

ISO 9001, ISO/TS 16949, ISO 14001, OHSAS 18001 CERTIFIED ORGANISATION

Survey No. 22/1, Plot No 1,2,3 Shapar Village Road, SHAPAR (Veraval) 360 024.

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CIN : U29130GJ1991PLC016005

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September 02, 2021

To,

Corporate Governance Department

BSE Limited

25th Floor, P.J. Towers,

Dalal Street, Fort,

Mumbai-400 001.

Dear Sir/Madam,

SUB: ANNUAL REPORT 2020-2021

REF.:SCRIP CODE: 539398 SCRIP ID: VISHALBL

In terms of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report along with Notice of 30th Annual General Meeting of the Company for the Financial Year 2020-2021, which is being sent to the shareholders.

The 30th Annual General Meeting of the company will be held on Thursday, September 30, 2021 at 04.00 PM at the Registered office of the Company.

Kindly take note of the same.

Thanking You.

For VISHAL BEARINGS LIMITED



Dilip Kumar Changela

DILIPKUMAR CHANGELA

MANAGING DIRECTOR

DIN: 00247302



30TH ANNUAL REPORT
2020-2021

Vishal Bearings Limited

Corporate Information

Board of Directors

Mr. Hiralal G. Changela
(DIN: 00247292)
Chairman

Mr. Dilipkumar Changela
(DIN: 00247302)
Managing Director

Mr. Vrajlal G. Changela
(DIN: 00247295)
Director

Mr. Niteshkumar J. Patel
(DIN: 01854443)
Director

Mrs. Ameer K. Dadhania
(DIN: 08546107)
Director

Mr. Kishan R. Sureja
(DIN: 08994262)
Director

Mr. Vishal Changela
Chief Financial Officer

Mr. Divyesh Changela
Chief Executive Officer

Company Secretary

Mr. Ketan V. Savaliya

Bankers

State Bank of India
Kotak Mahindra Bank
HDFC Bank Limited

Auditors

SVK & Associates

Secretarial Auditor

K. P. Ghelani & Associates

Registered Office

Survey No. 22/1, Plot No.1, Shapar Main Road, Shapar (Veraval), Rajkot, Gujarat-360024, India
Tel: 2827-252273, Fax: 2827-253087
Email: legal@vishalbearings.com
Website: www.vishalbearings.com

Units

Vishal Bearings Limited
1) Shapar Village Road, Rajkot, Gujarat
2) SIDC Main Road, Rajkot, Gujarat

Registrar & Share Transfer Agent

KFin Technologies Private Limited
Selenium Tower B, Plot no. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500032
Tel: 040 67162222 -24
Telefax: 040 – 23001153
Website: www.kfintech.com

Investor Relation Centres

KFin Technologies Private Limited

24-B, Ground floor,
Rajabahadur Mansion,
Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai 400 023
Tel: 022-66235454, Fax: 022-66331135

30th Annual General Meeting

30th ANNUAL GENERAL MEETING
On Thursday, September 30, 2021
at 04:00 PM
at the Registered office of the
Company

Dear Shareholders,

It is with great pleasure that I present to you our 30th Annual Report.

As we turned 30, we encountered one of the toughest years in our history. Despite the crisis situation arising out of the pandemic, it is important to note that your Company has performed well on all fronts.

We accorded the highest priority to human life and safety of all our employees as well as our various stakeholders like vendors, customers, dealers, and painters as it worked to meet the challenges and opportunities of the pandemic.

At Vishal Bearings, we have been growing our business without compromising the health and safety of our people. In the face of the COVID-19 pandemic, we have been acting responsibly, supporting communities, and making a small difference to all around us.

We have been investing in a safe and sustainable future for all our stakeholders.

We have been investing responsibly in stakeholder partnerships, strengthening our organisational resilience.

We are optimistic that the outcome of these initiatives will be profitable and sustainable growth for all our stakeholders well into the long-term.

I take this opportunity to express my gratitude to all our stakeholders. In these challenging times, I wish for the wellbeing and safety of you and your families.

Hiralal G. Changela
Chairman

Mission

"We understand the quality parameters demanded by leading OEMs and believing in the philosophy of prevention rather than detection. We consider Quality as the main tool to control every activity undertaken in the plant, right from sourcing of raw material to final products and to serve our customer in better way. On the basis of continuous experience & re-engineering approach the company's efforts are on going basis to maintain & improve the efficiency, which indirectly helps to improve the competitiveness to meet today's requirements of the customers."

Vision

The Visionaries have helped in developing unique and indigenous way to manufacture bearing rollers of the finest quality and at the optimum cost. Because of its innovative technology which is recognized worldwide, the company has carved a niche for itself in the industry. With the help of all our experiences gained in the years so far we are able to give our customers a true 'VALUE FOR MONEY' advantage. Today we are proud to tell that we are among the very few suppliers of bearing rollers who provides finest quality with all in house process in India.



"We have to fine-tune our strategic concept with 4 focus areas. In doing so, we have been guided by the following fundamental principle: we will only be successful in the long run if we combine long-term thinking and the success factors that have proven themselves over the years – Quality, Technology and Innovation – with a systematic orientation towards the future."

- **Vishal Changela**
Chief Financial Officer

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BOARD OF DIRECTORS' REPORT

Dear Shareholders,

Your directors are pleased to present the **30th Annual Report of Vishal bearings Limited** (the "Company") along with the audited Financial Statements for the financial year ended 31st March, 2021 has been referred to wherever required.

FINANCIAL SUMMARY AND HIGHLIGHTS:

A summary of the Company's financial results for the Financial Year 2020-2021 is as under:

Financial Particulars	For the year ended March 31	
	2021	2020
Revenue from operations	577,137,222	519,815,807
Other Incomes	3,410,176	7,009,648
Total revenues	580,547,399	526,825,455
Cost of Material consumed	358,419,716	341,253,964
Changes in Inventory	(3,740,280)	(22,594,263)
Employee Benefit expense	77,635,276	78,469,670
Finance Costs	24,860,019	29,778,776
Depreciation and amortization expense	36,539,904	36,467,618
Other expenses	80,586,419	63,806,790
Total Expenses	574,301,054	527,182,554
Profit before tax	6,246,345	(357,100)
Tax expense	2,262,831	(462,012)
Profit for the year	3,983,514	104,912

OPERATIONAL OVERVIEW:

The financial statements for the year ended March 31, 2021 have been prepared under Indian Accounting Standards ("Ind AS") pursuant to notification by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

From March 2020 India saw a rapid spread of COVID and therefore, Industry slowed down and effectively stopped functioning till first week of May 2020. Business opened gradually only over the next few months with different levels of restrictions in off and on trade channels. Particularly on trade restrictions were lifted gradually only by October onwards. Several States introduced higher COVID related excise taxation, which were in most cases fully or partly rolled back in the financial year. These factors combined had adverse impact on dispatches, sales performance as well as margins. In a year where industry remained sluggish due to COVID and other economic factors, your Company achieved a Net turnover of Rs. 580,547,399. Being an exceptional year, like to like comparison of financial numbers is less meaningful and the Profit before Taxation for the year stood at Rs.6,246,345. Profit after Taxation stood at Rs.3,983,514.

MIGRATION OF EQUITY SHARES OF VISHAL BEARINGS LIMITED FROM BSE SME PLATFORM TO BSE MAINBOARD PLATFORM:

Your Company are hereby informed that effective from Monday, May 31, 2021, the equity shares of Vishal Bearings Limited which are already listed under BSE SME Platform will now be migrated & admitted to dealings on the Mainboard Platform in the list of 'B' Group.

COVID-19:

The COVID-19 pandemic is a worldwide crisis and has meant that the economies will have to operate alongside the disease. The auto sector had already undergone considerable slowdown over the last 12-18 months due to structural changes beginning with the Goods and Services Tax, shift to Shared Mobility, Axle-load reforms, the Bharat Stage-IV (BS-IV) to Bharat Stage-VI (BS-VI) transition, Liquidity Crunch and so on. The COVID-19 lockdown has had a multiplier effect the industry has almost been at a complete stand still since 24th March. A prolonged truncation of consumer demand due to the lockdown is seen significantly affecting auto manufacturers (OEMs) revenues and cash flows.

In response, most of the companies are starving research and development (R&D) funding to sustain core operations and potentially setting back the progress made on alternate fuel and mobility technologies by 2-4 quarters. Eventually, some companies may even choose to take a strategic call to exit unprofitable markets and vehicle segments.

The Company strictly followed the guidelines issued by the local, state and central governments and also went beyond to protect the health and well-being of its workforce and ensured minimum disruption to its customers. Despite this, the sales of the Company in the first quarter were affected due to the pandemic.

The Company provided support to its employees and their families to undergo vaccination.

TRANSFER TO RESERVES:

In view of the losses incurred, no amount has been transferred to reserves during the year under review.

PUBLIC DEPOSITS:

Your Company has not accepted or renewed any deposits under Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014, during the Financial Year 2020-2021.

LOAN FROM DIRECTORS:

During the Financial Year 2020-21, the Company has accepted loans from the directors of the Company for which the Company has received the declaration that the said loan is not from the borrowed funds.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the financial year ended March 31, 2021, impacting the going concern status and Company's operations in future.

CHANGE IN THE NATURE OF BUSINESS:

The Company manufactures Rollers and bearings for industrial applications. There has been no change in the main nature of business activities of the Company during the financial year under review.

DIVIDEND:

During the year under review, the Company has not recommended and declared dividend by the Board of Directors.

SHARE CAPITAL:

The paid-up Equity Share Capital as at March 31, 2021 stood at Rs. 10.79 crore. During the year under review, the Company has neither issued shares with differential voting rights, nor granted stock options, nor sweat equity and none of the Directors of the Company hold any convertible instruments.

DEMATERIALIZATION OF SHARES:

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Pursuant to dematerialization of shares, the company has entered into an agreement with NSDL & CDSL.

As on March 31, 2021, 100% of the share capital of the company is dematerialized.

OUTLOOK FOR THE FINANCIAL YEAR 2021-22:

The vaccination drive across the globe is a silver lining in the dark cloud despite Covid-19 and gives us strong reasons to see light at the end of the tunnel. As bearing industry's fortunes are closely linked to economic growth, the outlook is positive in the near to medium term. The long-term prospects of the company are good and promising as your Company continues to explore all the avenues to ensure growth of its business which includes deeper penetration into new and existing markets.

MATERIAL CHANGES AND COMMITMENTS:

In terms of Section 134(3)(l) of the Companies Act, 2013, there are no material changes and commitments affecting the financial position of your Company which have occurred between the close of the financial year of the Company on 31st March 2021 to which the Financial Statements relate and up to the date of this report, except a delay in completion of expansion at Waluj, as stated earlier.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Pursuant to provisions of Sections 2(51) and 203 of Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as directors and Key Managerial Personnel of the Company:

1.	<u>Managing Director</u>	<u>Mr. Dilipkumar Changela</u>
2.	<u>Whole time director</u>	<u>Mr. Hiralal Changela</u>
3.	<u>Whole time director</u>	<u>Mr. Vrajlal Changela</u>
4.	<u>Chief Financial Officer</u>	<u>Mr. Vishal Changela</u>
5.	<u>Chief Executive Officer</u>	<u>Mr. Divyesh Changela</u>
6.	<u>Company Secretary</u>	<u>Mr. Ketankumar Savaliya</u>

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and SS-2 issued by ICSI, the brief resume of the Directors proposed to be appointed/re-appointed is given in the notice convening the 30th Annual General Meeting.

In accordance with provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vrajlal Changela, Director of the Company, retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, make the following statements that:

- (a) that in the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and the Statement of Profit and Loss of the Company for the financial year ended 31st March, 2021;
- (c) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a "Going Concern" basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has devised the Nomination and Remuneration Policy for the selection, appointment and remuneration of Directors, Key Managerial Personnel and remuneration of other employees including Senior Management employees who have the capacity and ability to lead the Company towards achieving sustainable development. The extract of Nomination and Remuneration Policy is provided in the Corporate Governance Report and forms part of Board's Report.

The Criteria for appointment and remuneration of Directors is as under:

- a) Criteria for Appointment of Managing Director / Whole Time Director/ Director:
The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in bearings Industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.
- b) Criteria for Appointment of Independent Director:
The Independent Director shall be of high integrity with relevant expertise and experience to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance, and general management.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company believes that Internal Control is one of the key pillars of governance, which provides freedom to the management within a framework of appropriate checks and balances. The Company has a robust internal control framework, which has been developed considering the nature, size, and risks in the business. The Company has adequate internal control systems in place and has reasonable assurance on authorizing, recording, and reporting transactions of its operations. The Company has well-placed, proper, and adequate internal controls environment, commensurate with its size, scale, and

complexities of its operations. The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, processes, and operating level standard operating procedures.

Internal control systems are an integral part of your Company's Corporate Governance structure. Information Technology and processes also ensure that they mitigate the current business risks. The Company has successfully implemented ERP system & backed by necessary Bandwidth. The systems and processes are continuously improved by adopting best in class processes and automation and implementing the latest IT tools which help further for maintaining financial and commercial discipline. These have been designed to provide reasonable assurance with regard to credibility of data and compliances, inter-alia:

- a) Recording and providing reliable financial and operational information;
- b) Complying with the applicable statutes;
- c) Safeguarding assets from unauthorized use;
- d) Executing transactions with proper authorization, and ensuring compliance with corporate policies;
- e) Prevention and detection of Frauds / errors;
- f) Continuous updating of IT systems.

The management has assessed the effectiveness of the Company's internal control over financial reporting as of 31st March 2021.

Your Company has assessed the effectiveness of internal financial controls of the Company. Their assessment was based on an internal audit plan, which was reviewed in consultation with the Audit Committee and is found to be quite adequate.

The Audit Committee reviewed the activities. Based on their evaluation (as defined in section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, 2015), the Company's Audit Committee has concluded that, as of 31st March, 2021, the Company's internal financial controls were adequate and operating effectively.

HUMAN RESOURCE:

With a vibrant team of 172 employees as on 31st March 2021, your Company believes that employees are instrumental in its progress. In Company, they work towards its goal of building the 3s of the organization i.e., sustainable, smarter, and safer. Your Company believes in a culture of inclusion, trust, skill development, empowerment, and development for its employees. Your Company continues to invest significantly in building a culture of coaching and mentoring and further aims to make coaching, mentoring and communication ability the foundation of its leadership style which further helps the Company and its workforce to keep pace with the changing world. Your Company believes the fact that your organization is only as good as its employees. Your Company considers its human resources as its biggest asset and believes in People at the heart of its Human resource strategy which set the Company apart from Company's peers. Your Company believes that employees continuously strive to make the organization as inclusive as possible. Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts, it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company endeavours to provide employees with all the support, resources, and incentives. Your Company ensures that young talent is nurtured and mentored consistently, that rewards and recognition are commensurate with performance and that employees have the opportunity to develop and grow. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees and seeks to ensure that Company's values and principles

are understood by all and are the reference point in all matters. Employee relations continue to be cordial.

