (v) top ten Shareholders (other than Directors, Promoters) as on 31.03.2022:

Sl. No.	Name of the Shareholders	Number of equity share held	Percentage of holding
1	RAM GULAM KANHIYA LAL CHARITABLE TRUST	1072010	16.15
2	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY (IEPF)	242593	3.66
3	MITA DIPAK SHAH	112000	1.69
4	SUNIL KUMAR KAUSHAL	40150	0.60
5	MI LIFESTYLE MARKETING GLOBAL PVT. LTD.	37000	0.56
6	MUNNI LAL DUGAR	22122	0.33
7	GUNTUPALLI HARISH	17604	0.26
8	GAUTAM DAS MAHESHWARI HUF	14344	0.22
9	SANDEEP RAO	14011	0.21
10	H.V. GUPTA	12350	0.19

16(vi) **DEMATERIALIZATION OF SHARES:**

The equity shares of the Company are being traded compulsorily in dematerialized form w.e.f. 26th March, 2001 and as on 31st March, 2022 total number of 6390237 equity shares representing 96.29 % of the Equity Share Capital have been dematerialized. However out of total 6969 shareholders, 5105 shareholders (73.26%) have dematerialized their shares. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE655B01011.

16(vii) **EQUITY SHARES IN THE SUSPENSE ACCOUNT**:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2021	NIL	NIL
Shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Shareholders to whom shares were transferred from the suspense account during the year	-	-
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	NIL	NIL

The voting rights on the shares outstanding in the suspense account as on March 31, 2022 shall remain frozen till the rightful owner of such shares claims the shares.

16(viii). TRANSFER OF UNCLAIMED/UNPAID DIVIDEND AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:

During the year the company has transferred unclaimed dividends and its related shares in to IEPF account i.e. Interim unclaimed dividend for F.Y. 2013-14 amounting Rs. 676932/- and corresponding 35697 shares of 271 shareholders on 09.09.2021.

Details of due date of unclaimed dividend to be transferred to Investor Education and Protection Fund:

Financial Year	Date of declaration	Last date for claiming unpaid dividend	Amount in Rs.
2014-15	25.05.2015	25.06.2022	354210.00
2015-16	26.05.2016	26.06.2023	890092.50
2016-17	25.05.2017	26.06.2024	376205.00
2021-22	28.10.2021	28.09.2028	343210.00

16 (ix) **STOCK MARKET DATA:**

Period (Apr 2021 to Mar 2022)

	BSE			NSE		
Month	High Price	Low Price	No. of Shares	High Price	Low Price	No. of Shares
Apr 21	52.85	44.20	20504	51.75	45.70	1937
May 21	62.20	48.65	176355	61.70	46.30	15375
June 21	62.00	53.20	117771	61.40	53.25	8828
July 21	100.00	55.10	761752	100.20	56.00	103792
Aug 21	92.40	65.00	170554	93.00	64.55	16410
Sep 21	69.30	61.50	60286	70.00	60.40	5585
Oct 21	87.95	60.05	233654	88.00	62.50	29586
Nov 21	83.75	70.45	46294	83.95	71.00	7042
Dec 21	85.25	69.30	63008	86.95	70.00	9598
Jan 22	116.00	75.00	449875	112.65	76.35	79571
Feb 22	113.85	72.35	149333	113.65	72.05	20461
Mar 22	109.00	73.25	202915	109.40	72.20	33502

16(x) The Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on Equity: **Not Applicable.**

. 16 (xi) The Shares of the Company are listed with BSE and NSE.

16(xii) **NON-MANDATORY REQUIREMENTS –** Not adopted.

17. PAYMENT MADE TO AUDITORS

Details of payment made to Auditors of the company for audit fee and all other services are as under -

Amounts in Rs.

	F.Y. 2021-22	F.Y. 2020-21
Audit Fee	75000	75000
Tax Audit Fees	20000	10000
Certification / Quarterly Review Fees	44500	46500

No fees/remuneration is paid to any entities in the network firm/network entities of which the Statutory Auditor is a part.

18. **CEO / CFO CERTIFICATION:**

CEO / CFO Certificate in Compliance of Listing Agreement is enclosed in respect of the financial year 2021-22.

For BANARAS BEADS LTD.

Place : Varanasi
Date : 19. 05. 2022

(Ashok Kumar Gupta)
Chairman & Managing Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2022, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer and the Company Secretary as on March 31, 2022.

For Banaras Beads Limited

(Siddharth Gupta)
CEO & Managing Director

CEO/ CFO CERTIFICATE

To,
The Board of Directors,
Banaras Beads Limited
Varanasi

We, Siddharth Gupta, **CEO & Managing Director and** Vinay Kumar Piyush, CFO of Banaras Beads Limited to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Statement of Profit and loss account and all the schedules and notes on accounts, as well as the Cash Flow statements, and the Director's report.

2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statement made.

3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/ or applicable laws and regulations.

4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :

   (a) Designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind. AS).
   (c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
   (d) Made disclosure in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal over financial reporting.

6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
   (a) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
   (b) There were no significant changes in internal controls during the year covered by this report.
   (c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
   (d) There were no instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

7. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors.

8. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to *whistleblowers* from unfair terminations and other unfair or prejudicial employment practices.

9. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place: VARANASI	(Siddharth Gupta)	(Vinay Kumar Piyush)
Date: 19.05.2022	CEO & Managing Director	Chief Finance Officer

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To,

The Members
Banaras Beads Ltd.

1. We have examined the compliance of conditions of Corporate Governance by **Banaras Beads Limited** ("the Company"), for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period 1st April, 2021 to March 31, 2022.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a 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.

3. Based on our examination of the relevant records and according the information and explanation provided to us and the representation provided by the management, we certify that the company has complied with conditions of Corporate Governance as stipulated in Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period 1st April, 2021 to March 31, 2022.

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

For G D Dubey & Associates
Chartered Accountants
(Firm No 009836C)

Place: Varanasi
Date: 19.05.2022

(G.D. Dubey)
Partner
M. No. 076804
UDIN :22076804AJGLBE1037

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company : L01131UP1980PLC004984

1. **Name of the Company** : Banaras Beads Limited
2. **Registered address** : A-1, Industrial Estate, Varanasi-221106
3. **Website** : www.banarasbead.com, OR www.bblinvestor.com
4. **E-mail id** : info@banarasbead.com OR rksingh@banarasbead.com
5. **Financial Year reported** : April 1, 2021 to March 31, 2022
6. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

The Company's main business is Manufacturing and export of Handicraft items like Glass Beads; Neckleces, Imitation Jewellary etc. which may be classified under following groups:

Industrial Group			Product Description
Group	Class	Sub-class	
231	2310	23109	Manufacturing of Glass Beads
321	3211	32119	Manufacturing of other articles of gold silver and other precious and semiprecious metal and stone.
321	3212	32120	Manufacture of imitation Jewellery, Handicrafts and other related items.

7. **List three key products/services that the Company manufactures/provides (as in balance sheet)**

As per clause 6 stated above

8. **Total number of locations where business activity is undertaken by the Company**

i. **Number of International Locations (Provide details of major 5) :** No International location

ii. **Number of National Locations**

Number of National Locations: 2

9. **Markets served by the Company –**

USA, South Africa, United Kingdom & Ireland, Germany, Europe, Middle East & Africa and India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** : 661.41 Lacs.
2. **Total Turnover (INR)** : 2408.13 Lacs.
3. **Total profit after taxes (INR)** : 292.04 Lacs.
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)** :NIL .
5. **List of activities in which expenditure in 4 above has been incurred**:- N.A.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?** : No.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) :** NA
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]** : NA

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies.

- DIN Number - 00342369
- Name - Shri Siddharth Gupta
- Designation – CEO & Managing Director

b) Details of the BR head.

S.No.	Particulars	Details
1.	DIN Number (if applicable)	00342369
2.	Name	Shri Siddharth Gupta
3.	Designation	CEO and Managing Director
4.	Telephone number	0542-2370161-64
5.	e-mail id	siddharth@banarasbead.com

5. **PRINCIPLE-WISE (AS PER NVGS) BR POLICY/POLICIES (REPLY IN Y/N)**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows.

P1 Business should conduct and govern themselves with ethics, Transparency and Accountability

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 Businesses should promote the wellbeing of all employees

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights

P6 Business should respect, protect, and make efforts to restore the environment

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible Manner

P8 Businesses should support inclusive growth and equitable development

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	N	Y	Y	-	-	-
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6.	Indicate the link for the policy to be viewed online?	___								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been communicated to internal key stake holders of the company.								
8.	Does the company have in-house structure to implement the policy/policies.	Yes, the company has an in-house structure which is reviewed by the board.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Board of Directors undertakes the responsibility of addressing stakeholder concerns related to the BR policies.								
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	NO								

2a. **IF ANSWER TO S.NO. 1 AGAINST ANY PRINCIPLE, IS 'NO' PLEASE EXPLAIN WHY: (TICK UP TO OPTIONS)**

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	NA								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year	Y	Y	Y	Y	Y	Y	Y	Y	
6.	Any other reason (please specify)									

3. **GOVERNANCE RELATED TO BR**

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**: 3 - 6 Month

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** : No

SECTION E: PRINCIPLE-WISE PERFORMANCE.

PRINCIPLE 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? No.**

   Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others? : The Company and all associated are covered by this policy.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?** ***If so, provide details thereof, in about 50 words or so.***

   During the year company has received 1 complaints regarding non-receipt of dividend, demat/ transfer of shares and 12 request to revalidate warrants / issue duplicate demand draft(s)/ all complaints / request have been resolved timely.

PRINCIPLE 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**. : The company products are not having any environmental risk and having much opportunities for small Karigars and villagers in cottage industries sector.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**
   i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain.(NA)**
   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year. (NA)**

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? : If yes, what percentage of your inputs was sourced sustainably**?