COVID-19 has created a lot of challenges on the Human Resources front; both in the staff category as well as in workmen category. Your Company has implemented strict Covid-19 protocols, regular testing, and in-house medical centre to take care against Covid infections of its employees and their family members.

STATUTORY AUDITORS:

Pursuant to section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. SVK & Associates, Chartered Accountants, (Firm Registration No. 118564W) re-appointed as Statutory Auditor of the company to hold office for second term of the five years. Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every AGM, is not required. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report do not contain any qualification, reservation, adverse remark, or disclaimer.

INTERNAL AUDIT:

The Board has appointed M/s. P. Ghanshyam & Co., Chartered Accountants as Internal Auditors for a period of 1 (One) year for Financial Year 2020-21 under Section 138 of the Companies Act, 2013 and they have completed the Internal Audit as per the scope as defined by the Audit Committee.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. K. P. Ghelani & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21 as required by Section 204 of the Companies Act, 2013 and rules made thereunder. The Company provided all assistance and facilities to the Secretarial Auditors for conducting their audit. M/s. K. P. Ghelani & Associates has also conducted the Annual Secretarial Compliance pursuant to Listing Regulations, 2015. The Secretarial Audit Report for the financial year ended 31st March 2021 is annexed herewith.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

MAINTENANCE COST RECORDS AND COST AUDIT:

In terms of Section 148 of the Companies Act, 2013 read with Rule 5 of Companies (Cost Records and Audit) Rules, 2014, ("Cost Records Rules") as amended from time to time, the Company maintained its Cost Records on regular basis in such manner which facilitates the calculation as may be prescribed by the Rules.

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are applicable for the business activities carried out by the Company. Your company has not applied to cost audit during the financial year FY 2019-20.

AUDITOR'S QUALIFICATION:

There are no qualifications in the reports of the Statutory Auditors and Secretarial Auditor. There was no instance of fraud during the year under review, which is required to be reported by Statutory Auditors in their reports as mentioned under sub-section (12) of Section 143 of the Act.

INDUSTRIAL RELATIONS:

The industrial relations with staff and workers during the year under review continue to be cordial.

DECLARATION OF INDEPENDENCE:

The Company has received Declarations of Independence as stipulated under Section 149(7) of the Companies Act, 2013 from Independent Directors confirming that he/she is not disqualified from appointing/continuing as Independent Director. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

MEETINGS OF THE BOARD:

The Meetings of the Board and Committees are pre-scheduled, and a tentative calendar of the meetings finalized in consultation with the Directors is circulated to them in advance to facilitate them to plan their schedule. In case of special and urgent business needs, approval is taken by passing resolutions through circulation. During FY20-21, five (5) Board Meetings were held. Other details including the composition of the Board and various Committees and Meetings thereof held in FY21 are given in the Corporate Governance Report forming part of this Report.

MEETING OF THE INDEPENDENT DIRECTORS:

During the year, one (1) Meetings of Independent Directors were held on March 30, 2021. All Independent Directors have given a declaration that they meet the criteria of Independence and in the opinion of the Board, the Independent Directors fulfill the condition of Independence as laid down under the Act and Listing Regulations.

AUDIT COMMITTEE:

The Audit Committee of the Board of Directors is constituted to act in accordance with the terms of reference and perform roles, as prescribed under the Act and Listing Regulations. The composition of the Audit Committee, its terms of reference, roles and details of Meetings convened and held during the year under review is given in the Corporate Governance Report forming part of this Report.

During the year under review, all the recommendations of the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted to act in accordance with the terms of reference and perform roles, as prescribed under the Act and Listing Regulations. The composition of the Nomination and Remuneration Committee, its terms of reference, roles and details of Meetings convened and held during the year under review is given in the Corporate Governance Report forming a part of this Report.

SHAREHOLDER'/INVESTORS RELATIONSHIP COMMITTEE:

The Company has in place a Shareholder'/Investors Relationship Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 20 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Composition of Shareholder'/Investors Relationship Committee is given in Corporate Governance Report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

During this year the Company has appointed any new Independent Director. The existing Board comprises Executive, Independent and Non-Executive Directors who have been at the helm of Management of the Company for several years and are fully conversant with

the business and operations of the Company. The Familiarization programme for new Independent Directors as and when inducted shall aim to familiarize them with the Company, their roles, rights, responsibility in the Company, market, business model of the Company etc. The Board of Directors has complete access to requisite information within the Company.

Familiarization is done at the Board Meeting itself where business is discussed at length along with Industry dynamics, Strategic planning and other relevant information. Presentations are regularly made to the Board of Directors/Audit Committee/Nomination & Remuneration Committee on various related matters, where Directors get an opportunity to interact with Senior Managers. The Company has issued appointment letters to the Independent Directors which also incorporates their role, duties and responsibilities.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has in place a Corporate Social Responsibility Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Composition of Corporate Social Responsibility Committee is given in Corporate Governance Report.

VBL firmly believes in growing the business in a socially and environmentally responsible way while meeting the interests of all its stakeholders. Our Company is committed to improving the lives of the community it works with and reducing impact of its operations on the environment it draws its resources from.

PERFORMANCE EVALUATION:

Annual evaluation of Board, its performance, Committees and individual Directors pursuant to applicable provisions of the Act and applicable regulations of Listing Regulations, 2015, were carried out.

The performance of the Board was evaluated after seeking inputs from all the Directors present in the meeting based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and Nomination and Remuneration Committee had evaluated / reviewed the performance of individual Directors based on 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.

The Securities and Exchange Board of India (SEBI) vide circular SEBI /HO /CFD /CMD/ CIR/ 2017/004 dated 5th January, 2017, issued a Guidance Note on Board Evaluation about various aspects involved in the Board Evaluation process to benefit all stakeholders. While evaluating the performance, the above guidance note was considered. Performance evaluation of Independent Directors was carried out by the entire board, excluding the Independent Director being evaluated. A meeting of the Independent Director for the FY 2020-21, with Mr. Kishan Sureja, as the Chairman, was held on 30th March 2021, to review the performance of the Non-Independent Directors, the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. The same were 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 were also discussed. The Directors expressed their satisfaction with the evaluation process.

ENHANCING SHAREHOLDERS' VALUE:

Your Company believes in the importance of its members who are among its most important stakeholders. Accordingly, your Company's operations are committed to the goal of achieving high levels of performance and cost effectiveness, growth building, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your

Company is also committed to creating value for its stakeholders by ensuring that its corporate actions have positive impact on the socio-economic and environmental growth and development.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are provided in this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees and investments covered under Section 186 of the Act are given in the notes to the Financial Statements. The Company has not advanced loans to Directors / to a Company in which the Director is interested to which provisions of Section 185 of the Act apply and has not given loans / guarantees / provided security to which provisions of Section 186 of the Act apply.

LISTING REQUIREMENTS:

Your Company's Equity Shares has migrated from SME BSE Limited to Main Board of BSE Limited.

Your Company's Equity Shares are listed on the BSE Limited. The Listing fees have been paid to these Stock Exchanges for the year 2021-2022.

DEPOSITORY SYSTEM

The trading in the Equity Shares of the Company is under compulsory dematerialization mode. The Company has entered into an agreement with National Securities Depository Limited and Central Depository Services (India) Limited in accordance with the provisions of the Depositories Act, 1996 and as per the directions issued by the Securities and Exchange Board of India. As the depository system offers numerous advantages, Members are requested to take advantage of the same.

EMPLOYEES STOCK OPTION SCHEME AND SWEAT EQUITY SHARE:

The Company has not offered any shares to its employees or Key Managerial Personnel under a scheme of Employees' Stock Option and has also not issued any Sweat Equity Shares at any time.

RELATED PARTY TRANSACTIONS:

Details of transactions with related parties as defined in the Act and the Rules framed thereunder, the Listing Regulations and Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, have been reported in the Notes to financial statements. Approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations has been obtained for such transactions.

All transactions entered by the Company during FY21 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable to your Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS AND MANAGEMENT'S REPLY FOR THE SAME:

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report on the Financial Statements of the Company for year ended March 31, 2021. The notes to the accounts are self-explanatory to comments/observations made by the Auditors in their report and do not require further explanation.

There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report of the Company during the period of review.

CODE FOR PREVENTION OF INSIDER TRADING:

Your Company has adopted a comprehensive 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' relating to the Company, under the provisions of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Board of Directors have approved and adopted the 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

MSME:

The Ministry of Micro, Small and Medium Enterprises vide their Notification dated 2nd November 2018 has instructed all the Companies registered under the Companies Act, 2013, with a turnover of more than Rupees Five Hundred crore to get themselves on boarded on the Trade Receivables Discounting system platform (TReDS), set up by the Reserve Bank of India. The Company is not covered under the above Criteria as mentioned in MSME.

VIGIL MECHANISM:

The Vigil Mechanism of the Company which also incorporate a whistle blower policy in the terms of Listing Regulations, 2015 deals with instances of fraud and mismanagement, if any. Adequate safeguards have been provided against victimization of persons who use the 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.

During the year, no person has been declined access to the Audit Committee, wherever desired and the mechanism provides for addressing the complaints to Audit Committee and direct access to the Chairperson of the Audit Committee in exceptional circumstances.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:

The Company does not have any subsidiary, Associates or Joint Venture Companies and hence preparation of Consolidated Financial Statements and Statement containing salient features of subsidiary in AOC-1 as per the provisions of Section 129 of the Companies Act, 2013 is not applicable to the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with mechanism of lodging/redressal complaints. During the year under review, there were no complaints reported to the Board.

ANNUAL RETURN:

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act

read with Rule 11 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is attached as Annexure to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A statement comprising the names of top 10 employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in this Report.

CORPORATE GOVERNANCE:

The Corporate Governance Report along with the certificate from the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report, as required by Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, are already dealt with in various sections of this Report. The Management Discussion and Analysis Report is separately annexed and forms part of this report.

COMPLIANCE WITH THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (“ICSI”) SECRETARIAL STANDARDS:

The relevant Secretarial Standards issued by the ICSI related to the Board Meetings and General Meeting have been complied with by the Company.

No disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:

- a) Details relating to deposit and unclaimed deposits or interest thereon.
- b) Issue of equity shares with differential rights as to dividend or voting.
- c) Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
- d) None of the managerial personnel i.e. Managing Director, Joint Managing Director and Whole-time Director of the Company are in receipt of remuneration / commission from Subsidiary Companies of the Company.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

ANNEXURES FORMING PART OF THIS ANNUAL REPORT:

Annexure No.	Particulars
I	Statement of Disclosure of Remuneration Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
II	Form no. AOC-2 –Related party transactions
III	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

CAUTIONARY STATEMENTS:

Certain statements in the "Director's Report & Management Discussion and Analysis" describing the Company's views about the industry, expectations/ predictions, objectives etc., may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the Statement. Company's operations may inter-alia affect with the supply and demand stipulations, input prices and their availability, changes in Government regulations, taxes, exchange fluctuations and other factors such as Industrial relations and economic developments etc. Investors should bear the above in mind.

ACKNOWLEDGEMENT AND APPRECIATION:

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the dedicated and committed services by the Company's executives, staff and workers.

Last but not the least, your directors wish to place on record their warm appreciation to you for your continuous support and encouragement.

**For and on behalf of the Board
Vishal Bearings Limited**

Date: 02.09.2021
Place: Shapar, Rajkot

Sd/-
Dilipkumar Changela
Managing Director
DIN: 00247302

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON 31.03.2021

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L29130GJ1991PLC016005
2	Registration Date	24 July 1991
3	Name of the Company	VISHAL BEARINGS LIMITED
4	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government Company
5	Address of the Registered office & contact details	Survey No. 22/1, Plot No.1, Shapar Main Road, Shapar (Veraval), Rajkot – 360024 , Gujarat. Tel: +91 2827-252273, E-Mail Id: legal@vishalbearings.com Website: vishalbearings.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFIN TECHNOLOGIES PRIVATE LIMITED Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, India. Tel: +91 040-6716-1527 Fax: +91 40-23431551 E-Mail Id: vasanth.g@kfintech.com Website: www.karvyfintech.com

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	All kinds of automobile and engineering bearing parts such as Cons, Tapper, Balls, Rollers and Needles	2814	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
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Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section
1	N.A.				