   The Company's motto is to establish long term relationship with its vendors. In addition to techno-commercial aspects, emphasis also laid on factors like safe working conditions, prevention of child labour and general housekeeping.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?** : Yes

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors? :

The Company gives preference to small firms, Karigar, organizations, particulars belonging to villages and schedule tribes. The company provide training to local Karigers for improving their skill and productivity.

5. **Does the company have a mechanism to recycle products and waste?** : Yes

If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. : All wastages are either recycle or sold for recycling.

PRINCIPLE 3

1. **Please indicate the Total number of employees**. 248
2. **Please indicate the total number of employees hired on temporary/contractual/casual basis**. 0
3. **Please indicate the Number of permanent women employees**. 110
4. **Please indicate the Number of permanent employees with disabilities:** 9
5. **Do you have an employee association that is recognized by management?** : NO
6. **What percentage of your permanent employees is members of this recognized employee association**? : NA
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**. NIL

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour /forced labour /involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees : 8%**
- **Permanent Women Employees : 8%**
- **Casual/Temporary/Contractual Employees** : NIL
- **Employees with Disabilities** :10%

Time to time training were provided to all the concerned Employee including women.

PRINCIPLE 4

1. **Has the company mapped its internal and external stakeholders**? : Yes
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders**? : NO
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so**. : NO

PRINCIPLE 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?** : The company adheres to status of India's Factories Acts 1941, which embodies some of the human rights principal such as prevention of child labour, forced labour and compulsory labour.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management**? : None

PRINCIPLE 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**. : The Company and all associated are covered by this policy.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc**. : NO
3. **Does the company identify and assess potential environmental risks**? : No potential environmental risks.
4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50**

words or so. Also, if Yes, whether any environmental compliance report is filed? : No.

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc**. : No.
6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported**? : NA
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.** NIL

PRINCIPLE 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with**: YES
   a. Federation of Indian Export Origination (FIEO)
   b. Chemical and allied Export Promotion Council of India (**CAPEXIL)**
   c. Export Promotion Council for Handicrafts (EPCH)
   d. Eastern U.P. Exports Association, Varanasi

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)** : No.

PRINCIPLE 8

1. **Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof**. NO.
2. **Are the programs /projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?** : No.
3. **Have you done any impact assessment of your initiative**? : No.
4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken**. **Nil.**
5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so**. No.

PRINCIPLE 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**. : NIL
2. **Does the company display product information on the product label, over and above what is mandated as per local laws**? : Yes
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so**: No.
4. **Did your company carry out any consumer survey/ consumer satisfaction trends?** : No.

REPORT OF THE INDEPENDENT AUDITORS

To the Members of
BANARAS BEADS LIMITED
Report on the Standalone Financial Statements
Opinion

We have audited the accompanying standalone financial statements of Banaras Beads Ltd ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as " standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Comapnies Act'2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

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 Standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matters	How our audit addressed the Key Audit Matters
Revenue recognition of Duty Credit Scripts	
Merchandise Export India Scheme(MEIS),Remission on Duties & Taxes on Export Products (RODEP), Duty Credit Incentive Script Schemes receivable at the end of accounting year is accounted on estimated realizable value. (refer point D of Note 1 of the Standalone Financial Statement)	Our Audit procedures include the following substantive procedures- • Duty Credit Incentive Script, MEIS and RODEP under various export incentive schemes received during the year are verified from the Realised Value of Export, prescribed rate of script by the Government related to the product exported and value mentioned on the Script. • The recognition of revenue of Duty Credit Incentive Script, MEIS and RODEP on value of Export not realized at year end is verified from the FOB value of export, prescribed rate of script by the Government related to the product and last realizable rate of transferred script during the year. • Reduction in Script, MEIS and RODEP value due to actual realization of export is adjusted in revenue when actual script etc is received. Difference between provision and actual transfer value is adjusted in revenue at the time of transfer. • Value of Scripts etc consumed in payments of custom duty against imports made are verified from documents of import and scripts. • Entries for scripts etc transferred during the year are accounted for on actual realised value and verified from invoice and other relevant documents.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flow of the Company in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
This responsibility also includes maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the stand alone financial statements, management and board of directors are responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements
Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order 2020 (the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in " Annexure A" a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A) 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 Standalone Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Change in Equity and statement of Cash Flow dealt with by the Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With Respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in Annexure-B.

   B) 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, as amended, 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 on 31st March'2022 on its financial position in note number 48 & 49 in its financial Statement.

      ii. The Company has made provision as required under the applicable law or accounting standards, for the material foreseeable losses, if any, on long terms contracts including derivative contracts.

      iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.

      iv. i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from the borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:

- directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

C) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of the section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The ministry of corporate affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For- G D Dubey & Associates
Chartered Accountants
(Firm No 009836C)

(G.D. Dubey)
Partner
M. No. 076804
Varanasi; 19.05.2022
UDIN :22076804AJGLBE1037

ANNEXURE "A" to the INDEPENDENT AUDITORS' REPORT

THE ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF BANARAS BEADS LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2022.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

i. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than the immovable properties where the Company is the lessee and the lease agreement are dully executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of use assets) or Intangible Asserts or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act'1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class on inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limit in excess of five crores rupees, in aggregate, from bank on the basis of security of current assets. No quarterly returns or statements are filed by the company to the bank as the clause of submission of Stock Statement/Drawing Power Calculation is not stipulated by bank.

iii. According to the information and explanations given to us and on the basis of our examination of the books of account and records of the Company, the Company has granted unsecured advances in the nature of loans to companies, firms, Limited Liability Partnership or any other parties during the year , details of loan is stated in sub clause (a) below:

(a) A. Based on the audit procedures carried by us and as per the information and explanation to us, the company has not granted any loans to subsidiaries, joint ventures and associates.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the details of the advances granted by the company to a party other than subsidiaries, joint ventures and associates is as below:

Particulars	Rs. Lacs
Aggregate amount given during the year	110.00
Outstanding as at Balance Sheet date	152.23

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given during the year, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular other than already declared doubtful loans by the management.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than 90 days in respect of loans given during the year except as mentioned in note number 11 of notes of accounts.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given during the year which has fallen due during the year, has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given during the year any loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanation given to us, the company has complied with the provision of Section 185 and 186 of the act, with respect to the investment and loan made.

v. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, Provisions of Section 73 to 76 of the Act, any other relevant provision of the Act and the relevant Rules framed there under.

vi. Reporting under clause 3(v) of the order is not applicable as the Company's business activities are not covered by the companies (Cost Records and Audit) Rules, 2014.

vii. According to the records of the company, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act'1961 as income during the year.

ix. (a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has taken only working capital loans from banks and has not defaulted in repayment of dues to the bank. The company does not have any other borrowing from financial institution and has not issued debentures.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared a willful defaulter by any Bank or Financial Institution or Government or Government Authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us by the management, the Company has facility of working capital limit from bank which is prima facie not utilised for long term purpose.

(e) According to the information and explanations given to us and overall examination of the financial Statements of the Company, we report that the company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act'2013. Further, the Company is not having any subsidiary, associate or joint venture as defined under the Companies Act'2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on pledge of securities held in its subsidiaries, associates or joint venture companies as defined under the Companies Act'2013. Further, the Company is not having any subsidiary, associate or joint venture as defined under the Companies Act'2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised during the Financial Year moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(ix) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality outlined in Standard on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the Audit.

(b) According to the information and explanation given to us, no report under sub-section (12) of Section 143 of the Companies Act'2013 has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rule'2014 with the Central Government.

(c) As per information given by the company no complaints has been received from the whistle blower by the Company during the year.

xii. According to the information and explanation given to us, the Company is not a Nidhi Company and hence reporting under any sub clauses of clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in point 32 of the standalone financial statements as required by the applicable accounting standards.

xiv. (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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 to its Directors and hence provisions of Section 192 of the Act are not applicable.

xvi. (a) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that the Company has not conducted any Non Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the group does not have any CIC.. Accordingly, the requirement of clause 3(xvi)(d) of the Order is not applicable.

xvii. The company has not incurred cash losses in the current year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exist as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of section 135 and schedule VII of the Companies Act'2013 is not applicable to the Company. Accordingly, clause 3(xx) of the Order is not applicable.

xxi. Being this Audit Report is for Standalone Financial Statement, clause 3(xxi) of the Order is not applicable.

For- G D Dubey & Associates

Chartered Accountants
(Firm No 009836C)

(G.D. Dubey)
Partner
M. No. 076804
VARANASI; 19.05.2022
UDIN :22076804AJGLBE1037

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2 (A) (f) under on other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under (i) of Sub- section 3 of Section 143 of the Companies Act,2013 ("the Act) of Banaras Beads Limited.

We have audited the internal financial controls over financial reporting of Banaras Beads Limited (' the Company') as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended and as at on that date.

Management's and Board of Director'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 issued by the Institute of Chartered Accountants of India ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuing 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, as required under the Act.

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 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 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 auditors' judgment, including the assessment of the risk of material misstatement of the standalone Ind AS 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 expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 period 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 polices 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For- G D Dubey & Associates
Chartered Accountants
(Firm No 009836C)

(G.D. Dubey)
Partner
M. No. 076804
VARANASI; 19.05.2022

Banaras Beads Limited

Balance Sheet as at 31st March, 2022

(Amount in Rs. **Lacs**)

Particulars	Note No	As at 31st March'2022	As at 31st March'2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	861.55	1815.93
(b) Capital work-in-progress		38.46	0
(c) Other intangible assets		0.41	0.41
(d) Financial assets			
(i) Investments	3	312.72	312.10
(ii) Other Financial Assets	4	675.79	369.41
(e) Deferred tax assets (net)	5	2.08	0.10
Current assets			
(a) Inventories	6	1870.35	1195.57
(b) Financial assets			
(i) Investments	7	0	0
(ii) Trade receivables	8	459.13	268.22
(iii) Cash and cash equivalents	9	189.60	109.37
(iv) Other Bank Balance	10	1032.73	516.08
(v) Loans	11	152.23	788.72
(vi) Other Advances	12	257.21	162.13
(c) Current Tax Assets (Net)	13	120.82	63.65
(d) Other current assets	14	3.78	7.65
TOTAL - ASSETS		**5976.86**	**5609.34**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	661.41	661.39
(b) Other equity	16	4501.89	4343.08
LIABILITIES			
Non-current liabilities			
(a) Deferred tax Liabilities (Net)	17	0	0
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	580.06	432.77
(ii) Trade Payable	19		
Dues of Micro and Small Enterprises		44.04	17.84
Dues other than Micro and Small Enterprises		31.09	9.29
(iii)Other financial liabilities	20	60.16	59.27
(b) Other current liabilities	21	56.17	55.69
(c)Provisions	22	42.04	30.01
TOTAL - EQUITY AND LIABILITIES		**5976.86**	**5609.34**

In terms of our report of even dated attached

For G D Dubey & Associates
Chartered Accountants
Firm Registration No. 009836C

For and on behalf of the Board of Directors

(Siddharth Gupta)
CEO & Managing Director
DIN No. 00342369

(Sushil Kumar Kandoi)
Independent Director
DIN No. 08664771

(G.D. Dubey)
Membership No. 076804
Partner
Varanasi; 19.05.2022

(Manan Kumar Sah)
Independent Director
DIN No. 00702864

(R.K. Singh)
Company Secretary
FCS 4071

(Vinay Kumar Piyush)
Chief Finance Officer

Banaras Beads Limited

Statement of Profit and Loss for the year ended 31st March, 2022

(Amount in Rs. Lacs)

Particulars	**Note No**	**2021-22**	**2020-21**
Revenue from operations	23	2511.80	2047.08
Other Income	24	219.23	147.70
Total Income		**2731.03**	**2194.78**
Expenses:			
Cost of materials consumed	25	1337.10	743.69
Purchases of Stock in Trade		0	0
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	-686.75	-81.54
Manufacturing Expenses	27	506.01	412.44
Employee benefit Expense	28	457.41	372.46
Financial Costs	29	25.15	20.12
Depreciation and amortization expense	2	128.05	145.73
Other Expenses	30	583.40	264.47
Total Expenses		**2350.37**	**1877.37**
Profit before exceptional items and tax		380.66	317.41
Exceptional Items		0	0
Profit before tax		380.66	317.41
Tax expense:			
Current tax		90.60	80.10
Deferred tax		-1.98	-1.98
Profit for the year		292.04	239.29
Earning per equity share of face value of Rs. 10 each :			
Basic & Diluted		4.40	3.61

In terms of our report of even dated attached

For G D Dubey & Associates
Chartered Accountants
Firm Registration No. 009836C

For and on behalf of the Board of Directors

(Siddharth Gupta)
CEO & Managing Director
DIN No. 00342369

(Sushil Kumar Kandoi)
Independent Director
DIN No. 08664771

(G.D. Dubey)
Memebership No. 076804
Partner
Varanasi; 19.05.2022

(Manan Kumar Sah)
Independent Director
DIN No. 00702864

(R.K. Singh)
Company Secretary
FCS 4071

(Vinay Kumar Piyush)
Chief Finance Officer

Statement of Change in Equity

A. EQUITY SHARE CAPITAL

1) Current Reporting Period **(Amount in Rs. Lacs)**

Balance at the beginning of the current reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in Equity Share Capital during the current period	Balance at the end of the current reporting period
661.39	0.00	661.39	0.02	661.41

2) Previous Reporting Period **(Amount in Rs. Lacs)**

Balance at the beginning of the previous reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Change in Equity Share Capital during the previous period	Balance at the end of the previous reporting period
661.39	0.00	661.39	0.00	661.39

B. OTHER EQUITY

1) Current Reporting Period **(Amount in Rs. Lacs)**

	Reserve and Surplus			Total
	Securities and Premium	Other Reserves	Retained Earnings	
Balance at the beginning of the current reporting period	2232.12	173.50	1937.46	4343.08
Changes in accounting policy or prior period errors	0	0	0	0
Restated balance at the beginning of the current reporting period	2232.12	173.50	1937.46	4343.08
Total Comprehensive Income for the current year	0	0	292.04	292.04
Dividends	0	0	-132.72	-132.72
Transfer to retained earnings	0	0	0	0
Any Other Change	0.94	0	-1.45	-0.51
Balance at the end of the current reporting period	2233.06	173.50	2095.33	4501.89

2) Previous Reporting Period **(Amount in Rs. Lacs)**

	Reserve and Surplus			Total
	Securities and Premium	Other Reserves	Retained Earnings	
Balance at the beginning of the previous reporting period	2232.12	173.50	1698.98	4104.60
Changes in accounting policy or prior period errors	0	0	0	0
Restated balance at the beginning of the previous reporting period	2232.12	173.50	1698.98	4104.60
Total Comprehensive Income for the previous year	0	0	239.29	239.29
Dividends	0	0	0	0
Transfer to retained earnings	0	0	0	0
Any Other Change	0	0	-0.81	-0.81
Balance at the end of the previous reporting period	2232.12	173.50	1937.46	4343.08

The new Statement of Change in Equity is prescribed by virtue of Amendment in Schedule III of Companies Act'2013 made vide notification dated 24.03.2022, Ministry of Corporate Affairs, Government of India. Thus the Statement is provided here in compliance of amendment made. The column/information which is having nil figure or not applicable to this statement is not provided here.

Nature and Purpose of Reserve :

(a) Securities and Premium
This reserve represents the amount received as share premium account on issue of shares.

(b) Other Reserves
Other Reserve is General Reserve which represent the amount transferred from Retained earnings .

(c) **Retained Earnings**
This reverse represents undistributed accumulated earnings of the Company as on balance sheet date.

In terms of our report of even dated attached

For G D Dubey & Associates
Chartered Accountants
Firm Registration No. 009836C

For and on behalf of the Board of Directors

(Siddharth Gupta)
CEO & Managing Director
DIN No. 00342369

(Sushil Kumar Kandoi)
Independent Director
DIN No. 08664771

(G.D. Dubey)
Membership No. 076804
Partner
Varanasi; 19.05.2022

(Manan Kumar Sah)
Independent Director
DIN No. 00702864

(R.K. Singh)
Company Secretary
FCS 4071

(Vinay Kumar Piyush)
Chief Finance Officer

Cash Flow Statement For the Year Ended 31st March, 2022

Amount in Rs.Lacs

	Particulars	For the Year ended 31st March'2022	For the Year ended 31st March'2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit / (Loss) before Tax	380.66	317.41
	Adjustment For :-		
	1 Depreciation	128.05	145.73
	2 Interest Charged	21.06	5.89
	3 Interest Income	(104.56)	(110.36)
	4 Dividend Income	(0.62)	(0.98)
	5 Rental Income	(58.94)	(8.04)
	6 Fair Value change of Short Term Investments	0	0
	7 Long Term Investment written off	0	0
	8 Profit/(Loss) on Sale of Investment	(54.83)	(19.15)
	Operating Profit before change in working capital	310.82	330.51
	Adjustment for (increase)/Decrease in Operating Assets:		
	1 Inventories	(674.78)	(63.45)
	2 Trade Receivables	(190.91)	(238.80)
	3 Short Term Loans and Advances	541.41	(464.33)
	4 Other Non Current Assets	(359.68)	(371.47)
	Adjustment for increase/(Decrease) in Operating Liabilities:		
	1 Trade Payables	48.00	13.78
	2 Other Current Liabilities	1.37	(45.95)
	3 Short Term Provisions	12.03	(10.05)
	Cash Generated from Operation	(311.74)	(849.76)
	Income Tax Paid	(92.04)	(80.91)
	NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	(403.78)	(930.68)
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	1 Purchase of Property, Plant and Equipment / CWIP (Net)	840.48	(26.82)
	2 Net Proceeds from Investment		
	From Mutual Funds	2.22	135.49
	From Others	(0.62)	60.80
	3 Interest Received	104.56	110.36
	4 Dividend/Share of Profit from Firm Received/	0.62	0.98
	5 Rental Income	58.94	8.04
	NET CASH UTILISED IN INVESTING ACTIVITIES (B)	1006.20	288.85
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	1 Amount Received against Calls in Arrears	0.95	0
	2 Proceeds / (Repayment) of Short Term Borrowings	147.29	432.77
	3 Interest Paid	(21.06)	(5.89)
	4 Dividend Paid	(132.72)	0
	NET CASH UTILISED IN FINANCING ACTIVITIES (C)	(5.54)	426.88
I	Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	596.88	(214.95)
II	Cash and Cash Equivalent at the beginning of the year	625.45	840.40
III	Cash and Cash Equivalent at the end of the Reporting Period	1222.33	625.45
IV	Cash and Cash Equivalent at the end of the Reporting Period		
	Balance with Bank	1200.25	607.42
	Cash on Hand	22.08	18.03
		1222.33	625.45

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS-7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting standards) Rules'2015.
2. Previous year figures have been regrouped/ reclassified where ever applicable.