IV.SHAREHOLDING 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 [As on 01-April-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	75,97,845	-	75,97,845	70.41	75,97,845	-	75,97,845	70.41	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total	75,97,845	-	75,97,845	70.41	75,97,845	-	75,97,845	70.41	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	75,97,845	-	75,97,845	70.41	75,97,845	-	75,97,845	70.41	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) VC Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign VC Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B):	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual	9,70,901	-	9,70,901	9.00%	984,151	-	984,151	9.12%	0.12%

shareholders holding Share Capital upto Rs. 2 lakh									
ii) Individual shareholders holding Share Capital in excess of Rs. 2 lakh	21,38,804	-	21,38,804	19.82%	2,142,179	-	2,142,179	19.85%	0.03%
c) Others (specify)	83,450	-	83,450	0.77%	66,825	-	66,825	0.62%	0.15%
NRI	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies – DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B):	31,93,155	-	31,93,155	29.59%	31,93,155	-	31,93,155	29.59%	0.00%
Total Public (B)	31,93,155	-	31,93,155	29.59%	31,93,155	-	31,93,155	29.59%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	107,91,000	-	10,791,000	100.00%	107,91,000	-	10,791,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Hiralal G. Changela	1199250	11.11%	-	1215000	11.26%	-	0.00%
2	Mr. Dilipkumar G. Changela	1192500	11.05%	-	1208250	11.20%	-	0.00%
3	Mr. Vrajlal G. Changela	1179000	10.93%	-	1194750	11.07	-	0.00%

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

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of Shares	% of total shares
Mr. Hiralal G. Changela						
At the beginning of year	01.04.2020		11,99,250	11.11%	11,99,250	11.11%
Changes during the year			15,750	-	-	-
At the end of the year	31.03.2021		12,15,000	11.26%	12,15,000	11.26%

Mr. Dilipkumar G. Changela					
At the beginning of year	01.04.2020	11,92,500	11.05%	6,62,500	11.05%
Changes during the year		15750	-	-	-
At the end of the year	31.03.2021	12,08,250	11.20%	12,08,250	11.20%
Mr. Vrajlal G. Changela					
At the beginning of year	01.04.2020	11,79,000	10.93%	6,55,000	10.93%
Changes during the year		15750	-	-	-
At the end of the year	31.03.2021	11,94,750	11.07%	11,94,750	11.07%

(iv) Shareholding pattern of the top ten shareholders

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

SN	Particulars	Date	Reason	Shareholding at the beginning/ended of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Darshit D. Changela						
	At the beginning of the year	01.04.2020		442,755	4.10%	4,42,755	4.10%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		442,755	4.10%	4,42,755	4.10%
2	Girishkumar G. Changela						
	At the beginning of the year	01.04.2020		391,500	3.63%	391,500	3.63%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		391,500	3.63%	391,500	3.63%
3	Jayana G. Changela						
	At the beginning of the year	01.04.2020		3,91,500	3.63%	3,91,500	3.63%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		3,91,500	3.63%	3,91,500	3.63%
4	Rinkuben D. Changela						
	At the beginning of the year	01.04.2020		3,69,000	3.42%	3,69,000	3.42%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		3,69,000	3.42%	3,69,000	3.42%
5	Vishal V. Changela						
	At the beginning of the year	01.04.2020		3,65,400	3.39%	3,65,400	3.39%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		3,65,400	3.39%	3,65,400	3.39%
6	Jayshriben H. Changela						
	At the beginning of the year	01.04.2020		2,99,250	2.77%	2,99,250	2.77%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		2,99,250	2.77%	2,99,250	2.77%
7	Rasilaben D. Changela						
	At the beginning of the year	01.04.2020		2,99,250	2.77%	2,99,250	2.77%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		2,99,250	2.77%	2,99,250	2.77%
8	Jyotiben V. Changela						
	At the beginning of the year	01.04.2019		2,99,250	2.77%	2,99,250	2.77%
	Changes during the year				-	-	-
	At the end of the year	31.03.2021		2,99,250	2.77%	2,99,250	2.77%
9	Falguniben P. Vasani						
	At the beginning of the year	01.04.2020		2,76,750	2.56%	2,76,750	2.56%

	Changes during the year			-	-	-
	At the end of the year	31.03.2021	2,76,750	2.56%	2,76,750	2.56%
10	Paresh P. Vasani					
	At the beginning of the year	01.04.2020	2,63,250	2.43%	2,63,250	2.43%
	Changes during the year		3375	-	-	-
	At the end of the year	31.03.2021	2,66,625	2.47%	2,66,625	0.04%

(iv) Shareholding of Directors and Key Managerial Personnel

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of Total shares	No. of shares	% of total shares
1	Hiralal Changela – Whole time Director						
	At the beginning of the year	01.04.2020		11,99,250	11.11%	11,99,250	11.11%
	Changes during the year			15,750	-	-	-
	At the end of the year	31.03.2021		12,15,000	11.26%	12,15,000	11.26%
2	Dilipkumar Changela – Managing Director						
	At the beginning of the year	01.04.2020		11,92,500	11.05%	6,62,500	11.05%
	Changes during the year			15750	-	-	-
	At the end of the year	31.03.2021		12,08,250	11.20%	12,08,250	11.20%
3	Vrajlal Changela – whole time Director						
	At the beginning of the year	01.04.2020		11,79,000	10.93%	6,55,000	10.93%
	Changes during the year			15750	-	-	-
	At the end of the year	31.03.2021		11,94,750	11.07%	11,94,750	11.07%
4	Vishal Changela – CFO						
	At the beginning of the year	01.04.2020		3,65,400	3.39%	3,65,400	3.39%
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		3,65,400	3.39%	3,65,400	3.39%
5	Divyesh kumar Changela – CEO						
	At the beginning of the year	01.04.2020		2,45,070	2.27%	2,45,070	2.27%
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		2,45,070	2.27%	2,45,070	2.27%
6	Ketankumar Savaliya – CS						
	At the beginning of the year	01.04.2020		7500	0.12%	6000	0.12%
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		13,500	0.12%	13,500	0.12%
7	Amees Dadhanias – Independent Director						
	At the beginning of the year	01.04.2020		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		-	-	-	-
8	Kishan Sureja – Independent Director						
	At the beginning of the year	01.04.2020		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		-	-	-	-
9	Nitesh kumar Patel – Independent Director						
	At the beginning of the year	01.04.2020		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31.03.2021		-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,18,15,281/-	21,28,12,667/-	-	37,46,27,948/-
ii) interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	-	-	-
Total (i+ii+iii)	16,18,15,281/-	21,28,12,667/-	-	37,46,27,948/-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	5,40,22,884/-	6,761,163/-	-	6,07,84,047/-
Net Change	5,40,22,884/-	6,761,163/-	-	6,07,84,047/-
Indebtedness at the end of the financial year				
i) Principal Amount	10,77,92,397/-	20,60,51,504/-	-	31,38,43,901/-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,77,92,397/-	20,60,51,504/-	-	31,38,43,901/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Dilipkumar G. Changela	Hiralal G. Changela	Vrajlal G. Changela	
		MD	WTD	WTD	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,72,800/-	24,75,000/-	24,75,000/-	74,22,800/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	24,72,800/-	24,75,000/-	24,75,000/-	74,22,800/-

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Director				Total Amount (Rs/Lac)
		Mr. Rakesh	Mr. Kisha	Mr. Nitesh	Ms. Ameer Dhadhania	
1	Independent Directors					

		Savani	n Sureja	kumar Patel		
	Fee for attending board committee meetings	8000	2000	10000	10000	30,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	8000	2000	10000	10000	30,000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
Total (B)=(1+2)		8000	2000	10000	10000	30,000
Total Managerial Remuneration (A+B)						30,000
* Resignation of Mr. Rakesh Savani as on November 25, 2020.						
** Appointment of Mr. Kishan Sureja as on December 26, 2020.						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Mr. Vishal Changela	Mr. Divyesh Changela	Mr. Ketan Savaliya	
		Designation	CFO	CEO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,85,325/-	21,85,325/-	4,52,536/-	48,23,186/-
	(b) Value of perquisites u/s 17(2)	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	21,85,325/-	21,85,325/-	4,52,536/-	48,23,186/-

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	
Punishment	NIL
Compounding	

**By Order of The Board of Directors
Vishal Bearings Limited**

Date: 02.09.2021

Place: Shapar, Rajkot

Sd/-
Dilipkumar Changela
Managing Director
DIN: 00247302

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

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

The Members,

VISHAL BEARINGS LIMITED

Survey No. 22/1, Plot No. 1, Shapar Main Road,
Shapar (Veraval) Rajkot – 360 002, Gujarat,
INDIA.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s VISHAL BEARINGS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31ST March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the Financial Year ended on 31st March, 2021 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;
- 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, Overseas Direct Investment and External Commercial Borrowings;
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as the company has not issued any debt securities;**
- f) 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 – **Not applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the financial year under review;**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the Financial Year under review;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review.**
- i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I 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 Bombay Stock Exchange.

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

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labor and environmental laws as applicable.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that:

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period there was specific event/action having a major bearing on company's affair in pursuance of the above – referred laws, rules, regulations, guidelines, standards, etc as under;

(i) The shareholders of the company approved the Migration of the company from BSE SME Platform to BSE Mainboard Platform vide Postal Ballot Results on February 28, 2021.

(ii) The Equity shares of the company which are listed under BSE SME Platform migrated to BSE Mainboard Platform w.e.f. May 31, 2021.

**For K. P. GHELANI & ASSOCIATES
Company Secretaries**

Date: September 02, 2021

Place: Rajkot

**CS Keyur Ghelani
Proprietor**

Mem No. ACS 33400

CoP: 12468

UDIN: A033400C000881588

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

Annexure - I

The Members,

VISHAL BEARINGS LIMITED

Survey No. 22/1, Plot No. 1, Shapar Main Road,
Shapar (Veraval) Rajkot – 360 002, Gujarat,
INDIA.

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

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

**For K. P. GHELANI & ASSOCIATES
Company Secretaries**

Date: September 02, 2021

Place: Rajkot

**CS Keyur Ghelani
Proprietor
Mem No. ACS 33400
CoP: 12468**

ANNEXURE I

STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to 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 remuneration of each Director of the company for the financial year:		
Sr.no.	Name	Designation	F.Y. 2020-2021
1	Mr. Hiralal G. Changela	Whole time director	Rs.24,72,800
2	Mr. Dilipkumar G. Changela	Managing Director	Rs.24,75,000
3	Mr. Vrajlal G. Changela	Whole time director	Rs.24,75,000
(II)	The increase in salary/Remuneration of each Director, CEO, CFO, Company Secretary or Manager, if any, in the financial year:		
Sr.no.	Name	Designation	F.Y. 2020-2021
1	Mr. Rakesh Savani	Independent Director	-
2	Mr. Niteshkumar Patel	Independent Director	-
3	Mrs. Urja Gami	Independent Director	-
4	Mr. Vishal V. Changela	CFO	21,85,325
5	Mr. Divyesh H. Changela	CEO	21,85,325
6	Mr. Ketankumar Savaliya	CS	4,52,536
7	Mr. Darshit D. Changela	Manager	21,85,325
8	Mr. Vijay V. Changela	Manager	21,85,325
(III)	The remuneration paid to Non – Executive Directors which includes sitting fees is to their attendance in Board and Committee Meetings.		
(IV)	the number of permanent employees on the rolls of company;	172 employees as on 31.03.2021	
(V)	the explanation on the relationship between increase in remuneration and company performance;	Increase in remuneration of key managerial personnel for the year 2020 which is partly based on the results of the Company for the year ended 31.03.2021 and partly on the individual performance.	
(VI)	Variation in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:	The market capitalization as on March 31, 2021 was Rs. 34.21 Crore. The price earnings ratio of the Company was 0.37 as at March 31, 2021 and was 0.01 as at March 31, 2020 (based on annualized EPS).	
(VII)	The key parameters for any variable component of remuneration availed by the directors;	All employees including Managing Director and Whole Time Director's not entitlement to incentive. Remuneration which is based on the individual's performance and company's financial performance.	
(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;	The Managing Director & Whole-time directors are the highest paid directors. No employee received salary/remuneration higher than Managing Director & Whole-time director.	
(X)	affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2021 is as per the Remuneration Policy of the Company.	

We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

Place: Shapar, Rajkot

Date: 02.09.2021

Dilipkumar G. Changela

Managing Director
DIN: 00247302

Rakesh Savani

Chairman (NR Committee)
DIN: 07191075

ANNEXURE II

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 arms-length transactions under third proviso thereto.

(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 – AOC - 2

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements, or transactions entered during the year ended March 31, 2021 which were not at arm's length basis: **NIL**

2. Details of contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	Virdeep Bearings Rollers LLP – Group LLP
2	Nature of contracts/arrangements/transactions	Sales, Job work, Transfer or purchase of products, materials, services, or other obligations
3	Duration of contracts/arrangements/transactions	Ongoing basis, normal and incidental to Company's business operations
4	Salient terms of the contracts or arrangements or transactions including the value if any	The information forms part of the notes to Financial Statement for the Year 2020-2021
5	Date of approval by Board	14.05.2019
6	Amount paid as advance if any	Nil

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	Virdeep Bearings Rollers LLP – Group Firm
2	Nature of contracts/arrangements/transactions	Sales, Job work, Transfer or purchase of products, materials, services, or other obligations
3	Duration of contracts/arrangements/transactions	Ongoing basis, normal and incidental to Company's business operations
4	Salient terms of the contracts or arrangements or transactions including the value if any	The information forms part of the notes to Financial Statement for the Year 2020-2021
5	Date of approval by Board	14.05.2019
6	Amount paid as advance if any	Nil

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	Vijay Petroleum – Group Firm
2	Nature of contracts/arrangements/transactions	Expenses, Transfer or purchase of products, materials, services or other obligations
3	Duration of contracts/arrangements/transactions	Ongoing basis, normal and incidental to Company's business operations
4	Salient terms of the contracts or arrangements or transactions including the value, if any	The information forms part of the notes to Financial Statement for the Year 2020-2021
5	Date of approval by Board	14.05.2019
6	Amount paid as advance, if any	Nil

Date: 02.09.2021

Place: Shapar, Rajkot

Dilipkumar Changela

Managing Director

DIN: 00247302

ANNEXURE III

STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

pursuant to provisions of section 134 of the Companies Act, 2013 read with the companies (Accounts) Rules, 2014

A) CONSERVATION OF ENERGY

The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption.

Energy conservation initiatives are being planned and implemented across manufacturing locations. Apart from regular practices and measures for energy conservation, many new initiatives were driven across all the units. Some of the key measures taken in all the plants are as follows:

- Energy efficient chillers.
- New Machinery with low power consumption is installed.
- Alternative energy efficient neutral atmosphere.
- Energy efficient motors for utilities and replacement of capacitor panels to meet the current specifications and requirements.
- More usage of electricity purchased from GEB.

These measures have also led to power saving, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

Consumption	Year Ended 31.03.2021	Year Ended 31.03.2020
Electric, Power and Fuel	10,61,167	16,75,448

B) TECHNOLOGY ABSORPTION

- Improved production methods to achieve higher yield and lower wastage
- Continuous benchmarking of products to achieve world class processes

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, your company continues to upgrade its technology (computer technology and telecom infrastructure) in ensuring it is connected with its clients across the globe.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2020-2021	2019-2020
Foreign Exchange earned during the year		
- Sale of Goods	6,90,790	1,445,789
Foreign Exchange outgo during the year		
- Raw Materials	159,398,677	103,687,318
- Capital Goods	2,168,290	33,563,026

Date: 02.09.2021

Place: Shapar, Rajkot

Dilipkumar Changela

Managing Director

DIN: 00247302

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY OVERVIEW:

India is emerging as one of the fastest growing economies in the World. Government push in the form of its robust initiatives along with measures such as implementation of GST, make in India move, revision of Corporate tax, revisions with respect to FDI & FII policy & other key reforms have propelled faster economic development.

It is expected that India is poised to soar, higher than many fast-growing large economies over the next decade. At the same time, automotive original equipment manufacturers (OEMs) and component manufacturers in the country aspire to achieve global eminence.

However, due to outbreak of the novel coronavirus (Covid-19) across globe, which World Health Organization (WHO) has declared same as Global Pandemic, the viral outbreak comes at a difficult time for the Indian economy which has further slowed down the already struggling economy. To combat with COVID-19, on 24th March 2020, Indian Government declared nationwide lockdown for the entire country until 3rd May, with a conditional relaxation after 20th April for the regions where the spread had been contained. Covid-19 no doubt disrupted human lives across globe. The revised Gross Domestic Product (GDP) is estimated for India for the fiscal year 2020 as 4.8% as compared to 6.8% in F.Y. 2018-19. However, we can't ignore that post COVID-19, some economies are expected to adopt de-risking strategies and shift their manufacturing bases from China. This can create opportunities for India.

INDUSTRIAL REVIEW:

The Indian automotive OEM industry is already in a strong position. Globally, it is at the forefront of many segments leading in two-wheelers, segment a cars, and tractors.

The rapidly globalizing world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto component manufacturers, who would need to adapt to the change via systematic research and development. The Indian auto component market is segmented by products (engine parts, body and chassis parts, drive transmission and steering parts, suspension and braking parts, electrical parts, equipment, and others).

The auto component industry, in tandem, posted a somewhat subdued performance over the last fiscal as per the reports published by the Automotive Component Manufacturers Association (ACMA). It is mainly due to subdued vehicle demand, recent investments made for transition from BS 4 to BS 6, liquidity crunch, lack of clarity on policy for electrification of vehicles, among others, have also had an adverse impact on the expansion plans of the auto component sector, ACMA said in a press release.

As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach US\$ 80 billion by 2026.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto component makers are well positioned to benefit from the globalization of the sector as exports potential could be increased by up to US\$ 30 billion by 2021E.

RISKS AND CONCERN:

Risk is an integral and unavoidable component of business. In today's challenging and competitive environment, mitigating risks is imperative. Common risks include changing regulations, competition, business risk, technology obsolescence, investments, and retention of talent. Business risk, inter alia, further includes financial risk, social risk, political risk, environmental risk and legal risk. For managing risks more efficiently, the Company has undertaken a detailed risk management exercise and has identified key risks that can have a critical impact on the Company's performance. The Company has inter alia identified the following key risks:

Operational Risk:

Operational risks like equipment obsolescence can impact production. To mitigate such risks, the Company continuously monitors equipment obsolescence and upgrades equipment from time to time and undertakes preventive maintenance measures. The Company has also made significant investment in equipment modernization.

Fluctuation in Raw Material prices:

The second wave of COVID-19 across the globe has disrupted the entire supply chain which has led to higher delivery time coupled with increase in logistic cost. The company is continuously developing alternative sources of raw material as well as their supply chain to ensure timely delivery of goods at a minimal cost.

Market Risk:

Your Company manages market risk by expanding its presence in different markets, deeper penetration into existing markets and by launching new products. Furthermore, the Company spends requisite amount on marketing and promotional activities to ensure customer retention and brand-building.

COVID-19 including the second wave has led to lockdown across the globe which may adversely impact the demand to some extent. The Company believes that due to the vaccination drive across the world, the disruption in demand if any, may be temporary in nature and do not foresee any long-term challenges in demand.

Labour Relations:

Since the manufacturing process of the Company is labour intensive, it requires lot of skilled as well as un-skilled workers. Maintaining a huge work force is a big challenge.

In order to mitigate the said risk, the Company follows good HR practices to promote the welfare and safety of its workmen and maintain a cordial working environment. All workers are paid more than government stipulated wages.

COVID-19 led to migration of labour from various industrial zones to their hometowns; this may create a situation of shortage of labour which may impact the operations of the Company adversely. Despite this and as mentioned earlier, your Company does not foresee any major challenge as it has taken good care of all its staff members as well as workers during the period of lockdown and continues to do so regularly ensuring smooth and seamless operations of the Company.

Retention of skilled manpower:

Like other players in the industry, the Company is also exposed to this risk, more particularly when there is shortage of skilled manpower in the industry. COVID-19 has further intensified this risk. However, the Company is able to manage the said risk by good HR practices and rewarding its employees handsomely.

Currency Fluctuation:

The Company revenues are mainly generated through exports. Further, since most of the raw materials and capital equipment are imported, the Company is exposed to foreign currency risk. However, it enjoys natural hedge as most of its revenues are in foreign currency. COVID-19 issue has created imbalance in the economies of various countries including India and therefore we could be exposed to wider risk due to currency fluctuation.

However, since, the Company is a net foreign exchange earner and hedges its net exposure well in advance by way of forward contracts, it is immune to a great extent from the fluctuation in currencies.

FUTURISTIC OUTLOOK:

Keeping pace with the automotive industry, India's auto component industry has been flourishing.

Few trends that are favorable for the industry are as below:

- Growing working population and expanding middle class are expected to remain key demand driver.
- Relative to competitors, India is geographically closer to key automotive markets like the middle East & Europe.
- Exports will account for as much as 26 percent of the market by 2021.
- 100 percent FDI allowed under automatic route for auto component sector.
- Under new GST regime, GST on electric vehicles is reduced from 12% to 5%
- A cost-effective manufacturing base keeps costs lower by 10-25 percent relative to operations in Europe and Latin America.

OPPORTUNITIES:

- Pursue export opportunities aggressively.
- Enhance import substitution.
- Plan activities towards Govt's make in India appeal & focus to manufacture everything from start to end locally & thereby take benefit of Govt's subsidies & boosters.
- Attract foreign direct investments as many global Companies are presently looking at India as next destination to set up their plants & businesses as a shift from China after Covid-19 pandemic.
- Offer premium features at "Indian costs" more rapidly than before.
- Focus on component categories that could contribute more to vehicle costs in the future.
- Expand aftermarket offerings to capture value from existing vehicle parc and aftermarket exports.
- Offer new or modified features that could be in demand with an increase in shared mobility penetration.
- Develop data-enabled services and solutions.
- Form partnerships and ecosystems to create and capture value.
- Expand portfolio to serve adjacent industries.

FUTURE CHALLENGE:

Multiple trends could shape the future of the automotive and the auto component industry:

- Constantly shifting market dynamics
- Changing OEM needs
- Technological improvements and discontinuities that are already starting to change revenue pools, trigger new competition and invite new forms of cooperation
- Evolving regulatory and trade environment

- Constantly shifting market dynamics due to changing manufacturing locales, customer demands, operating models and priorities
- Expedited enforcement of emission and safety standards

INTERNAL CONTROL SYSTEM & ADEQUACY:

The Company has an adequate Internal Audit System that promotes reliable financial reporting, safeguards assets, encourages adherence to fair management and ethical conduct. The strong Internal Control Systems have been designed in a way that, they not only prevent fraud and misuse of the Company's resources but also protect shareholders' interest. The Audit Committee of Board of Directors, on regular intervals and in coordination with Internal and Statutory Auditors, reviews the adequacy of Internal Control Systems within the Company.

Based upon the recommendations of the Audit Committee, an Annual Audit Plan (AAP) is prepared and is reviewed periodically by the top management and the Audit Committee. The internal audit focuses on compliance as well as on robustness of various business processes. Feedback on non-conformities along with recommendation for process is directly provided to the top management of the Company. Compliance on audit findings and tracking of process improvements is regularly carried out.

COMPLIANCE:

The Company has a well-structured, documented, and demonstrable compliance framework. This helps the management monitor and report compliance risk and exposure. The Board periodically reviews compliance reports of all laws applicable to the Company. It also assesses steps taken by the Company to rectify instances of non-compliances. The Company has further invested in a system to monitor and ensure compliance with all the applicable laws.

Various cross-functional teams work together to ensure strict compliance. It enables the Company to keep up with the rapid pace of regulatory changes. The Company pro-actively analyzes the impact of imminent changes well in advance.

ENVIRONMENT, HEALTH AND SAFETY:

Health and Safety of the employees is considered at priority and are maintain at the benchmarks set for standard Industrial practices.

Your Company provides trainings to employees on the Safety measures and has Zero tolerance towards negligence provoking hazards accidents. There are regular programmes conducted to literate employees at shop floor level and to have complete control on the systems.

There are mock fire drills conducted at head office and shop floor level so that employees are equipped to handle any kind of accidental situations. Proper safety management and Industrial hygiene processes are set, so that employees have safe work environment.

DEVELOPMENT IN HUMAN RESOURCES:

The Company strives to develop the most superior workforce so that it can accomplish along with the individual employees, their work goals & services to its customers & stakeholders. Our fundamental belief in immense power of human potential and teamwork. A transformational force that stimulates enterprise accelerates our constant pursuit of excellence and empowers our people to realize their full potential. The Company also believes human resources as the supporting pillars for the organization's success. As on 31st March 2021 the Company had 172 employees.

DEVELOPMENT & UP-GRADATION OF TECHNOLOGY:

All the staff members working in manufacturing departments have been advised to take different projects to;

- Reduce rejection and wastage in raw materials and consumables,
- To reduce setting time and to focus on production,
- To optimize production activities to reduce electrical energy per unit of production,
- To work on packing to enhance preservation and safety,
- To develop new items in shortest possible time to have early business,

This is ongoing process and projects are getting completed one by one and new projects are being undertaken. This has given increase in top as well as bottom line.

GLOBAL APPROACH:

The Company trusts its capabilities to capture every opportunity of business in the global arena. Your Company is globally positioned with business activities spanning 24 Countries around the globe. Exporting about 30% of its production, it enjoys strong brand equity among leading OEM's all over the world.

FORWARD LOOKING STATEMENTS:

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein. Important factors that could make a difference include raw material availability and prices thereof, cyclical demand and pricing in the Company's principal markets, changes in Government regulations and tax regime, economic developments within India and the countries in which the Company conducts business and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Your directors are pleased to present your Company's Report on Corporate Governance for the Financial Year ended March 31, 2021.

THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

At Vishal Bearings, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance, as an integral principle, is adhered by the Board of Directors and Management of your Company ensuring fairness, accountability, transparency in all dealings and functioning of the management and the Board. The Company strives for an enduring relationship with the stakeholders and protection of their interests.

The Company places great emphasis on values such as empowerment, integrity and safety of its employees and communities surrounding our plants, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices, being followed since the inception, have contributed to the Company's sustained growth.

This Report contains the details of implementation of the Corporate Governance by the Company which is in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).

GOVERNANCE STRUCTURE:

Vishal Bearings governance structure follows the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

The Board of Directors - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It ensures overall strategic supervision and control by setting the goals and targets, policies, reporting mechanism and accountability and decision-making process to be followed.

Committees of Directors - The different Committees namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility ('CSR') Committee are focused on financial reporting, audit and internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees, implementation and monitoring of CSR activities and the risk management framework.

Executive Management - The entire business including the support services are managed with specifically defined responsibilities and authorities at different levels

1. BOARD OF DIRECTORS:

(A) Composition and category of the Directors

The Company has a very balanced and diverse Board of Directors, which comprises of experienced, competent, and highly renowned persons from the fields of manufacturing, finance, taxation, economics, law, governance, etc. The Board of Directors along with its committees provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board represents an optimal mix of professionalism, knowledge, and experience and has been vested with requisite powers, authorities, and duties. The Board plays an imperative role in the management, strategic directions, and performance of the Company. The Directors take active part at the Board and Committee Meetings by providing valuable guidance to the management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision-making process of the Company.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on financial year ended 31st March 2021, the total Board strength comprised of the following:

Category	Name of Directors	Designation
Promoter Directors (Executive Director)	Dilipkumar G. Changela	Managing Director
	Vrajlal G. Changela	Whole-time Director
	Hiralal G. Changela	Whole-time Director
Non-Executive Independent Director	Niteshkumar J. Patel	Director
	Kishan Sureja	Director
	Amees K. Dadhania	Director

The directors are appointed or re-appointed with the approval of the shareholders and shall remain in office as per their terms of appointment.

(B) Meetings, agenda, and proceedings etc. of the Board of Directors:

Meetings:

The Board generally meets 4 times during the year. Additional meetings are held when necessary. The Directors are also given an option of attending the board meetings through video conferencing, whenever they request for the same. During the year under review, the Board of Directors met 5 (five) times on 04th June 2020, 30th July 2020, 14th November 2020, 25th November 2020, and 19th January 2021. The previous Annual General Meeting ('AGM') of the Company was held on 26th December 2020. The attendance record of the directors at the Board Meetings and at previous AGM is as under:

Sr. No.	Name of Director	Designation	Attendance at Meetings			No. of Shares held
			Board	AGM	Committee	
1	Dilipkumar Changela	MD	5	Y	Y	12,08,250
2	Vrajlal Changela	WTD	5	Y	Y	11,94,750
3	Hiralal Changela	WTD	5	Y	Y	12,15,000

4	Niteshkumar Patel	ID	5	Y	Y	-
5	Kishan Sureja	ID	5	Y	Y	-
6	Amees Dadhanania	ID	5	Y	Y	-
7	Divyesh Changela	CEO	5	Y	Y	2,45,070
8	Vishal Changela	CFO	5	Y	Y	3,65,400
9	Ketankumar Savaliya	CS	5	Y	Y	13,500

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 30th March 2021 without the presence of Non-Independent Directors and members of the management to consider the following:

- performance of Non-Independent Directors and the Board as a whole
- performance of the Chairman of the Company, considering the views of executive directors and non-executive directors
- assessing the quality, quantity, and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity, and timeliness of flow of information between the Company management and the Board.

COMPLIANCE FRAMEWORK:

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Audit Committee and the Board periodically reviews the status of the compliances with the applicable laws.

CONFIRMATION OF BOARD:

The Board of Directors of the Company confirms that the Independent Directors of the company fulfil the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

REASON OF RESIGNATION OF INDEPENDENT DIRECTOR:

None of Independent Director of the Company resigned during the financial year 2020-21.

CODE OF CONDUCT:

The Board of Directors has laid down a Code of conduct for Board of Directors (including independent directors) & senior management ('the Code') for all the Board members and all the employees in the management grade of the Company. The Code covers Company's commitment to honest and ethical safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the code. A declaration by Mr. Dilipkumar Changela, Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March 2021 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Report.

PREVENTION OF INSIDER TRADING CODE:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted revised Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the directors, designated persons and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations.

2. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of Companies act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc.

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

The Audit Committee of the Company reviews the financial statements to be submitted with the Board of Directors with respect to auditing and accounting matters, to review reports of the Internal and Cost Auditors. It also supervises the Company's internal control and financial reporting process. In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

During the year under review, the Audit Committee met 4 (four) times on 30th July 2020, 14th November 2020, 25th November 2020 and 19th January 2021 and the gap between two committee meetings did not exceed one hundred and twenty days.

Composition and Attendance

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1	Mr. Kishan Rajeshkumar Sureja	Chairman	4	4
2	Mrs. Ameer Ketankumar Dadhania	Member	4	4
3	Mr. Vrajlal Gordhandas Changela	Member	4	4

Terms of reference:

The terms of reference of the Audit Committee are as per the guidelines set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013. These broadly includes (i) develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal financial controls and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements, (v) interaction with statutory, internal and cost auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- Matter to be included in the Director's Responsibility Statement.
- Changes, if any, in the accounting policies.