In terms of our report of even dated attached

For and on behalf of the Board of Directors

For G D Dubey & Associates
Chartered Accountants
Firm Registration No. 009836C

(Siddharth Gupta)
CEO & Managing Director
DIN No. 00342369

(Sushil Kumar Kandoi)
Independent Director
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(G.D. Dubey)
Membership No. 076804
Partner
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(Manan Kumar Sah)
Independent Director
DIN No. 00702864

(R.K. Singh)
Company Secretary
FCS 4071

(Vinay Kumar Piyush)
Chief Finance Officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE-1 : SIGNIFICANT ACCOUNTING POLICIES

A. **STATEMENT OF COMPLIANCE:**

The company's financial statement have been prepared in accordance with the provision of the Companies Act., 2013 and the Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standard) Rules, 2015 issued by Ministry of Corporate Affairs in respect of section 133 of the Companies Act,2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. The financials for the previous year ended March 31,2018 of the company were the first financial statement in compliance with Ind AS. The date of transition to Ind AS was April 1, 2016.

B. **BASIS OF ACCOUNTING:**

The accounts have been prepared on the basis of historical cost convention and as a going concern. Accounting policies not specifically referred to otherwise are in consistent with generally accepted accounting policies. The company generally follows the mercantile system of accounting recognizing both income and expenditure on accrual basis.

C. **PRESENTATION OF FINANCIAL STATEMENT:**

The Balance Sheet and the Statement of Profit and loss prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013("the Act") as amended. The statement of cash flow has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flow". The disclosure requirement with respect to items in the Balance Sheet and the Statement of the profit and Loss, as prescribed in the Schedule III to the Act as amended, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
Amounts in the financial statements were presented in absolute Indian Rupee upto previous financial year. Due to change in Schedule III to the Companies Act'2013 vide notification dated 24th March'2021 of Ministry of Corporate Affairs, Government of India, the financial statements are presented in Rupees Lacs. Per share data are presented in Indian Rupees to two decimals places.

D. **REVENUE RECOGNITION:**

- The company generally follows the mercantile system of accounting recognizing both income and expenditure on accrual basis.
- Sales include export sales whether made directly or through third parties. Sale does not include Goods and Service Tax or any other indirect tax such as Excise Duty, VAT etc. Due to applicability of Goods and Service Tax, Export Sales is recognized when goods are dispatched from factory with export invoice and thus includes Goods under shipment.
- Interest income is accrued on a time basis and the effective interest rate.
- Dividend income is accounted in the period in which the same is received.
- Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.
- All the expenditures are recognized on accrual basis except written else otherwise in any notes. Electricity expenses are recorded on the basis of actual amount payable to Electricity Board net of electricity supplied through generation made by Solar System.
- Duty Credit Script under Merchandise Export incentive Scheme/Export promotion Capital Goods/ Advance Authorisation Incentive Script Schemes, Merchandise Export India Scheme (MEIS),Remission on Duties & Taxes on Export Products (RODEP) are normally consumed in payments of custom duty against imports made. Entries for such consumption is made in respective purchase account on the amount of custom duty adjusted. Entries for scripts transferred are accounted for on realised value. Duty Credit Script under Merchandise Export incentive Scheme/Export promotion Capital Goods/ Advance Authorization Incentive Script Schemes, Merchandise Export India Scheme (MEIS), Remission on Duties & Taxes on Export Products (RODEP) receivable at the end of accounting year is accounted on estimated realizable value.

E. **PROPERTY, PLANT AND EQUIPMENT(PPE):**

PPE is recognized when it is possible that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duties credits availed, if any, less accumulated depreciation, if any.

For Transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation on the transition date of April 1, 2016.

PPE not ready for intended use on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 on single shift basis. Depreciation on additions to and deductions from, owned asset is calculated on pro rata to the period of the use.

F. **INVESTMENT PROPERTY:**

The company does not intend to create Property to earn rental income. The company is having rental income by renting out very small part of unused factory building on short term basis which is not a material amount, thus no property is classified separately as Investment Property.

G. **INTANGIBLE ASSET:**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible asset are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization. Intangible Assets are amortized on Written Down Value basis over the useful life of asset as prescribed in Schedule II of the Companies ACT'2013.

H. **INVESTMENTS**:

Long Term Investments are shown at cost and fluctuations in the market price of quoted shares are not provided for. Current Investments are valued at lower of cost or realizable value as quoted in stock exchanges on the reporting date and any reduction in realizable value is debited to the Statement of Profit & Loss. If realizable value of current investment increases in subsequent years the increase in value of current investment to the level of the cost is credited to the Statement of Profit & Loss.

I. **EMPLOYEE BENEFIT:**

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia scheme, performance-linked reward falling due to wholly within twelve month of rendering services are recognized in the period in which the employee renders the related services.

Company's contribution to Provident Fund, Family Pension Fund, ESI etc. are charged to Profit & Loss Account on accrual basis.

Liability for gratuity in respect of employees is covered under the Group Gratuity Policy taken by the company from Life Insurance Corporation of India. The premium payable under the Policy, are charged to Profit & Loss Account. The short fall in the Fund, as indicated by the L.I.C. is provided for by the Company as gratuity liability.

J. **INVENTORIES:**

Inventories are valued on the following basis-

Raw Materials	:	At average cost
Finished / Semi-finished goods	:	At Average cost or market value whichever is lower
Stores, spare parts	:	At Average cost and in appropriate cases charged to manufacturing expenses in the year of purchase.

K. **FOREIGN CURRENCY TRANSACTIONS:**

Transactions in foreign currency are accounted for in accordance with Ind AS-21. Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates of the transactions. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate prevailing at the year end and the difference arising on account of variation in exchange rate is recognized as income or expense in the year in which they arise. Non-monetary items denominated in foreign currency are carried at the exchange rate in force at the date of the transaction.

L. **ACCOUNTING AND REPORTING OF INFORMATION FOR OPERATING SEGMENTS:**

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the company to make decisions for performance assessments and resource allocation. Segment accounting policies are in line with the accounting policies of the company. The reporting of segment information is the same as provided to the management for the purpose of the performance assessments and resource allocation to the segments.

M. **INCOME TAXES:**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with provisions of Section 115BAA of the Income Tax Act'1961.

Deferred Tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the companies financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

N. **BORROWING COST:**

Borrowing cost that is attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such assets till such time the assets is ready for its intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

O. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- Provisions are recognized when the company has a present obligation as a result of past event and a reliable estimate of amount of obligation can be made.
- Contingent Liabilities are generally not provided for in the Accounts and are shown by way of Notes on Accounts in case of a present obligation arising from past events when it is not probable that an outflow of resources will be required to settle the obligation and no reliable estimate is possible.
- Contingent assets are disclosed when an inflow of economic benefits is probable.
  Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

P. **STATEMENT OF CASH FLOWS:**

Statement of cash Flow is prepared as prescribed in Schedule III of the Companies Act'2013 and Ind AS 7 segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method by adjusting the net profit for prescribed items.

Q. **FIRST TIME ADOPTION OF IND AS:**

The company has already adopted Ind AS w.e.f. financial year 2017-18.

R. **RECENT PRONOUNCEMENTS :**

The disclosure and compliance related to amendments made to the existing standards under Companies (Indian Accounting Standard) Rules as issued from time to time by Ministry of Corporate Affairs (MCA) and particularly made on March 23rd , 2022 is as below :-

Ind AS		Requirement	Compliance and Disclosure
Ind As 16	Proceeds before intended use	The amendment mainly prohibit an entity from deducting from the cost of property, plant and equipment amount received from selling item produces while the company is preparing the assets for its intended use. Instead an entity will recognize such sale proceeds and related cost in profit or loss.	The Company does not expect the amendment to have any significant impact in recognition of property, plant and equipment in its financial statements.
Ind AS 37	Onerous Contracts-Cost of Fulfilling a Contract	The amendment specify that the cost of fulfilling a contract comprises the "cost that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly fulfilling contracts.	The amendment is really a clarification in nature and the Company does not expect the amendment to have any significant inpact in its financial statements.
Ind As 103	Reference to Conceptual Framework	The amendment specify that to qualify for recognition as part of applying the acquisition method, the identifiable acquired assets and assumed liabilities must meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the ICAI at the acquisition date.	The changes do not significantly change the requirement of Ind As 103. The Company does not expect the amendment to have any significant impact in its financial statements.
Ind AS 109	Annual improvements to Ind AS (2021)	The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability.	The company does not expect the amendment to have any significant impact in its financial statements.
Ind AS 116	Annual improvements to Ind AS (2021)	The amendment removes the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.	The company does not have any such lease and does not expect the amendment to have any significant impact in its financial statements.

S. The accounting policies have been consistently followed and there has been no significant change in such policies during the year except for changes made for statutory compliance.

2. Property, Plant & Equipment & Capital Work in Progress

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OP. BALANCE AS ON 01.04.2021	ADDITION	DEDUCTION	TOTAL	UPTO 31.03.2021	DURING THE YEAR	DEDUTION DURING THE YEAR	TOTAL	AS ON 31.03.2022	AS ON 31.03.2021
TANGIBLE ASSETS										
LEASEHOLD LAND	0.30	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.30	0.30
LAND	766.37	0.00	731.65	34.72	0.00	0.00	0.00	0.00	34.72	766.37
FACTORY BUILDING	1625.44	0.00	152.19	1473.25	834.04	74.09	26.45	881.68	591.57	791.40
FURNITURE AND FIXTURES	122.01	0.00	0.00	122.01	112.66	1.54	0.00	114.20	7.81	9.35
PLANT AND MACHINERY	809.42	16.15	0.00	825.57	645.67	29.64	0.00	675.31	150.26	163.75
ELECTRICAL EQUIPMENTS	256.49	0.19	0.00	256.68	221.12	8.43	0.00	229.55	27.13	35.37
OFFICE EQUIPMENTS	9.29	0.00	0.00	9.29	8.73	0.09	0.00	8.82	0.47	0.56
VEHICLES	204.55	11.34	0.00	215.89	177.39	8.25	0.00	185.64	30.25	27.16
COMPUTER	68.06	3.00	0.00	71.06	63.85	1.55	0.00	65.40	5.66	4.21
FURNACES	17.08	0.00	0.00	17.08	16.74	0.00	0.00	16.74	0.34	0.34
MOBILE PHONE	11.70	0.38	0.00	12.08	6.92	2.23	0.00	9.15	2.93	4.78
EFFLEUNT TREATMENT DISPOSAL SYSTEM	40.92	0.00	0.00	40.92	28.58	2.23	0.00	30.81	10.11	12.34
Sub Total	3931.63	31.06	883.84	3078.85	2115.70	128.05	26.45	2217.30	861.55	1815.93
INTANGIBLE ASSETS										
SOFTWARE	8.26	0.00	0.00	8.26	7.85	0.00	0.00	7.85	0.41	0.41
Sub Total	8.26	0.00	0.00	8.26	7.85	0.00	0.00	7.85	0.41	0.41

TANGIBLE ASSETS HELD AS INVETSMENT

LAND & BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CAPITAL WORK IN PROGRESS

W-I-P	38.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.46	0.00
Sub Total	38.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.46	0.00

PROPERTY PLANT AND EQUIPMENT **2**

(i) The title Deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
(ii) None of the Property Plant and Equipments are revalued.