- Major accounting estimates and significant adjustments in financial statement.
- Compliance with listing and other legal requirements concerning financial statements.
- Disclosures in financial statement including related party transactions.
- Management's Discussions and Analysis of Company's operations.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Periodical review of Internal Audit Reports.
- Findings of any special investigations carried out by the Internal Auditors.
- Findings of Statutory Auditors to management on internal control weakness, if any.
- Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of statutory auditors considering their independence and effectiveness and recommend the audit fees.
- Review the functioning of the Vigil mechanism.

Internal Controls and Governance Processes

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with CFO formulates a detailed plan for the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the Meetings of the Audit Committee at regular basis and submit their recommendations to the Audit Committee and provide a road map for the future.

3. NOMINATION AND REMUNERATION COMMITTEE (NRC)

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, inter alia, recommends the remuneration payable to executive directors and senior management personnel of the Company.

The Company Secretary and Compliance Officer of the Company acts as a secretary to the Committee.

During the year under review, the Nomination and Remuneration Committee met 2 (two) times on 14th November 2020 and 19th January 2021.

Composition and Attendance

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1	Mr. Niteshkumar Jamnadas Patel	Chairman	2	2
2	Mrs. Ameer Ketankumar Dadhania	Member	2	2
3	Mr. Kishan Rajeshkumar Sureja	Member	2	2

Terms of Reference

The Committee is empowered to –

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identify and access potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.

- Formulate a policy relating to remuneration of the Directors and the Senior Management Personnel of the Company.
- Determine terms and conditions for appointment of Independent Directors.

Performance evaluation criteria of Independent Directors

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performance of each Independent Director.

The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance at Board and Committee Meetings
- Quality of contribution to Board deliberations
- Contribution to the development of strategies and Risk Assessment and Management
- Overall interaction with the other members of the Board.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Stakeholders' Relationship Committee. The Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfer/transmission/demat/remat of shares and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

During the year under review, the Stakeholders' Relationship Committee met 1 (one) time on 19th January 2021.

Composition and Attendance

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1	Mrs. Ameer Ketankumar Dadhania	Chairman	1	1
2	Mr. Kishan Rajeshkumar Sureja	Member	1	1
3	Mr. Dilipkumar Gordhandas Changela	Member	1	1

The Company Secretary and Compliance Officer of the Company acts as a secretary to the Committee.

Status of investors' complaints handled by the Company and its Registrar & Share Transfer Agents during the year 2020-2021 is as under:

Opening balance at the beginning of the year	Nil
Received during the year	Nil
Disposed during the year	Nil
Closing balance at the end of the year	Nil

5. CORPORATE SOCIAL RESPONSIBLY (CSR) COMMITTEE:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors has duly constituted the Corporate Social Responsibility (CSR) Committee.

Composition and Attendance

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1	Mr. Niteshkumar Patel,	Chairman	0	0
2	Mr. Dilipkumar Changela	Member	0	0
3	Mr. Hiralal Changela	Member	0	0

Your Company has not implemented any CSR activities during the year.

Terms of Reference

The terms of reference of the Committee are:

- To frame the CSR Policy and its review from time-to-time.
- To ensure effective implementation and monitoring the CSR activities as per the approved policy, plans and budget.
- To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

6. VIGIL MECHANISM / WHISTLE BLOWER POLICY

With the rapid expansion of business, various risks associated with the business have also increased considerably. Some such risks identified are the risk of fraud, misconduct, and unethical behavior. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism/Whistle Blower Policy, by which the Company provides a platform to all the directors and employees to report any suspected or confirmed incident of fraud, misconduct, unethical behaviour, etc. through any of the following reporting protocols:

- Email : legal@vishalbearings.com
- Phone No. : +91-2827-252273
- Fax Number :
- Written Communication to : Survey No.22/1, Plot No.1,2,3, Shapar Village Road, Shapar (Veraval), Rajkot – 360224, Gujarat, India

The mechanism also provides for adequate safeguards against victimization of the person \ who avails the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases.

OBJECTIVES:

- To protect the brand reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud / misconduct.
- To provide guidance to the directors and employees on reporting any suspicious activity and handling critical information and evidence.
- To provide healthy and fraud-free work culture.

WORKING:

The Audit committee is responsible for reviewing and working of Vigil Mechanism which includes following matters:

- Implementation of the policy and spreading awareness amongst employees
- Review all reported cases of suspected fraud, misconduct, unethical behavior
- Order investigation of any case either through internal audit department or through external investigating agencies or experts

- Recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies & procedure and review of internal control systems
- Annual review of the policy

7. GENERAL BODY MEETINGS

The Company convenes Annual General Meeting generally within five months from the close of the Financial Year. The details of Annual General Meetings held in last 3 years are as under:

Details of Annual General Meetings held in last three years are as follows:

Particulars	Meetings		
	AGM	AGM	AGM
Date	26.12.2020	28.09.2019	22.09.2018
Venue	through Video Conferencing	Registered office of the Company	Registered office of the Company

Postal Ballot

During the year under review, no resolution was passed by means of postal ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot.

8. ANNUAL GENERAL MEETING

DAY AND DATE	: Thursday, September 30, 2021
TIME	: 4:00 P.M.
VENUE	: At the Registered office of the Company
Financial Year	: The Company follows the period of 1st April to 31st March, as the Financial Year.
Book Closure	: The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, September 23, 2021, to Thursday, September 30, 2021 (both days inclusive)
Cut-off date for remote e-voting	: The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date i.e. 25 th September 2021.
remote e-voting period	: Remote e-voting shall remain open from Monday, September 27, 2021 (09.00 A.M.) to till Wednesday, September 29, 2021 (05.00 P.M.).
Listing on Stock Exchanges	: The equity shares are listed BSE Ltd. 25 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001.
Scrip Code	: 539398
Scrip ID	: VISHALBL

Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if

any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act.

Shareholding Pattern as on March 31, 2021

Category	Nos. of Shareholders	No. of Shares Held	Percentage
Promoter & Promoters Group	19	7597845	70.41
Public	153	3193155	29.59
Total	172	10,791,000	100.00

COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

SHARE PRICE DATA

Month	High	Low	Total Turnover
April 2020	36.00	36.00	1,21,500
May 2020	28.90	18.45	13,38,354
June 2020	32.50	18.00	22,09,440
July 2020	27.50	23.90	3,46,611
August 2020	24.90	23.70	1,64,024
September 2020	22.55	22.55	76,106
October 2020	21.45	21.45	72,393
November 2020	19.45	19.40	2,62,068
December 2020	-	-	-
January 2021	33.55	23.25	6,85,291
February 2021	25.55	25.55	86,231
March 2021	27.30	25.00	1,76,512

MEANS OF COMMUNICATION

The quarterly and annual results are generally uploaded with the BSE Limited. The Annual Report of the Company is also available on the website of the Company and website of BSE Limited.

No presentations were made to the institutional investors and to the analysts during the FY 2020-2021.

SHARE TRANSFER SYSTEM

100% of the equity shares of the Company are in electronic form. Transfers of these shares are done through depositories with no involvement of the Company.

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

ADDRESS FOR CORRESPONDENCE

Registrar of Share Transfer Agent (RTA)	Correspondence with Company
KFin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Tel: +91 040 6716 1527 Fax: + 91 (40) 2343 1551 Email: jayalaxmi.gajula@Kfintech.com	VISHAL BEARINGS LIMITED Survey No. 22/1, Plot No.1, Shapar Main Road, Shapar (Veraval), Rajkot, Gujarat-360024, India. Tel: 2827-252273, Fax: 2827-253087 Email: legal@vishalbearings.com Website: www.vishalbearings.com

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Companies Code of Conduct

I, Dilipkumar Changela, Managing Director of Vishal Bearings Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, for the year ended March 31, 2021.

Sd/-
Dilipkumar Changela
Managing Director
DIN: 00247302

MD & CFO CERTIFICATE

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Vishal Bearings Limited ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes, if any, in internal control over financial reporting during the year;
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 02.09.2021
Place: Shapar, Rajkot

Sd/-
Dilipkumar Changela
Managing Director

Sd/-
Vishal Changela
CFO

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)

The Members,

VISHAL BEARINGS LIMITED

Survey No. 22/1, Plot No. 1, Shapar Main Road,
Shapar (Veraval) Rajkot – 360 002, Gujarat,
INDIA.

We have examined the relevant registers, records, forms; returns and disclosures received from the Directors of VISHAL BEARINGS LIMITED having CIN L29130GJ1991PLC016005 and having registered office at Survey No. 22/1, Plot No. 1, Shapar Main Road, Shapar (Veraval), Rajkot – 360 002, Gujarat, (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, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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.

Sr. No.	Name of Director	DIN	Date of Appointment
1	HIRALAL GORDHANDAS CHANGELA	00247292	24/07/1991
2	VRAJLAL GORDHANDAS CHANGELA	00247295	16/10/1991
3	DILIPKUMAR GORDHANDAS CHANGELA	00247302	24/07/1991
4	NITESHKUMAR JAMNADAS PATEL	01854443	28/05/2015
5	KISHAN RAJESHKUMAR SUREJA	08994262	01/12/2020
6	AMEE KETANKUMAR DADHANIA	08546107	27/08/2019

Ensuring the eligibility 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.

**For K. P. GHELANI & ASSOCIATES
Company Secretaries**

Date: September 02, 2021

Place: Rajkot

Sd/-
CS Keyur Ghelani
Proprietor
Mem No. ACS 33400
CoP: 12468

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 'VISHAL BEARINGS LIMITED'

Report on Audited Financial Statements

Opinion

We have audited the accompanying financial statements of VISHAL BEARINGS LTD. ('the Company'), which comprise the Balance Sheet as of 31st March 2021 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2021;
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in auditor's professional judgment, are of most significance in the audit of the financial statements of the company. These matters are addressed in the context of audit of the financial statements, and in forming auditor's opinion thereon.

Based on our audit of Financial Statements of the Company for the period under review, we did not come across any material Key Audit Matters to be communicated in our report.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement, wherever found necessary, 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 financial statements of the current period and are therefore the key audit matters, if any identified. We describe these matters, if any 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.

Report on Other Legal and Regulatory Requirements.

- 1) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this report are in agreement with the books of account, as submitted to us;

- d) in our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable;
- e) On the basis of written representations received from the directors, as on 31st March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company has made all material provisions, except as mentioned in the notes to accounts, if any, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143(11) of the Act, we give in the Annexure – B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For SVK & ASSOCIATES
Chartered Accountants
Firm Reg. No. – 118564W

Date: 29th June, 2021
Place: Rajkot

Sd/-
Dhaval R. Karia, Partner
M. No. – 143121
UDIN: 21143121AAAABK2124

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VISHAL BEARINGS LIMITED of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **VISHAL BEARINGS LIMITED** ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021 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.

Date: 29th June, 2021

Place: Rajkot

For SVK & ASSOCIATES

Chartered Accountants

Firm Reg. No. – 118564W

Sd/-

Dhaval R. Karia, Partner

M. No. – 143121

UDIN: 21143121AAAABK2124

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of VISHAL BEARINGS LIMITED of even date)

i. FIXED ASSETS:

- a) In our opinion, the company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, the Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As further explained to us, pursuant to the said program, fixed assets were physically verified by the management during the year. According to the said information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.

ii. INVENTORIES:

- a) According to the information and explanation given to us, the inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.
- b) According to the information and explanation given to us as explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.

iii. LOANS:

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, during the year under review. Consequently, the provisions of clause (iii) of the order are not applicable to the company.

iv. LOANS, INVESTMENTS & GUARANTEES:

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans directly or indirectly to any directors or person or entities in which directors are interested and/or has not given any guarantee or provided any security in connection with loan taken by them;

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has complied with the provisions

of section 186 in respect of investments, if any, made in securities of other body corporate.

v. DEPOSITS:

As explained to us, the company has not accepted any loans or deposits within meaning of Section 73 to 76 of the Companies Act, 2013 read with Rule 2(b) of the Companies (Acceptance of Deposit's) Rules 2014, during the year under review. Consequently, the provisions of clause (v) of the order are not applicable to the company

vi. COST RECORDS:

According to the information and explanations provided by the management to us and to the best of our knowledge, the Company is not engaged in production of any such goods or production of any such services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence the provisions of section 148(1) of the Act do not apply to the Company.

vii. STATUTORY DUES:

a) As per information and explanation available to us, undisputed statutory dues including provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues have been generally regularly deposited with the appropriate authorities, applicable to it, though there had been some delays in certain cases. Further according to information explanation given to us, No undisputed statutory dues applicable to the company were outstanding as at 31st March, 2021 for a period of more than 6 months from the date they become payable.

b) According to the information and explanation available to us, there are no dues outstanding on account provident fund, income-tax, goods and service tax, custom duty, cess and other material statutory dues on account of dispute.

viii. DUES TO FINANCIAL INSTITUTION, BANKS OR DEBENTURE HOLDER:

Based on our audit procedures and as per information and explanation given to us by the management of the company, we are of the opinion that company has not defaulted in repayment of dues to financial institutions and banks during the year under review.

The company has not issued any debentures.

ix. TERM LOANS & PUBLIC ISSUE:

Based on the audit procedures performed and according to the information, explanations given to us, on an overall basis, the existing as well as new term loans have been applied for the purpose for which they were obtained. The company has not raised any money through a public issue during the year under review.

x. FRAUD:

Based upon the audit procedures performed and as per the information and explanation given by the management, we report that no fraud by the company or any fraud on the company by its officers / employees has been noticed or reported during the course of our audit.

xi. MANAGERIAL REMUNERATION:

In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. NIDHI COMPANY:

In our opinion, the company is not a nidhi company. Consequently, the provisions of clause (xii) of the order are not applicable to the company.

xiii. RELATED PARTY TRANSACTIONS:

Based upon the audit procedures performed and as per the information and explanation given by the management, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and have been duly disclosed in the financial statements, as required by the applicable accounting standards.

xiv. PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT:

Based on the audit procedures performed and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, the provisions of clause (xiv) of the order are not applicable to the company.

xv. NON-CASH TRANSACTIONS:

Based on the audit procedures performed and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Consequently, the provisions of clause (xv) of the order are not applicable to the company.

xvi. REGISTRATION UNDER SECTION 45-IA OF RBI ACT, 1934:

According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Date: 29th June, 2021

Place: Rajkot

For SVK & ASSOCIATES
Chartered Accountants
Firm Reg. No. – 118564W

Sd/-

Dhaval R. Karia, Partner
M. No. – 143121
UDIN: 21143121AAAABK2124

BALANCE SHEET

Particulars	Note No.	As at 31-03-2021 Rupees	As at 31-03-2020 Rupees
I. EQUITY AND LIABILITIES:			
1. Shareholders' Funds			
(a) Share Capital	3	107,910,000	107,910,000
(b) Reserves and Surplus	4	76,579,840	72,596,326
Sub Total		184,489,840	180,506,326
2. Non-Current Liabilities			
(a) Long-term borrowings	5	244,100,084	242,867,769
(b) Deferred tax liabilities (Net)	6	6,365,165	6,134,106
Sub Total		250,465,249	249,001,875
3. Current Liabilities			
(a) Short-Term Borrowings	7	46,120,261	114,166,495
(b) Trade Payables	8		
(A) Total Outstanding Dues of Micro Enterprises & Small Enterprises	41	-	-
(B) Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises		75,191,775	30,360,813
(c) Other Current Liabilities	9	29,842,603	26,054,794
(d) Short-Term Provisions	10	7,266,388	2,884,590
Sub Total		158,421,028	173,466,692
Total		593,376,117	602,974,893
II. ASSETS:			
1. Non-Current Assets			
(a) Property, Plant & Equipment	11		
(i) Tangible assets		209,416,391	210,958,151
(ii) Capital work-in-progress		356,835	-
(b) Non-current investment	12	17,769,385	6,424,385
(c) Long term loans and advances	13	5,313,397	5,365,661
Sub Total		232,856,008	222,748,197
2. Current Assets			
(a) Inventories	14	190,052,572	241,366,930
(b) Trade Receivables	15	126,849,480	115,869,093
(c) Cash and Cash Equivalents	16	19,074,280	1,309,048
(d) Short-term Loans and Advances	17	24,193,948	21,329,906
(e) Other Current Assets	18	349,829	351,721
Sub Total		360,520,109	380,226,696
Total		593,376,117	602,974,893
Accompanying Notes forming part of the Financial Statements	1 to 43		

As per our report of even date
attached

For SVK & ASSOCIATES

Chartered Accountants

Firm Reg. No. 118564W

Dhaval R. Karia

Partner

M. No. 143121

Date: 29.06.2021

Place: Shapar, Rajkot

UDIN: 21143121AAAABK2124

On behalf of the Board of Directors

FOR, VISHAL BEARINGS LTD.**D. G. Changela**

Managing Director

DIN: 00247302

V. V. Changela

Chief Financial

Officer

Date: 02.09.2021

H. G. Changela

Whole Time Director

DIN: 00247292

K. V. Savaliya

Company Secretary

Place: Shapar, Rajkot

PROFIT AND LOSS ACCOUNT

Particulars	Note No.	For the Year 31-03-2021 Rupees	For the Year 31-03-2020 Rupees
I. Revenue from Operation	19	577,137,222	519,815,807
II. Other Income	20	3,410,176	7,009,6448
III. Total Revenue (I + II)		580,547,399	526,825,455
IV. Expenses:			
1. Cost of Materials and Stores Consumed	21	358,419,716	341,253,964
2. Changes in Inventories of Finished Goods, Work-in-process and Stock-in trade	22	(3,740,280)	(22,594,263)
3. Employee Benefits Expenses	23	77,635,276	78,469,670
4. Financial Costs	24	24,860,019	29,778,776
5. Depreciation and Amortization Exp.	11	36,539,904	36,467,618
6. Other Expenses	25	80,586,419	63,806,790
Total Expense		574,301,054	527,182,554
V. Profit Before Tax (III - IV)		6,246,345	(357,100)
VI. Tax Expenses:			
(1) Current tax - Pertaining to Current Year		1,774,142	5500
(2) Current tax - Pertaining to Prior Year		257,631	(774,491)
(3) Deferred Tax		231,059	306,980
Total Tax Expenses		2,262,831	(462,012)
XI. Profit/(Loss) for the period (V-VI)		3,983,514	104,912
XII. Earning per equity share: (Refer Note No. 26)			
(1) Basic & Diluted (Adjusted for Bonus Issue)		0.37	0.01

Accompanying Notes forming part of the
Financial Statements

1 to
43

As per our report of even date attached
For SVK & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118564W

On behalf of the Board of Directors
FOR, VISHAL BEARINGS LTD.

Dhaval R. Karia
Partner
M. No. 143121

D. G. Changela
Managing Director
DIN: 00247302

H. G. Changela
Whole Time Director
DIN: 00247292

Date: 29.06.2021
Place: Shapar, Rajkot
UDIN: 21143121AAAABK2124

V. V. Changela
Chief Financial
Officer
Date: 02.09.2021

K. V. Savaliya
Company Secretary
Place: Shapar, Rajkot

CASH FLOW STATEMENT

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	6,246,345	(357,100)
Adjustment for:		
Depreciation and Amortization Exp	36,539,904	36,467,618
Interest & Dividend Received	(268,674)	(430,965)
Financial Cost	24,860,019	29,778,776
Operating profit before working capital changes	67,377,595	65,458,329
Adjustment for:		
Increase / (Decrease) in Inventory	51,314,358	(9,330,137)
Increase / (Decrease) in Trade Receivables	(10,980,387)	(17,936,919)
Increase / (Decrease) in Short Term Loans & Advances	(2,027,337)	(3,889,537)
(Increase) / Decrease in Other Current Assets	1,892	(56,565)
(Increase) / Decrease in Trade Payable	4,480,962	(2,267,228)
(Increase) / Decrease in Other Current Liabilities	(2,245,899)	16,544,715
(Increase) / Decrease in Short Term Provisions	2,613,156	(5,351,648)
Cash Generated from Operation	150,884,339	43,171,010
Taxes Paid	(1,099,836)	(5,728,002)
Net Cash Flow from Operating Activities	149,784,503	37,443,008
B. CASH FLOW FROM INVESTING ACTIVITIES		
Increase/Decrease in Property, Plant & Equipment (Net)	35,354,979	(49,028,591)
Interest and Dividend Received	268,674	430,965
Increase/Decrease in Non-Current Investments	11,345,000	(2,820,000)
(Increase/Decrease in Log-Term Loans & Advances	52,264	10,421,225
Net Cash Flow from/(used) in Investing Activities	(46,379,041)	(40,996,402)

C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/Decrease in Long Term Borrowings	7,841,865	44552439
Increase/Decrease in Short Term Borrowings	(68,622,076)	890305
Financial Cost	(24,860,019)	(29,778,776)
Net Cash Flow from/(used) in Financing Activities	(85,640,231)	15663969
Net Increase/(decrease) in Cash & Cash Equivalents(A+B+C)	17,765,231	(758,493)
Opening Balance of Cash & Cash Equivalents	1,309,048	2,067,541
Closing Balance Cash & Cash Equivalents	19,074,280	1,309,048

COMPONENTS OF CASH & CASH EQUIVALENTS	Year ended 31-03-2021	Year ended 31-03-2020
- Cash on Hand	700292	725,278
- Balances with Banks	18,363,988	73,769
- Earmarked balances with banks	10,000	510,000
	19,074,280	1,309,048

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI.
- 2) Figures of Cash & Cash Equivalents have been taken from Note 16.
- 3) Figures in bracket indicate outflow.

As per our report of even date attached
For SVK & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118564W

On behalf of the Board of Directors
FOR, VISHAL BEARINGS LTD.

Dhaval R. Karia
Partner
M. No. 143121

D. G. Changela
Managing Director
DIN: 00247302

H. G. Changela
Whole Time Director
DIN: 00247292

Date: 29.06.2021
Place: Shapar, Rajkot
UDIN: 21143121AAAABK2124

V. V. Changela
Chief Financial
Officer
Date: 02.09.2021

K. V. Savaliya
Company Secretary
Place: Shapar, Rajkot

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2020-2021

1. CORPORATE INFORMATION

Vishal Bearings Ltd. ('the company') having its manufacturing facilities at Shapar (Veraval), Rajkot, is presently engaged in the business of manufacturing of Bearing Rollers, earning Job work Income & Wind Power Generation.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation:

These financial statements are prepared in accordance with Schedule III of the Companies Act, 2013 and under the historical cost basis of accounting and evaluated on a going concern basis, with revenues and expenses accounted for on their accrual to comply in all material aspects with the applicable accounting principles and applicable Accounting Standards notified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of Companies (Accounts) Rules, 2014. The accountings policies have been consistently applied by the Company; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP').

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise stated.

(ii) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported balances of assets as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as and when the Management becomes aware of the changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, their effects are disclosed in the notes to the financial statements.

(iii) Revenue Recognition:

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

Sales of Goods:

Sales are recognized when significant risks and rewards of ownership of goods have been passed to the buyer.

Power Generation Income:

Power generation income is recognized on the basis of electrical units generated and eligible for captive consumption or captive consumed or sold as shown in the power generation reports issued by the concerned authorities. Power generation income is booked as the per unit electricity rate, being paid by the company / actually sold by the company.

Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend:

Dividend Income is recognized when the Company's right to receive the amount has been established.

Insurance Claim:

Proceeds on maturity of life insurance policy of key managerial personnel have been recognized as income on accrual basis.

(iv) Property, Plant & Equipment:

Fixed assets are stated at their cost of acquisition plus all expenditure incurred for bringing the assets to their present location and condition including the installation costs, net of modvat / cenvat / other credits and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including specific financing cost till assets put to use, net charges on foreign exchange contracts and adjustment arising from foreign exchange rate variations attributable to the property, plant & equipments are capitalized.

(v) Depreciation / Amortization:

The company has charged depreciation on Property, Plant & Equipments on Written Down Value (WDV) method on the basis of useful life / remaining useful life and in the manner as prescribed in, Part C, Schedule II of the Companies Act, 2013. Depreciation on additions/ disposals during the year has been provided on pro-rata basis with reference to the nos. of days utilized.

Depreciation on additions/ disposals during the year has been provided on pro-rata basis.

Details of useful life of an asset and its residual value estimated by the management:

Type of Asset	Useful Life as per management's estimate
Factory Building	30 Years
Plant & Machinery *	20 Years
Furnace	15 Years
Electrification	15 Years
Furniture & Fixtures	10 Years
Computers	3 Years
Computer Software	6 Years
Refrigerator	15 Years
EPBX System	15 Years
Air Conditioner	15 Years
Fax Machine	15 Years
Water Filter	15 Years
Mobile & Telephone	15 Years
CCTV System	15 Years
Weighing Scale Machine	15 Years
Motor Cars	8 Years
Motorcycles	10 Years
Windmill Plant & Machinery	22 Years

In none of the case, residual value of an asset is more than five per cent of original cost of the asset.

* For this class of asset, based on internal assessment and independent technical evaluation carried out by chartered engineer, the useful life is estimated to be 20 Years from the date of its put to use, whereas the useful life for the said class of asset as per Schedule II is 15 Years.

(vi) Inventories:

Inventories of Raw Materials, Semi-Finished Goods, Finished Goods and Waste & Scrap are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(vii) Retirement Benefits and other employee benefits:**Defined Contribution Plans**

Defined contribution to provident fund is charged to the profit and loss account on accrual basis.

Defined Benefit Plans

Provision for gratuity liability is provided based on actuarial valuation made at the end of the financial year.

Leave encashment expenditure is charged to profit and loss account at the time of leave encashed and paid, if any. Bonus expenditure is charged to profit and loss account on accrual basis.

(viii) Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the net gain or loss is recognized in the profit and loss account.

Foreign currency translation differences relating to liabilities incurred for purchasing Property, Plant & Equipment from foreign countries are adjusted in the carrying cost of Property, Plant & Equipment for differences up to the year-end in the year of acquisition, whereas differences arising thereafter to be recognized in the profit and loss account. All other foreign currency gain or losses are recognized in the profit and loss account.

(ix) Operating Lease:

Assets acquired as leases where a significant portion of risk and rewards of ownership are retained by the lesser are classified as operating lease. Lease rentals being income or expense are booked to the profit and loss account as incurred.

Initial direct costs in respect of the lease acquired are expenses off in the year in which such costs are incurred.

(x) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready

for intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

(xi) Taxes on Income:

Tax expenses comprise Current Tax / Minimum Alternate Tax (MAT) and deferred tax charge or credit.

Current Tax: Provision for current tax / Minimum Alternate Tax (MAT) is made based on tax liability computed after considering tax allowances and exemptions, in accordance with the provisions of The Income Tax Act, 1961.

Deferred Tax: Deferred tax assets and liability is recognized, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising mainly on account of brought forward losses, unabsorbed depreciation and minimum alternate tax under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realization. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

(xii) Earnings/(Loss) per Share:

Basic earnings/(loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

(xiii) Provisions, contingent liabilities and contingent assets:

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities are disclosed by way of notes to the accounts.

Contingent assets are not recognized.

(xiv) Investments:

Investments being Non-Current Investments consists investments made in equity oriented mutual funds (quoted) and shares in co-operative banks (non-quoted). Investments are stated at cost of acquisition. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary.

(xv) Cash and Cash Equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

(xvi) Government Grants & Assistance:

This includes cash subsidy being received from State Government and District Industries Centre (DIC) for Property, Plant & Equipment being non-repayable is grouped under Capital Reserve.

(xvii) Segment Reporting:

In accordance with Accounting Standard-17 – “Segment Reporting” issued by the Institute of Chartered Accountants of India; the Company has identified its business segment as "Manufacturing of Bearing Rollers & Other Allied Activities". There are no other primary reportable segments applicable to the company. The major and material activities of the company are restricted to only one geographical segment i.e. India, hence the secondary segment disclosures are also not applicable.

As per our report of even date attached

FOR SVK & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118564W

Dhaval R. Karia
Partner
M. No. 143121

Date: 29.06.2021
Place: Shapar, Rajkot
UDIN: 21143121AAAABK2124

On behalf of the Board of Directors
FOR, VISHAL BEARINGS LTD.