CAPITAL WORK IN PROGRESS

i) CWIP aging Schedule

CWIP	Amount in CWIP for a period of (Rs. Lacs)				Total (Rs. Lacs
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Project in Progress	38.46	0	0	0	38.46
Project Temporarily suspended	0	00	0	0	0

ii) Completion of none of the CWIP is overdue or has exceeded its cost compared to its original plan.

INVESTMENTS	**3**	**31.03.2022**	**31.03.2021**
Investment in Equity Shares			
(a) Quoted Shares		0.13	0.13
(b) Unquoted Shares		12.18	12.18
Other Investments			
(a) Investment in Limited Liability Partnership		300.41	299.79
		312.72	**312.10**

DETAILS OF NON CURRENT INVESTMENTS (ANNEXURE TO NOTE -3)

NON-CURRENT INVESTMENTS	No.of shares	Face Value	31.03.2022	31.03.2021
In Equity Shares - Un Quoted				
BBL Beads Ltd-Share	87500	10	11.25	11.25
India Exposition Mart Ltd.	9343	10	0.93	0.93
In Equity Shares - Quoted				
Kabson Industries Ltd.	1300	10	0.13	0.13
Banaras Bead Business LLP (Capital Account)*			300.41	299.79
Total			312.72	312.10

Aggregate Cost of Quoted Investment in Shares-
(Rs 13000, Previous Year Rs.13000)
(Market value Rs 17940 Previous Year Rs 6916)

Aggregate Cost of Un-Quoted Investment in Shares-
(Rs 1218430, Previous Year Rs.1218430)
Aggregate Cost of Other Investments
(Rs 30000000, Previous Year Rs.30000000)
* Refer Note 36

OTHER NON CURRENT FINANCIAL ASSETS	**4**		
Unsecured Security Deposits, considered goods		10.50	10.50
Bank deposits with more than 12 months maturity		665.29	358.91
		675.79	369.41

DEFERRED TAX ASSETS	**5**		
Related to Fixed Assets		2.08	0.10
(Due to Difference between book depreciation & tax depreciation)			
		2.08	0.10

CURRENT ASSETS

INVENTORIES	**6**		
(As Taken, Valued as per policy stated in point J of Note No. 2 Accounting Policies,)			
Raw Material		246.32	266.35
Finished and Semi Finished Goods		1589.77	903.02
Packing Material		22.76	18.92
Stores & Spares		11.50	7.28
		1870.35	**1195.57**
INVESTMENTS	**7**		
a) Investment in Mutual Fund		0	0
b) Investment in Quoted Equity Shares		0	0
		0	0

The value of Current Investment is Nil for both the years as all the current investments are sold during the year.

TRADE RECEIVABLES	**8**		
Trade Receivables-Billed		459.13	268.22
Trade Receivables-Unbilled		0	0
		459.13	**268.22**

Ageing of Trade Receivable as at 31st March' 2022

Particulars		Outstanding for following periods from due date of payment (Rs. Lacs)					Total (Rs. Lacs)
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables-Considered Good	457.59	0	0.13	0	1.41	459.13
(ii)	Undisputed Trade Receivables-Considered Doubtful	0	0	0	0	0	0
(iii)	Disputed Trade Receivables-Considered Good	0	0	0	0	0	0
(iv)	Disputed Trade Receivables-Considered Doubtful	0	0	0	0	0	0

Ageing of Trade Receivable as at 31st March'2021

Particulars		Outstanding for following periods from due date of payment (Rs. Lacs)					Total (Rs. Lacs)
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables-Considered Good	266.81	0	0	1.41	0	268.22
(ii)	Undisputed Trade Receivables-Considered Doubtful	0	0	0	0	0	0
(iii)	Disputed Trade Receivables-Considered Good	0	0	0	0	0	0
(iv)	Disputed Trade Receivables-Considered Doubtful	0	0	0	0	0	0

CASH & CASH EQUIVALENTS	**9**		
Balance with Banks		167.52	91.34
Cash on Hand		22.08	18.03
		189.60	**109.37**
Other Bank Balances	**10**		
Fixed Deposit with Bank		1013.09	500.05
Earmarked Balance With Bank (For Unclaimed Dividend)		19.64	16.03
		1032.73	**516.08**

LOANS	**11**		
Unsecured, Considered Good by the Management			
Loan to Related Parties		0	0
Loan to Others		140.27	776.76
Unsecured, Considered Doubtful by the Management			
Loan to Others		11.96	11.96
		152.23	**788.72**

No Loans are Advances in the nature of Loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act'2013) either severally or jointly with any other person.

OTHER ADVANCES	**12**		
Unsecured, Considered Good by the Management			
(Recoverable in Cash or in Kind or value to be received)			
Advance to Suppliers & Other		146.42	77.99
Export Incentive Receivables		90.44	63.79
Unsecured, Considered Doubtful by the Management			
Advance to Suppliers & Other (Doubtful)		20.35	20.35
		257.21	**162.13**
CURRENT TAX ASSETS	**13**		
Advance Payment for Taxes (Net)		18.82	4.21
Claim of GST/VAT		102.00	59.44
		120.82	**63.65**
OTHER CURRENT ASSETS	**14**		
Prepaid Expenses		3.78	7.64
Postage Imprest		0.00	0.01
		3.78	**7.65**
SHARE CAPITAL	**15**		
AUTHORISED CAPITAL			
1,20,00,000 Equity Share of Rs. 10/- Each		**1200.00**	**1200.00**
ISSUED SUBSCRIBED & FULLY PAID UP SHARE CAPITAL			
6636222 Equity Shares of Rs. 10/- Each Fully paid -up		663.62	663.62
Less: Unpaid Calls		2.21	2.23
		661.41	**661.39**

	31.03.2022		31.03.2021	
A) Shareholders holding more than 5% shares :	**No.**	**(%)**	**No.**	**(%)**
Ashok Kumar Gupta	863402	(13.01)	863402	(13.01)
Ashok Kumar Gupta (HUF)	544920	(8.21)	544920	(8.21)
Rekha Gupta	739830	(11.15)	739830	(11.15)
Ram Gulam Kanhaiya Lal Charitable Trust	1072010	(16.15)	1072010	(16.15)
Prashant Gupta/Ashok Kumar Gupta(Joint Holders)	472540	(7.12)	472540	(7.12)
Shivani Gupta	513900	(7.74)	513900	(7.74)
Siddharth Gupta	701000	(10.56)	701000	(10.56)

B) % Change in Shareholding of Promoters

Name of Shareholders	Shares held by the Promoters at the year end		Share at beginning	% Change during the Year
	Number of Shares	% of Total Shares		
Promotors Group				
Ashok Kumar Gupta	863402	13.01	863402	Nil
Ashok Kumar Gupta (HUF)	544920	8.21	544920	Nil
Rekha Gupta	739830	11.15	739830	Nil
Prashant Gupta/Ashok Kumar Gupta (Joint holder)	472540	7.12	472540	Nil
Siddhartha Gupta	513900	7.74	513900	Nil
Shivani Gupta	701000	10.56	701000	Nil
Independent Directors & Key Managerial Personnel				
Anil Kumar Gupta	1000	0.01	1000	Nil
Sushil Kumar Kandoi	50	0.00	50	Nil
Ramesh Kumar Singh	50	0.00	50	Nil
Vinay Kumar Piyush	130	0.00	130	Nil

Above disclosure is made pursuant to the changes made in Schedule III to the Companies Act'2013 vide notification dated 24.03.2021 of Department of Company Affairs, Government of India.

OTHER EQUITY	**16**		
A. GENERAL RESERVE			
Opening Balance.		173.50	173.50
Transferred During the Year		0	0
Sub Total (A)		**173.50**	**173.50**
B. Securities Premium Reserve		2247.66	2247.66
Less : Unpaid Calls		14.60	15.54
Sub Total (B)		**2233.06**	**2232.12**
C. SURPLUS OF PROFIT & LOSS			
Balance as per Last Account		1937.46	1698.98
Net Profit After Tax		292.04	239.29
Less: Transferred to General reserve		0	0
Dividend Paid		132.72	0
Tax on Dividend Paid		0	0
Taxes of Earlier Years		1.45	0.81
Sub Total (C)		**2095.33**	**1937.46**
Total (A+B+C)		**4501.89**	**4343.08**
DEFFERED TAX LIABILITIES			
Related to Property, Plant & Equipment and Intangible Assets	**17**	0	0
Related to others			0
		0	0
Borrowings	**18**		
Secured Loans from Bank-Repayable on demand			
Kotak Mahindra Bank Limited			
-Pre Shipment Packing Credit Indian Currency		551.92	432.77
-Post Shipment Credit Indian Currency		28.14	0.00
(Secured against All existing & future Current Assets & Property situated at Plot No A-1,A-5, Industrial Estate, Varanasi and personal guarantee of two whole time directors)			
		580.06	**432.77**

The above borrowed funds has been sanctioned and used for the working capital requirement.

TRADE PAYABLE	**19**		
Dues of Micro and Small Enterprises		44.04	17.84
Dues other than Micro and Small Enterprises		31.09	9.29
		75.13	**27.13**

Ageing of Trade Payable as at 31st March' 2022

Particulars	Outstanding for following periods from due date of payment (Rs. Lacs)				Total (Rs. Lacs)
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	44.04	0	0	0	44.04
(ii) Others	31.09	0	0	0	31.09
(iii) Disputed dues (MSME)	0	0	0	0	0
(iv) Disputed dues (Others)	0	0	0	0	0

Ageing of Trade Payableas at 31st March'2021

Particulars	Outstanding for following periods from due date of payment (Rs. Lacs)				Total (Rs. Lacs)
	Less than 1	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	17.84	0	0	0	17.84
(ii) Others	9.29	0	0	0	9.29
(iii) Disputed dues (MSME)	0	0	0	0	0
(iv) Disputed dues (Others)	0	0	0	0	0

There are no dues amount to MSME undertakings outstanding for more than prescribed period under MSMED Act 2006 from the date of acceptance of goods or services, hence no interest is paid/payable.

OTHER FINANCIAL LIABILITIES	**20**		
Other Liabilities		40.52	43.24
Unclaimed Dividend		19.64	16.03
		60.16	**59.27**
OTHER CURRENT LIABILITIES	**21**		
Advance from Customers		56.17	55.69
		56.17	**55.69**
PROVISIONS	**22**		
Provisions for Income Tax (Net)		0	0
Provisions for Gratuity		42.04	30.01
		42.04	**30.01**
REVENUE FROM OPERATIONS	**23**		
SALES OF PRODUCTS			
Export Sales		2376.88	1932.52
Domestic Sales		31.25	9.95
Sub Total		**2408.13**	**1942.47**
OTHER OPERATING REVENUE			
Focus /MEIS License Transfer		21.62	59.12
Export Incentive & Other Benefits		34.00	20.68
Exchange Rate Difference/Forward Contract Income		48.05	24.81
Sub Total		**103.67**	**104.61**
Total		**2511.80**	**2047.08**
OTHER INCOME	**24**		
Interest Income		104.55	110.36
Dividend/Share of Profit of Firm		0.62	0.98
Net Gain on Sale of Investment/Fixed Assets		54.83	19.15
Rent-Taxable		58.70	7.87
Rent-Non Taxable		0.24	0.16
Misc.Other Income		0.29	9.18
Total		**219.23**	**147.70**

COST OF MATERIAL CONSUMED	**25**		
OPENING STOCK			
Raw Material		266.36	276.96
Stores & Consumables		7.28	20.21
Packing Material		18.91	13.47
Sub Total		**292.55**	**310.64**
PURCHASES			
Raw Material		33.37	21.91
Semi Finished Goods		1134.37	559.69
Packing Material		129.74	123.17
Stores & Consumables		27.65	20.83
Sub Total		**1325.13**	**725.60**
CLOSING STOCK			
Raw Material		246.32	266.36
Stores & Consumables		11.50	7.28
Packing Materials		22.76	18.91
Sub Total		**280.58**	**292.55**
Cost of Material Consumed		**1337.10**	**743.69**
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	**26**		
OPENING STOCK			
Finished / Semi Finished Goods		903.02	821.48
CLOSING STOCK			
Finished / Semi Finished Goods		1589.77	903.02
(Increase)/Decrease		**(686.75)**	**(81.54)**
MANUFACTURING EXPENSES	**27**		
Bead & Handicraft Manufacturing & Finishing Expenses		447.85	363.45
Power & Fuel		28.68	29.51
Freight,Custom Duty & Clearing Exp		29.48	19.48
		506.01	**412.44**
EMPLOYEE BENEFIT EXPENSE	**28**		
Salaries & Wages		329.48	275.42
Bonus/Exgratia to Employees		35.58	40.79
Providend Fund & ESI		42.57	32.43
EDLI, Training and Gratuity		39.24	19.39
Staff Welfare Expenses		10.54	4.43
		457.41	**372.46**
FINANCIAL COST	**29**		
Interest paid to bank		21.06	5.90
Bank Charges		3.84	8.10
Exchange Rate Difference & Forward Contract for Bank Loan		0.25	6.12
		25.15	**20.12**
OTHER EXPENSES	**30**		
EXPORT & SELLING EXPENSES			
Foreign Traveling Expenses		0	0.76

Export / Local Freight, Shipping & Selling Expenses	344.81	109.54
Trade Fair exp	0.64	0
Local Traveling Expenses	23.95	8.04
Sub Total	**369.40**	**118.34**
REPAIR & MAINTENANCE		
Building	40.64	21.58
Machinery	24.95	11.18
Vehicle & Others	28.79	18.70
Sub Total	**94.38**	**51.46**
ADMINISTARTIVE EXPENSES		
Insurance	19.57	13.61
License & Fees	2.85	1.14
Membership & Subscription	1.11	0.52
Communication Charges	2.67	3.91
Conveyance Charges	0.71	0.63
Deepawali and Pooja Expenses	4.59	1.62
Printing & Stationery	3.78	2.23
Professional & Legal Expenses	11.02	6.11
Share Listing, Depository & Registrar Expenses	9.33	8.26
Vehicle Running & Maintenance	51.50	25.04
Director Sitting Fees	0.60	0.49
Postage exp.	0.59	0.20
Expenses on COVID 19	0.88	15.10
Other Donations	3.52	8.02
Other Expenses	5.50	6.47
Payment to Auditor		
As Auditor	0.75	0.75
For Tax/VAT Audit Fees	0.20	0.10
For Certification / Quarterly Review Fees	0.45	0.47
Sub Total	**119.62**	**94.67**
Total	**583.40**	**264.47**

31. **Disclosure related to Provisions, Contingent Liabilities/Assets pursuant to Ind AS 37**:

(i) Letter of credit opened with Banks : Rs. NIL (Previous year: Rs. NIL)

(ii) Bank Guarantees outstanding : Rs. NIL (Previous Year-Rs. NIL)

(iii) Contingent Liabilities for Taxes and Duties : Rs. NIL (Previous Year-Rs. NIL)

32. **Disclosure of Related Party Transaction pursuant to Ind AS 24**:

The Company has identified all related parties and details of transactions are given below. All the transactions have been made at Arm's Length Basis and after having approval from appropriate authorities (where ever applicable).

Details of Transactions:

Sl. No	Name	Nature of Relation	Nature of Transaction	31.03.2022		31.03.2021	
				Transaction	Outstanding	Transaction	Outstanding
1	Key Managerial Personnel						
	Ashok Kumar Gupta	Director (Executive)	Remuneration	24.22		24.22	0

	Siddharth Gupta	Director (Executive)	Remuneration including P.F.,LTC	30.64		16.67	0
	Shalini Chandra	Director (Executive)	Remuneration including P.F.	6.72		6.72	0
	Ramesh Kumar Singh	Company Secretary	Remuneration including P.F.	9.08		8.51	0
	Vinay Kumar Piyush	Chief Finance Officer	Remuneration including P.F.	4.74		3.90	0
2	Independent Directors						
	Sushil Kumar Kandoi	Independent Director	Sitting Fees	0.20		0.16	0
	Anil Kumar Gupta	Independent Director	Sitting Fees	0.22		0.18	0
	Manan Kumar Sah	Independent Director	Sitting Fees	0.18		0.15	0
3	Banaras Beads Exports Ltd	Shareholder	Advance transaction	0	0	0	0
4	Banaras Glass Beads Limited	Director and shareholder	Purchase	0	0	0	0
5	Mathur Vaishya Jan Kalyan trust	Trustee	Expenses	0.47	0	0.07	0
			Other	0	0	0.32	0
6	BBL Beads P Limited	Director and shareholder	Share Purchase	0	11.25	0	11.25
			Rent Security	0	4.50	0	4.50
7	Mangalam Hospitality India Limited	Director and shareholder		0	0	0	0
11	Banaras Beads Business LLP	Partner	Investment in LLP	0	300.41		299.79
			Share of Profit/-Loss Accounted for	0.62	0	-0.21	
15	Sanwaria Trade-Link LLP	Partner		0	0	0	0
17	Ram Gulam Kanhaiya Lal Charitable trust	Managing Trustee/Trustee	Donation	0	0	7.00	0
19	Gupta Construction Pvt. Ltd	Director		0	0	0	0
20	AB GreenVallyeys LLP	Director is Partner		0	0	0	0
21	Tullu Sales Pvt. Ltd.	Director	Purchase/Services	0	0	2.08	0
22	Surbhi Electrical Products Pvt Ltd	Director		0	0	0	0
23	Sattve Power Solution LLP	Director is Partner		0	0	0	0
24	U P National Manufacturs Ltd	Director		0	0	0	0
25	Sukhen Hospitalities Pvt. Ltd	Director		0	0	0	0
26	Vatika Investment and Finance Pvt Ltd.	Director		0	0	0	0
27	Sushil Kumar Kandoi & Co.	Director is Partner		0	0	0	0
28	Shivani Gupta	Relative of Director	Salary	12.10	0	0	0

33. **Expenditure on Corporate Social Responsibility(CSR):**

No amount is expended in CSR during the year (previous year – nil) as the company is not required to expend any amount under section 135 of the Companies Act 2013 read with Rules made there under.