D. G. Changela
 Managing Director
 DIN: 00247302

H. G. Changela
 Whole Time Director
 DIN: 00247292

V. V. Changela
 Chief Financial
 Officer

K. V. Savaliya
 Company Secretary

Date: 02.09.2021

Place: Shapar, Rajkot

PARTICULARS		As at 31-03-2021 Rupees		As at 31-03-2020 Rupees	
3	SHARE CAPITAL (Refer Note No. 1)				
(i)	Authorized: 12,000,000 Equity Shares of Rs. 10/- Each (Previous year 10,000,000 Equity Shares of Rs. 10/- each)	12,00,00,000		12,00,00,000	
	Issued, Subscribed & Fully Paid: - 10,791,000 Equity Shares of Rs. 10/- Each fully paid	10,79,10,000		10,79,10,000	
	- Subscribed but not fully paid	-			
(ii)	Reconciliation of number of Equity Shares: Equity Shares:				
	Shares outstanding at the beginning of the year	10,791,000	107,910,00	10,791,00	107,910,00
			0	0	0
	Shares issued during the period	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	1,07,91,00	10,79,10,0	1,07,91,00	10,79,10,0
		0	00	0	00
(iii)	Terms/rights attached to equity shares The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
(v)	Shareholders holding more than 5% Shares: Names of Shareholders:	As at 31.03.2021		As at 31.03.2020	
		No. of Shares held	% of holding	No. of Shares held	% of holding
	Hiralal G. Changela	1,215,000	11.26%	1,199,250	11.11%
	Dilipkumar G. Changela	1,208,250	11.20%	1,179,000	10.93%
	Vrajlal G. Changela	1,194,750	11.07%	1,192,500	11.05%

(vi) Shares issued other than cash, bonus issue and shares bought back				
Equity Shares:	2020-2021	2019-2020	2018-19	2017-18
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	4,796,000	Nil
Shares bought back	Nil	Nil	Nil	Nil
Preference Shares:				
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil
Unpaid Calls	2020-2021	2019-2020		
By Director	Nil	Nil		
By Others	Nil	Nil		

Particulars		As at 31-03-2021 Rupees	As at 31-03-2020 Rupees
4 RESERVE AND SURPLUS			
(a) Other Reserves			
- Capital Reserve - Cash Subsidy		1,429,623	1,429,623
- General Reserve		5,455,173	5,455,173
Closing Balance	(b)	6,884,796	6,884,796
(b) Balance in Statement of Profit and Loss Account			
- Opening Balance		65,711,530	65,606,619
- Less: Interim Dividend			-
- Less: Tax on Interim Dividend			-
- Less: Utilized for Bonus shares issued			-
- Add: Profit for the year		39,83,514	104,912
Closing Balance	(c)	696,95,044	65,711,530
	Total (a+b)	76,579,840	72,596,326

5 LONG TERM BORROWINGS

(a) Term Loans:			
Secured Loan:			
- From banks		38,048,580	30,055,102
- From Financial Institutions		-	-
	(a)	38,048,580	30,055,102
(b) Loans and Advances from Related Parties:			

Unsecured:

- From Directors
- From Relatives
- From Others

	46,134,691	78,034,690
	144,652,833	118,137,783
	15,263,980	16,640,194
(b)	206,051,504	212,812,667

Total (a+b)	244,100,084	242,867,769
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Notes:
Secured Loans:
Term Loans from Banks

Secured by first and exclusive charge on all existing and future receivables / current assets / moveable assets / moveable fixed assets of the Company, Registered Equitable Mortgage of factory land & building, for WCTL under ECLGS - second charge on above, and personal guarantee of Directors and Relative of Directors. Rate of interest of Term Loans ranges from 8.25% p.a. to 8.60% p.a. subject to change from time to time and are repayable within 2 to 4 Years from the balance sheet date.

Unsecured loans from related parties and others:

Unsecured Loans from directors and relatives are long term in nature, taken to comply with bank stipulation in respect of secured borrowings and as per management explanation, generally not repayable within one year from the balance sheet date. Rate of Interest @ 6.00% p.a. (6.00% p.a.)

6 DEFERRED TAX LIABILITY (NET)

	Deferred Tax Liability/ (Asset) as at 31-03-2021	Deferred Tax Liability/ (Asset) as at 31-03-2020
Deferred Tax liabilities		
Related to Property, Plant & Equipment	6,365,165	6,652,123
(A)	6,365,165	6,652,123
Deferred Tax Assets		
Related to Carry Forward Losses	-	518,016
(B)	-	518,016
TOTAL (A+B)	6,365,165	6,134,106

7 SHORT TERM BORROWINGS
Secured:

Working Capital Facilities from Bank

	46,120,261	114,166,495
Total	46,120,261	114,166,495

Note:
Working Capital Facilities from Banks:

Secured by first and exclusive charge on all existing and future receivables / current assets / moveable assets / moveable fixed assets of the Company, Registered Equitable Mortgage of factory land & building, for WCTL under ECLGS - second charge on above, and personal guarantee of Directors and Relative of Directors. Rate of interest at 8.60% p.a. subject to change from time to time.

8 TRADE PAYABLES

(Refer Note No. 40)

Micro & Small Enterprises

-

Other than Micro & Small Enterprises	75,191,775	30,360,813
Total	75,191,775	30,360,813

9 OTHER CURRENT LIABILITIES

(a) Current Maturities of Long-Term Debts	23,350,063	16,740,513
(b) Interest Accrued but not Due on Borrowings	295,114	870,956
(c) Advances from Customers	116,880	-
(d) Statutory Liabilities	6,080,547	4,767,678
Total	29,842,603	1,02,96,377

10 SHORT TERM PROVISIONS

(a) Provision for employee benefits	902,174	1,534,524
(b) Provision for current income-tax	1,774,142	5,500
(c) Other provisions	4,590,072	1,344,566
Total	7,766,388	2,884,590

Note-11 PROPERTY, PLANT & EQUIPMENTS:

Particulars	GROSS BLOK			DEPRECIATION				NET BLOK		
	Balance 01.4.20	Addition	Disposal	Balance 31.3.21	Balance 01.4.20	For the Year	Disposal	Balance 31.3.21	Balance 31.3.21	Balance 31.3.20
	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)	Rs. (in lac)
I TANGIBLE ASSETS										
Lands	19.25	-	-	19.25	-	-	-	-	19.25	19.25
Factory Building	704.17	-	-	704.17	226.26	45.40	-	271.66	432.51	477.91
Plant & Machineries										
Machinery	3099.50	322.63	-	3422.13	1608.68	284.96	-	1893.64	1528.49	1490.82
Furnace	15.70	-	-	15.70	13.04	0.49	-	13.53	2.16	2.66
Electric Attend, System	2.46	-	-	2.46	1.21	0.22	-	1.44	1.02	1.24
Electrification	35.93	-	-	35.93	28.69	1.33	-	30.02	5.90	7.24
Refrigerator	0.44	0.14	-	0.59	0.29	0.70	-	0.37	0.21	0.14
Mobile & Telephone	5.07	-	-	5.07	2.86	0.39	-	3.25	1.81	2.20
Air Conditioner	9.34	5.08	-	14.42	5.99	2.04	-	8.04	6.38	3.34
Water Filter	0.94	-	-	0.94	0.79	0.28	-	0.82	0.12	0.15
CCTV System	18.94	-	-	18.94	0.94	1.73	-	11.15	7.78	9.51
Weighing Scale	1.46	0.33	-	1.79	1.00	0.08	-	1.09	0.70	0.45
Furniture & Fixtures	22.16	3.17	-	25.33	13.58	2.82	-	16.40	8.92	8.57
Computers & Software	38.18	11.34	-	49.52	29.64	7.8	-	37.02	12.49	8.53
Vehicles										
Motor Cars	129.22	6.85	-	136.07	87.63	13.88	-	101.52	34.55	41.59
Motorcycles	1.41	-	-	1.41	1.33	-	-	1.33	0.076	0.076
Office Equipment	0.52	0.41	-	0.93	0.32	0.12	-	0.45	0.48	0.20
Windmill Plant & Machinery	129.30	-	-	129.30	93.67	4.38	-	98.05	31.24	35.62
TOTAL - TANGIBLE ASSETS	4234.06	349.98	-	4584.04	2124.48	365.39	-	2489.88	2094.16	2109.58
II CAPITAL WORK IN PROGRESS										
Factory Building - New Construction	-	3.56	-	3.56	-	-	-	-	3.56	-
Total	-	3.56	-	3.56	-	-	-	-	3.56	-
GRAND TOTAL	4234.06	353.54	-	4587.61	2124.48	365.39	-	2489.88	2097.73	2109.58
GRAND TOTAL PREVIOUS YEAR	3743.77	723.18	232.89	4234.06	1759.80	364.67	-	2124.48	2109.58	1983.97

12 NON-CURRENT INVESTMENTS
Unquoted: (At Cost):

Share Deposit in Co-op. Bank of Rajkot Ltd.

100 100

Share 1504 (1504) in Co-op. Bank of Rajkot Ltd.

37,600 37,600

Quoted: (At Cost):

DSP Blackrock - Equity Fund (G)

316,000 316,000

[MV Rs. 548,113 (323,371)]

Franklin India Equity & Focused Equity (G)

864,001 1,179,001

[MV Rs.1,211,112 (8,99,880)]

ICICI Pru-Bal. Advantage Fund Reg (G)

1,985,066 885,066

[MV Rs. 2,825,743 (MV Rs. 11,99,874)]

ICICI Prudential Infrastructure

80,666 80,666

[MV Rs. 62,698 (MV Rs.62,698)]

IDFC Flexi Cap Reg (G)

215,952 215,952

[MV Rs.322,428 (MV Rs.2,06,256)]

DSP Blackrock Small and Midcap Fund

11,25,000 825,000

[MV Rs.15,44,613(680292)]

ICICI Prudential Focused Blue-Chip

14,20,000 1,060,000

Equity Fund [MV Rs.18,80,266 (845,366)]

IDFC Core Equity Reg (G)

11,25,000 825,000

[MV Rs.14,62,620 (6,04,953)]

ICICI Prudential Credit Risk Fund – G

1,000,000 1,000,000

[MV Rs.11,09,412 (10,22,714)]

Aditya Birla Sun Life Balanced Advantage Fund-G

11,00,000 -

[MV Rs. 1,092,268 (Nil)]

Canara Robeco Emerging Equities Fund Regular-G

1,00,000 -

[MV Rs. 99,197 (Nil)]

Canara Robeco Small Cap Fund Reg-G

12,500 -

[MV Rs. 12,622 (Nil)]

Canara Robeco Ultra Short Tern Reg-G

4,00,000

[MV Rs. 402,303 (Nil)]

DSP Dynamic Asset Allocation Fund Regular-G

11,00,000

[MV Rs. 1,093,023 (Nil)]

Franklin India Focused Equity-G

6,75,000

[MV Rs. 904,065 (Nil)]

IDFC Emerging Business Fund Reg-G

12,500

[MV Rs. 12,632 (Nil)]

Kotak Balanced Advantage Fund Regular-G

21,00,000

[MV Rs. 2,150,727 (Nil)]

Kotak ESG Opportunities Fund Reg-G

5,00,000

[MV Rs. 523,074 (Nil)]

Kotak ESG Opportunities Fund Reg-G (Kotak)

10,00,000

[MV Rs. 1,046,148 (Nil)]

PGIM Balanced Advantage Fund

26,00,000

Regular-G
[MV Rs. 2,627,886 (Nil)]

Total	17,769,385	6,424,385
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13 LONG TERM LOANS AND ADVANCES

(Unsecured and considered good as certified by the management)

Security Deposits

5,313,397	5,365,661
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Total	5,313,397	5,365,661
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14 INVENTORIES

(As taken, valued & certified by the management)

Raw Materials

84,941,600	139,996,238
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Work-in-process

104,104,800	100,086,000
-------------	-------------

Others - Waste & Scrap

1,006,172	1,284,692
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Total	190,052,572	241,366,930
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15 TRADE RECEIVABLES

(Unsecured and considered good as certified by the management)

(Refer Note No. 39)

Unsecured, considered good:

- Outstanding or a period exceeding six months from the date they are due for payment.

13,270,621	9,780,426
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- Outstanding or a period less than six months from the date they are due for payment.

113,578,859	106,088,667
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Total	126,849,480	115,869,093
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16 CASH & CASH EQUIVALENTS AND BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(i) Cash and Cash Equivalents:

Cash on hand

700,292	725,278
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(a)	700,292	725,278
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(ii) Bank Balances other than Cash and Cash Equivalents:

(a) Balance with banks

18,363,988	73,769
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(b) Earmarked balances with banks

10,000	510,000
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(b)	18,373,988	583,770
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Total (a+b)	19,074,280	1,309,048
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17 SHORT TERM LOANS & ADVANCES

(Unsecured and considered good as certified by the management)

(a) Balances with Revenue Authorities

18,302,755	8,854,668
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(b) Advance to Suppliers & Employees

5,230,285	12,248,284
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(c) Prepaid Expenses

660,908	226,954
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Total	24,193,948	21,329,906
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18 OTHER CURRENT ASSETS			
<i>(Unsecured and considered good as certified by the mgt.)</i>			
Income Receivable		349,829	351,721
	Total	349,829	351,721
19 REVENUE FROM OPERATION			
(a) Sale of products (Bearing Rollers & Scrap)		574,583,544	518,593,338
(b) Other Operating Revenues		2,553,678	1,222,469
	Total	577,137,222	519,815,807
20 OTHER INCOME			
Dividend Income		-	3,760
Interest Income		268674	427,205
Foreign Exchange Rate Fluctuation		2899303	2,048,098
Duty Drawback on Export Sales		19181	17,680
Balances Written Back		127019	176,664
Insurance Claim		-	4,336,242
Commission Income		96000	-
	Total	3,410,176	7,009,648
21 COST OF RAW MATERIAL AND STORES CONSUMED			
Opening Stock:		139,996,238	153,260,364
Add: Purchases		303,365,078	327,989,838
		443,361,316	481,250,202
Less: Closing Stock		84,941,600	139,996,238
	Total	358,419,716	341,253,964
22 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS & STOCK-IN-TRADE:			
Opening Stock:			
Semi-Finished Goods		100,086,000	78,654,525
Scrap/Wastage		1,284,692	121,904
	(a)	101,370,692	78,776,429
Less: Closing stock:			
Semi-Finished Goods		104,104,800	100,086,000
Scrap/Wastage		1,006,172	1,284,692
	(b)	105,110,972	101,370,692
	Total (a-b)	(3,740,280)	(22,594,263)
23 EMPLOYEE BENEFITS EXPENSES			
(a) Salary, Wages and Bonus (including directors' remuneration)		74,741,018	74,072,698
(b) Contribution to Provident Fund & Gratuity Fund		1,196,044	2,210,611
(c) Staff Welfare Expenses		1,698,214	2,186,361
	Total	77,635,276	78,469,670

24 FINANCIAL COSTS

(a) Interest Expenses		
Interest on Bank Cash Credit	6,950,895	11,324,002
Interest on Bank Term Loan	5,055,952	3,263,553
Interest on Unsecured Loans	12,311,635	12,464,755
Interest on Bill Discount	-	2,096,251
Interest on Car Loan	52,768	199,194
(a)	24,371,250	29,347,755
(b) Other Finance Costs		
Bank LC Issued Charges	-	60,477
Loan Processing Fee	380,541	320,000
Bank Commission & Charges	108,228	50,544
(b)	488,769	431,021
Total (a+b)	24,860,019	29,778,776