34. **Disclosure related to Lease pursuant to Ind As 116:**

Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rule 2019 and Companies (Indian Accounting Standards). Second Amendment Rules, has notified Ind As 116 Leases which replaces the exiting lease standards, Ind As 17

Lease, and other interpretations. Ind As 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.
The company has not given any of its assets on Lease, hence disclosure as Lessor is not required.
The company has acquired Leasehold Land from Industry Department of Uttar Pradesh Government through transfer for which Rs. 29843 is paid for premium and capitalised. No amount is payable to the Lessor.

35. **Disclosure related to Non Current Assets held for Sale pursuant to Ind As 105:**

The company is not having any non current asset for the purpose of sale and hence no disclosure is required.

36. **Disclosure related to Financial Instruments:**

The company recognized financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liability, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date and valued as on balance sheet date at its fair market value quoted at stock exchange in case the quoted value is lower than the cost of acquisition.

i) **Foreign exchange rate risk:**

In general, the company is a net receiver of foreign currency. Accordingly, changes in exchange rates, and in particular a strengthening of the Indian Rupee, will negatively affect the Company's net sales and gross margins as expressed in Indian Rupee. There is a risk that the Company may have to adjust local currency product pricing due to competitive pressures when there have been significant volatility in foreign currency exchange rates.

ii) **Interest rate risk:**

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. The Company's outstanding debt in local currency is on floating rate.
Since the borrowings are small in comparison to total investments and interest expenditure is very small in comparison to total expenditure, the company does not foresee any material risk due to change in interest rate in future.
The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Borrowing	580.06	432.77

iii) **Liquidity risk management:**

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

iv) **Credit risk management:**
The Company's customer profile includes large number of Foreign Customers and some indigenous Customers. Hence the company is having vast customer base thus Company's customer credit risk is low. General payment terms include mobilisation advance and part is on credit to be realiasable within 12 months. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

v) No material amount of financial assets or liabilities are written off during the period.

vi) The contractual maturities of significant financial assets and liabilities outstanding as at 31st March, 2022 is one year.

vii) Detail of non current investments-

a. Details related to investment in long terms quoted equity shares are given in Note 3. All the investments are stated in the Financial Statement at cost. Market value of shares are taken at last available rate on Stock Exchange as on reporting date.

b. Rs. 300.00 lacs was invested by the company in the shares of M/s Banaras Bead Business Pvt. Ltd. which was converted to LLP during the financial year 2018-19. Rs. 299.79 lacs was shown as investment in limited liability partnership as on 31.03.2021. The effect of share of profit/loss of F. Y. 2020-21 is made in current financial year as the audited financial statements of LLP are received after the finanalisation of financial statements of the company. The effect of the Profit/Loss of the current financial year of LLP is not made in absence of receipt of audited financial statement of LLP till finalization of the accounts of the company.

viii) Details of current investments:

a. Investment in mutual fund: No investment in mutual fund as on reporting date of current financial year (Previous year - nil). Dividend re invested was recognised as income.

b. Investment in quoted equity shares : Quoted equity shares purchased with the object to sale within the operating cycle are classified under this group. The Current Investments in quoted equity shares are shown at lower of cost or realizable value as quoted in Stock Exchange as on reporting date and reduction in realizable value amounting Rs. Nil (Previous Year-Rs. Nil) is debited to the Statement of Profit & Loss under the head other expenses .

37. **Disclosure related to Operating Segment pursuant to Ind AS 108:**

The company main business is manufacturing and export of Handicrafts items like Glass and other Beads, Necklaces, Imitation Jewelry etc. All those items form just one segment. All other revenues are not significant to be considered as separate segments. As the company has its commercial activity mainly at Varanasi, hence separate geographical segment wise reporting is not done. The company has received more

than 10% of its revenue from customers amounting to Rs. 2144.05 lacs (Rs. 581.65 lacs, 526.67 lacs, 423.03 lacs, 376.54 and 236.16 lacs from 5 customers) [previous year 1450.51 lacs from four customers].

38. **Disclosure related to Income Tax pursuant to Ind AS 12:**
Major components of tax expenses/income as shown in Statement of Profit and Loss is as below:-

a. Income Tax Expenses

	31.03.2022	31.03.2021
Current tax on profits for the year	90.60	80.10
Deferred Tax	-1.98	-1.99
Income tax expenses recognised in profit & loss statement	88.62	78.11

b. Reconciliation of Tax expenses and the Accounting profit multiplied by Indian tax rate:

Profit before tax	380.66	317.41
Corporate tax rate	25.17%	25.17%
Tax on Accounting profit	95.81	79.88
(i) Tax on income exempt from tax		
(A) Dividend income	0.16	0
(B) Capital Gain	13.80	4.82
(ii) Tax on expenses not tax deductible:		
(A) Donation	0.89	1.01
(B) Provision of Gratuity	3.03	0.19
(C) Other Disallowance	0	0.05
(iii) Tax Effect of Depreciation excess claimed in books	4.41	2.25
(iv) Tax effect of Capital Gain taxable at different rate	0.38	1.52
Tax Expense (Net)	90.55	80.09
Tax Expense Rounded off & recognised during the year	**90.60**	**80.10**

c. Reconciliation of deferred tax (assets)/liabilities:

(Rs.)

Sl. No.	Particulars	2021-22	2020-21
(a)	Opening balance as at April 1	-0.10	1.89
(b)	Tax (Income)/expense during the period recognized in:		
	(i) Statement of Profit and Loss in Profit or Loss section	-1.98	-1.98
	(ii) Statement of Profit and Loss under OCI section	0	0
	(iii) Retained earning	0	0
	Closing balance as at March 31	-2.08	-0.10

Deferred tax is calculated on the difference of WDV of property, plant & equipment and intangible assets arrived after charging the depreciation as per Companies Act, 2013 and allowable under the provisions of Income Tax Act 1961.The expenditure/loss related to provision for gratuity and decline in market value of quoted investment/ written of investment is not considered for calculation of Deferred Tax as the same is disallowed while making the provision for current tax.

39. **Disclosure related to Employees Benefit pursuant to Ind As 19:**

(i) Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia scheme, performance-linked reward falling due wholly within twelve month of rendering services are recognized in the period in which the employee renders the related services.

(ii) Company's contribution to Provident Fund, Family Pension Fund, ESI etc. are charged to Profit & Loss Account on accrual basis.

(ii) Liability for gratuity in respect of employees is covered under the Group Gratuity Policy taken by the company from Life Insurance Corporation of India. The premium payable under the Policy, is charged to Profit & Loss Account. The short fall in the Fund amounting to Rs. 42.04 lacs (previous year 30.01 lacs) is shown by the Company as gratuity liability as on reporting date.

40. **Earnings per share**:

Basic and diluted earnings per share pursuant to Ind As 33 are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number by equity shares. The Company does not have any outstanding diluted potential equity shares. Consequently the basic and diluted earnings per share remain the same.

		2021-2022	2020-2021
Net Profit attributable to shareholders (Rs. Lakhs)	:	294.04	239.29
Weighted average numbers of equity shares	:	6636222	6636222
Basic earnings per share of Rs. 10/- each (Rs.)	:	4.40	3.61

41. **Separate Financial Statements**:

The company is not having any Subsidiary Company, Joint Venture Company and associates and hence no separate disclosure pursuant to Ind AS 27 is made.

42. **Disclosure pursuant to Ind AS 101 First Time Adoption of Indian Accounting Standards** :

The company has already adopted Ind AS w.e.f. financial year 2017-18.

43. **Remuneration to Directors and Key Managerial Personnel :**

	Current Year (Rs.)	Previous Year (Rs.)
A. Chairman & Managing Director (Ashok Kumar Gupta)		
Salaries	24.00	24.00
Contribution to Provident Fund	0.22	0.22
B. CEO & Managing Director (Siddharth Gupta)		
Salaries	23.15	14.88
Contribution to Provident Fund	2.77	1.79
Leave Travel	4.72	
C. Executive Director (Shalini Chandra)		
Salaries	6.00	6.00
Contribution to Provident Fund	0.72	0.72
D. Chief Finance Officer (Vinay Kumar Piyush)		
Salaries	4.29	3.48
Contribution to Provident Fund	0.45	0.42
E. Company secretary (R.K. Singh)		
Salaries & Allowances	8.18	7.66
Contribution to Provident Fund	0.90	0.85

44. **Details of Payment made to Auditors**

As Auditor	0.75	0.75
For Tax Audit Fees	0.20	0.10
For Certification / Quarterly Review Fees	0.45	0.47

Goods and Services Tax/Other Taxes as applicable is paid as charged.

No fees/remuneration is paid to any entities in the network firm/network entities of which the Statutory Auditor is a part.

45. The export sales include Goods dispatched but under shipment upto 31.3.2022 amounting to rupees 165.16 lacs (Previous Year 94.02). Prior to introduction of Goods & Service Tax Act, Goods under shipment was not treated as Export (Sale), but as per requirement of Goods & Service Tax Act, this change in accounting principle was made since the F.Y. 2017-18.

46. Amount of closing balance as per bank in dedicated dividend payable account has been taken as unclaimed dividend of Rs. 19.64 Lakhs (previous year Rs. 16.03 Lakhs). The amount does not include amount of demand drafts issued but not en cashed by the shareholders.

47. Rs.20.35 Lakhs (previous year Rs. 20.35 Lakhs) paid to suppliers as advance has been shown as doubtful assets. No provision against the outstanding is made as in the opinion of the management, amount will be recovered in full.

Rs.11.96 Lakhs (previous year -11.96 Lakhs) given as Loan has been shown as doubtful assets. No provision against the outstanding is made as in the opinion of the management, amount will be recovered in full. No interest has been charged in the account in current year as the Loan is classified as doubt full.

48. 2.51 Hectare land of the company situated at Village Karna Dandi and Bairion, near Tandia, Varanasi have been acquired by Varanasi Development Authorities in Transport Nagar Scheme and the company has challenged the Acquision order before Hon'able Allahabad High Court and Status Quo has been ordered by the Hon'able High Court. The company is still in possession of the land.

49. **PENDING PETITION WITH NCLT:**

a) The Special Leave Petition vide no. 25165-25166/2007 filed by Shri Ajit Kumar Gupta and others against Hon'ble CLB order dt. 04.07.2007 and 03.08.2007 in the matter of C.P. No. 14/99, CP No. 14/111/1999, 15/111/1999 and 1/111/2001 had been disposed off by Hon'ble Supreme Court on 11.04.2018. The company had already complied and executed above order of Hon'ble CLB by 05.09.2007 and nothing is pending to be complied by the company and accordingly disclosed in Annual Report made thereafter. However Mr. Raj Kumar Gupta, ex-director of the company, who had not challenged CLB orders now filed an Execution Petition No. 424/2018 before Hon'ble NCLT to get property of the company situated at Expo Mart, Greater NOIDA , which was neither part of CLB Petition No. 14/1999 nor mentioned in the list of properties to be transferred to 1st Petitioner (Mr. Raj Kumar Gupta group) in CLB final order dt. 04.07.2007 and modified order dt. 03.08.2007. Mr. Raj Kumar Gupta Ex-director of the company had already made an application to get this property before Hon'ble Supreme Court in SLP No. 935-936/2010 and Hon'ble Supreme Court finally dismissed the SLP with all pending applications. The present Execution Petition 424/2018 filed by Mr. Raj Kumar Gupta before Hon'ble NCLT Allahabad is pending. The Management does not reasonable expect that the Execution Petition, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

b) M/s Sara Textiles, a supplier of goods have filed Claim Petition with U.P. MSME Facilitation Council (Claim Petition Number-03/2021) for claim of Rs. 8.78 lacs with interest. The goods failed in test report and rejected by the buyer. Hence, as per agreed terms, debit note was raised to M/s Sara Textiles and informed for return of goods. In the opinion of management, since goods was not as per order terms and condition, the amount is not payable.

50. **DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC**

The world has been affected with an unprecedented pandemic COVID-19, which has adversely affected the lives and livelihood of the people of the virtually all countries. In India, the Nation wide lock down have been extended many times during the year. Even lock down has affected the business in the beginning of financial year 2021-22.

The company is manufacturing and leading Exporter of Glass Beads Handicrafts and its related items, mainly to US and other countries. Due to this COVID 19 impact, the Revenue from Operation of the Company has decreased. However, the profit before tax is not much affected.

Keeping in view of continuing effect of Covid-19, it is difficult to ascertain the overall impact of the outbreak. The pandemic may significantly impact business of the Company as under :

- The Foreign Buyers may cancel or defer in execution of orders.
- Buyers may not give further orders.
- Shipment of goods could not be done during lockdown.

a. **Ability to maintain operations including the factories/units/office spaces functioning and closed down**;
Ensuring compliances related to Covid-19 guidelines i.e. maintaining social distance, mandatory to wear face mask, proper sanitizations, cleaning hands, thermal scanning etc., the company is continuing its manufacturing and other business activities.

b. **Estimation of the future impact of COVID-19 on its operations.**
Covid-19 had certainly negative impact on the export business. Being the Manufacturer and Exporter of fashionable items, its business is affected by the market condition, transportation problems, demand and policy of the various countries. However, the company is not expecting much impact during current year as orders are not being cancelled by the Foreign Buyers/Stores.

c. **Details of impact of COVID-19 on capital and financial resources**;

a. **Profitability-** The company's profit is not much affected during the year and expect that its profitability will not be affected in future also keeping in view the continuous support of Foreign Buyers.

b. **Liquidity position-** The Company is already having good liquidity position in form of bank deposit and other current assets and will be able to face the impact of Covid-19 smoothly.

c. **Ability to service debt and other financing arrangements-** The Company is not expecting any problem in its ability to service debts and other financial arrangement, keeping in view good liquidity position.

d. **Assets-** All the property, plant and equipment and other assets are in operation.

e. **Internal financial reporting and control-** Internal Financial reporting and control are not adversely affected.

f. **Supply chain-** At present, the Supply chain of the company is not adversely affected.

g. **Demand for its products/services-** As the Foreign Buyers are giving full support to the company, hence the company do not expect any short fall in demand of its products in future.

d. **Existing contracts/agreements where non-fulfillment of the obligations by any party may have significant impact on the business.**

The existing contracts/agreements are being honored by the Foreign Buyers, hence the company will not have any significant impact on the business of the company.

Inventory of the company forms significant part of the current assets. The inventories of the company mainly consists handicraft items of glass beads etc., The inventories of the company is of such nature which can be sold at any time and thus no adverse effect on the liquidity. The companies trade receivable and loans and advances are being realized in normal course of business and as per the company policy, the portion of future sale on credit will be minimum. Thus there is no potential impact on the liquidity of the company and risk due to COVID-19 Pandemic.

These assessments are not based on any mathematical model but an assessment considering the nature of inventory, receivables and other financial assets.

The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

51. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Property Transactions (Prohibition) Act'1988) and the rules made there under. Similarly, the company is not having any transaction not recorded in the books of accounts that has been surrendedred or disclosed as income durng the year in the tax assessments under the Income Tax Act'1961.

52. The company has been sanctioned working capital limit from bank on the basis of security of current assets. No quarterly returns or statements are filed by the company to the bank as the clause of submission of Stock Statement/Drawing Power Calculation is not stipulated by bank.

53. The company is not declared willful defaulter during the year by any bank or financial Institution or other lender in accordance with the guidelines issued by the Reserve Bank of India.

54. The Company is not having any transaction during the year with the companies struck off under section 248 of the companies Act'2013 of section 560 of the Companies Act'1956.

55. None of the Charges or Satisfaction are yet to be registered with Registrar of Companies beyond the statutory period.

56. The Company is not having any layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules'2017.

57. Disclosure of Financial Ratios as prescribed under Schedule III of Companies Act'2013:- Rs. Lacs

S.N.	Ratios	Ratios		Numerator	Denominator	Reason for Variation
		2021-22	2020-21			
1	Current Ratio(in times)	5.02	5.14	All items of current assets of Balance Sheet	All items of current liabilities of Balance Sheet	No major variation
2	Debt/Equity Ratio (in times)	0.11	0.09	Loan taken from Bank	Equity Share Capital and other equity	No major variation
3	Debt Service Coverage Ratio	Not Applicable as no Term Liability to the Company				
4	Return on Equity Ratio (%)	5.66	4.78	Net Profit after tax	Equity Share Capital and other equity	No major variation
5	Inventory Turnover Ratio (in times)	1.34	1.71	Revenue from operation	Inventory	No major variation -
6	Trade Receivable Turnover Ratio (in times)	5.47	7.63	Revenue from operation	Trade Receivables	The credit sale has increased resulting in increase in receivables and thus ratio decreased.
7	Trade Payable Turnover Ratio (in times)	32.14	51.69	Purchases+Manufacturing and Other Expenses	Trade Payables	The purchases on credit has increased resulting in increase in creditors and thus ratio decreased.
8	Net capital turnover Ratio (in times)	0.77	0.82	Revenue from operation	Working Capital (Current Assets-Current Liabilities)	No major variation
9	Net Profit Ratio (in %)	11.63	11.69	Profit after tax	Revenue from operation	No major variation
10	Return on Capital Employed (in %)	7.86	6.74	Profit before tax+Finance Cost	Equity Share Capital and other equity	No major variation
11	Return on Investment (in %)	7.37	6.34	Profit before tax	Equity Share Capital and other equity	No major variation

Reason for Variation is given if the variation is more than 25%.

58. No Scheme of Arrangements has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act'2013.

59. The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

60. Utilisation of borrowed fund and share premium

A) No funds have been advanced or loaned or invested (either from the borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) No funds have been received by the Company from any persons or entities, including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

61. Dividend Declared by the Company:

The company has declared an Interim Dividend of Rs. 2.00 per equity share for the financial year 2021-22.On May 19, 2022 the Board of the directors of the company have proposed this interim dividend as final dividend in respect of financial year 2021-22, subject to the approval of shareholders at the Annual General Meeting.. This proposal of dividend will not result in further cash outflow as the interim dividend is already distributed.

62. **MISCELLANEOUS NOTES ON ACCOUNTS**

i) The Management has conducted physical verification of stocks and property, plant and equipment at reasonable intervals and discrepancies noticed on such verification have been properly dealt with.

ii) There is an adequate internal control procedure and internal audit system commensurate with the size of the company and the nature of its business. The Directors have been making consistent efforts to improve such procedures and systems keeping in view the needs of business and experience gained.

iii) Balance of Sundry Debtors, Creditors and Loans and Advances shown in the accounts are subject to confirmation by the parties concern.

iv) In the opinion of the Directors, Currents Assets, and Loans and Advances are approximately of the value, which, if realised, in the ordinary course of business, will not be less than the figure stated in the books of accounts.

v) The Calls in arrears of Share Capital amounting to Rs.221500 and of Share Premium amounting to Rs. 1459900 are outstanding since long. None of these amounts relate to the directors or their relatives. The Management has decided not to forfeit such shares for the time being.

vi) Previous year's figures have been regrouped/ rearranged/ reclassified wherever necessary to make them comparable with the figures of the current year.

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Bead Showroom at Banaras Beads Head office Varanasi

Corporate & Head Office in Varanasi

Solar Energy Panel at Banaras Beads

Faceted Bead Making Machines

From Time to Time Company will participate Jewelry Fairs in various parts of worlds.

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To,

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BANARAS BEADS LIMITED
(AN EXPORT HOUSE RECOGNISED BY GOVERNMENT OF INDIA)

A-I, Industrial Estate, Varanasi - 221106 (U.P.) India
Phones : 0542-2370161-64 (4 Lines)