25 OTHER EXPENSES

(a) Manufacturing & Operating Costs		
Consumption of Electric, Power & Fuel	29,161,734	29,369,532
Machinery Repairs & Maintenance	9,856,410	10,663,450
Building Repairs & Maintenance	311,866	331,746
Electric Repairs & Maintenance	1,061,167	1,675,448
Job work Expenses	20,767,039	7,529,245
Transportation & Labor Charges	7,712,456	6,054,954
Other Manufacturing & Operating Exp.	7,227,898	3,117,439
(a)	76,098,570	58,741,814
(b) Sales & Distribution Expenses		
Advertisement & Sales Promotion Exp.¹	58,497	77,123
(b)	58,497	77,123
(c) General & Administrative Expenses		
Audit Fees	65,000	65,000
Legal & Professional Expenses	863,270	649,553
Insurance	706,039	507,239
Rates & Taxes	46,523	49,910
Conveyance, Tour and Travelling Exp.	20,867	357,713
General Administration Expenses	2,727,653	3,358,438
(c)	4,429,351	4,987,853
Total (a+b+c)	80,586,419	63,806,790

26 Earnings per Share (EPS)

(a) Profit after tax for calculation of Basic and Diluted EPS	3,983,514	104,912
(b) Weighted average number of equity shares outstanding for calculating EPS (Adjusted for Bonus Issue)	10,791,000	10,791,000
(c) Basic and Diluted EPS (Adjusted for Bonus Issue)	0.37	0.01

27	Contingent Liabilities and Commitments (to the extent not provided for)		
	(a) Letter of Credits issued by bank	-	-
	(b) Disputed Liability in Appeal:	-	-
	(Contingent liabilities as disclosed above are as certified by the management of the company)		
28	Value of imports calculated on CIF basis by the company during financial year in respect of		
	i. Raw materials	159,398,677	103,687,318
	ii. Capital Goods	21,638,290	33,563,026
29	Earnings & Expenditure in foreign currency		
	(a) Earnings		
	Sale of Goods	690,790	1,445,789
	(b) Expenditures	-	-
30	Imported and Indigenous Material Consumed		
	(i) Total value of imported raw materials, spare parts and components consumed during the financial year	231,925,271	119,894,813
	(ii) Total value of all indigenous raw materials, spare parts and components similarly consumed	126,494,444	221,359,150
	(iii) Total value of imported and indigenous raw materials, spare parts consumed during the financial year	358,419,716	341,253,964
	(iv) Imported raw materials and spare parts consumed in %	64.71%	35.13%
	(v) Indigenous raw materials and spare parts consumed in %	35.29%	64.87%
31	Payment to Auditors (Excluding Service tax)		
	- Audit Fees	65,000	65,000
32	Details of raw materials consumed: (In Rupees)		
	Steel Coil, Consumable Stores & Packing Materials	358,419,716	341,253,964
33	Details of Manufactured Goods: (In Rupees)		
	Product	Bearing Rollers & Scrap	
	Opening Stock	1,284,692	121,904
	Closing Stock	1,006,172	1,284,692
	Sales (Excl. Taxes)	574,583,544	518,593,338
34	In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.		

35 As certified by the management of the company, the company has generally made all the applicable provisions with respect to the business operations of the company.

36 Gratuity Benefits

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (Last drawn salary) for each completed year of service.

The following table summarizes the component of net benefit expenses recognized in Statement of Profit & Loss and Gratuity Obligation as at year end as per Actuarial Valuation Report.

Particulars	2020-2021	2019-2020
Opening defined benefit obligation	109,781	1,712,752
Add: Provision during the year	16,178	36,278
Less: Payment / Contribution during the year	36,278	1,715,596
Closing Defined benefit obligation	89,681	109,781

37 Previous year's figure has been reworked, regrouped, rearranged, and reclassified wherever necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

38 Balances of Trade Payables, Unsecured Loans, Trade Receivables, Long Term and Short-Term Loans & Advances, Other Current Assets and Provisions and Non-Current Investments are subject to the confirmation of the parties concerned. Wherever confirmation of the parties for the amounts due to them / amounts due from them as per books of accounts are not received, necessary adjustments, if any, will be made when the accounts are reconciled / settled.

39 Related Party Disclosure

(i) List of Related Parties and Relationship

Name of Related party

Relationship

Key Management Personnel (KMP)

Dilipkumar G. Changela	Managing Director
Vrajlal G. Changela	Whole Time Director
Hiralal G. Changela	Whole Time Director
Vishal V. Changela	Chief Financial Officer

Relatives of KMP

Bhumiben Dilipbhai Changela
Darshit Dilipbhai Changela
Divyeshkumar Hiralal Changela
Girishkumar G. Changela
Hansaben Gopaldas Dharsandia
Harsukhbhai Changela
Jayshreeben Hiralal Changela
Jyotiben V. Changela
Manjulaben Jayantilal Marvania
Nirju Hiralal Changela
Rambhaben G. Changela
Rasilaben Dilipbhai Changela

Rinkuben Divyeshbhai Changela
 Vijaykumar V. Changela
 Vishal V. Changela
 Yesha Darshit Changela

Companies / Entities owned / significantly influenced by directors & their relatives

Virdeep Engineering Pvt. Ltd.
 Virdeep Bearings Rollers LLP
 Vijay Petroleum Co.

(ii)	Nature of transactions	Interest Rupees	Loan Received (Paid) Rupees	Remuneration /Salary /Leave Pay/Bonus Rupees	Purchase/ sales/ Jobwork expense/ jobwork income
	Dilipkumar G. Changela	14,24,196	4,00,000	24,75,000	-
	Dilipkumar G. Changela	-	(14,317,381)	-	-
	Hiralal G. Changela	1,280,786	(1,184,727)	24,75,000	-
	Vrajlal G. Changela	1,424,810	10,00,000	2,475,000	-
	Vrajlal G. Changela	-	(21,617,949)	-	-
	Vishal V. Changela	458,447	3,400,000	2,187,537	-
	Vishal V. Changela	-	(5,78,063)	-	-
	Rambhoben G. Changela	86,201	6,465	-	-
	Rambhoben G. Changela	-	(30,13,145)	-	-
	Darshit D. Changela	-	20,00,000	2,187,537	-
	Darshit D. Changela	7,93,666	(11,34,142)	-	-
	Divyeshbhai H. Changela	462,179	(1,177,515)	2,187,537	-
	Girishkumar G. Changela	937,600	(867,280)	-	-
	Hansaben G. Dharsandia	264,033	(244,230)	-	-
	Jayshreeben H. Changela	879,586	(813,168)	-	-
	Jayshreeben H. Changela	-	-	-	-
	Manjulaben J. Marvania	205,156	(1,389,770)	-	-
	Jyotiben V. Changela	678,397	(4,027,517)	-	-
	Vijaykumar V. Changela	414,814	47,00,000	2,187,537	-
	Vijaykumar V. Changela	-	(737,702)	-	-
	Priya Vijay Changela	121,092	78,00,000	-	-
	Priya Vijay Changela	-	(112,012)	-	-
	Punarva Vishal Changela	121,140	78,00,000	-	-
	Punarva Vishal Changela	-	(112,057)	-	-
	Rasilaben D. Changela	674,606	63,50,000	-	-
	Rasilaben D. Changela	-	33,74,011	-	-
	Rinkuben D. Changela	508,896	10,00,000	-	-
	Rinkuben D. Changela	-	(470,729)	-	-
	Yesha Darshit Changela	627,566	64,00,000	-	-
	Yesha Darshit Changela	-	(15,80,498)	-	-
	Virdeep Bearings Rollers LLP				7,872,572 (JE)
	Virdeep Bearings Rollers LLP				3,256,175 (S & JI)
	Vijay Petroleum				21,549 (E)
2019-2020					
	Dilipkumar G. Changela	1,602,814	-	2,600,833	-
	Hiralal G. Changela	1,252,415	-	2,600,833	-

Vrajlal G. Changela	1,635,328	2,000,000	2,600,833	-
Vishal V. Changela	415,108	(464,000)	2,216,478	-
Rambhoben G. Changela	307,371	(10,500,000)	-	-
Darshit D. Changela	751,933	1,500,000	2,216,478	-
Darshit D. Changela	-	(1,000,000)	-	-
Divyeshbhai H. Changela	498,242	-	2,216,478	-
Girishkumar G. Changela	917,138	-	-	-
Hansaben G. Dharsandia	258,271	-	-	-
Jayshreeben H. Changela	858,161	1,750,000	-	-
Jayshreeben H. Changela	-	(230,300)	-	-
Manjulaben J. Marvania	207,239	-	-	-
Jyotiben V. Changela	722,636	-	-	-
Vijaykumar V. Changela	343,859	(264,000)	2,216,478	-
Priya Vijay Changela	47,008	1,750,000	-	-
Punarva Vishal Changela	48,770	1,750,000	-	-
Rasilaben D. Changela	601,613	3,500,000	-	-
Rasilaben D. Changela	-	(260,580)	-	-
Rinkuben D. Changela	446,862	1,750,000	-	-
Rinkuben D. Changela	-	230,300	-	-
Yesha Darshit Changela	526,445	-	-	-
Virdeep Bearings Rollers LLP	-	-	-	48,50,313 (JE)
Virdeep Bearings Rollers LLP	-	-	-	1,10,32,4483(S&JI)
Vijay Petroleum	-	-	-	11,776 (E)

Particulars		31-03-2021	31-03-2020
Dues from company under the same management / entities where KMP and relatives of KMP have significant influence:			
Trade	Virdeep Bearing Rollers LLP	13,281,029	11,024,854
Receivables	Virdeep Engineering Pvt Ltd	Nil	648,910
Trade Payables	Virdeep Bearing Rollers LLP	3,225,288	
Advances to	Virdeep Bearing Rollers LLP	Nil	1,327,783
Creditors	Virdeep Engineering Pvt Ltd	Nil	416,553

- 40** There are no dues payable (including interest) by the company as at the end of the year to Micro and Small Enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and also no interest due and payable for the year on account of delay in making payment during the year.
(As certified by the management of the Company)
- 41** As explained to us by the management of company, the outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activities. The company is into the business of "Manufacturing and selling of Bearing Rollers and allied activities". The company is still continuously evaluating impact of this pandemic on its business operations. Based on the review and current indicators of future economic conditions, as on current date, the Company is positive to achieve better results in future also. However, due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.
- 42** Wherever no vouchers and documentary evidence were made available for our verification, we have relied on the authentication given by management of the company.
- 43** Figures have been rounded off to nearest rupee and have been regrouped, rearranged and reclassified wherever necessary.

Signature to Note No. 1 to 43

As per our report of even date attached

FOR, SVK& ASSOCIATES

Chartered Accountants

Firm Reg. No. 118564W

On behalf of the Board of Directors

FOR, VISHAL BEARINGS LTD.

Dhaval R. Karia

Partner

M. No. 143121

Date: 29.06.2021

Place: Shapar, Rajkot

UDIN: 21143121AAAABK2124

D. G. Changela

Managing Director

DIN: 00247302

V. V. Changela

Chief Financial Officer

Date: 02.09.2021

H.G. Changela

Whole Time Director

DIN: 00247292

K. V. Savaliya

Company Secretary

Place: Shapar, Rajkot

Notice

Of 30th Annual General Meeting

VISHAL BEARINGS LIMITED
CIN: L29130GJ1991PLC016005

Regd. Office: Survey No. 22/1, Plot No.1,
Shapar Main Road, Shapar (Veraval), Rajkot,
Gujarat-360002, India.

Tel: 2827-252273, Fax: 2827-253087

Email: legal@vishalbearings.com

Website: www.vishalbearings.com

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF VISHAL BEARINGS LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 30, 2021 AT 4:00 P.M. AT REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 together with the Reports of the Directors and the Independent Auditors thereon.
2. To appoint a director in place of Mr. Vrajlal Changela, Director (DIN 00247295) who retires by rotation and being eligible offers himself for reappointment.

Place: Shapar, Rajkot

Date: 02.09.2021

**By Order of the Board
For Vishal Bearings Limited**

Sd/-
Hiralal Changela
Chairman
DIN: 00247292

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further, a person can act as proxy on behalf of member or members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
- 2. PROXIES:** The Members/Proxies are requested to bring duly filled in Attendance slip along with the Annual Report at the Annual General Meeting (AGM). Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the AGM.
- 3.** Corporate Members intending to send their authorized representatives to attend and vote at the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send a certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- 4. BOOK CLOSURE:**
The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 23, 2021 to Thursday, September 30, 2021 (both days inclusive).
- 5.** The information of Directors proposed to be appointed/re-appointed at the ensuing the AGM in terms of Regulation 36 (3) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) issued by the institute of Company Secretaries of India (ICSI) is annexed to the Notice. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their re-appointment.
- 6.** Annual Report physical copies: Pursuant to the General Circular No. 20/2020 dated 5th May, 2020, Para A (III) considering the current COVID-19 outbreak situation in the country and the difficulties involved in dispatching of Physical copies of Financial statements for the FY 2020-21 (including the Board Report, Auditors Report or other documents required to be attached therewith) such statement shall be sent only by email to the members and all other persons such entitled.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the websites of the Stock Exchanges i.e. BSE Limited.

- 7.** Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, September 18, 2021.

8. The details Pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards-2 regarding the appointment and re-appointment of Directors are annexed to this notice.
9. Members seeking any information regarding the accounts or any matter to be placed at the AGM are requested to write to the Company on or before September 27, 2021 through email on legal@vishalbearings.com. The same will be replied by the Company suitably.
10. The shareholders who are holding shares in Demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter.
11. The remote e-voting period will commence at 9.00 a.m. on Monday, September 27, 2021 and will end at 5.00 p.m. on Wednesday, September 29, 2021.
12. Members are requested to furnish bank details, email address, change of address etc. to KFin Technologies Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India who are the Company's Registrar and Share Transfer Agents to reach them latest by December 18, 2020, in order to take note of the same. In respect of members holding shares in electronic mode, the details as would be furnished by the Depositories as at the close of the aforesaid date will be considered by the Company. Hence, members holding shares in Demat mode should update their records at the earliest.
13. The Company has appointed M/s. K. P. Ghelani & Associates, Company Secretaries, Rajkot, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
14. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.
15. As per Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nomination are requested to send their request in Form No: SH-13 (which will be made available on request) to the Company or Registrar and Share Transfer Agent.
16. Investor Grievance Redressal:
The Company has designated an exclusive email id viz. legal@vishalbearings.com to enable Investors to register their complaints, if any.
17. With a view to help us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

The remote e-voting period begins on Monday, September 27, 2021 (09.00 A.M.) to till Wednesday, September 29, 2021 (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. Saturday, September 25, 2021, may cast their vote electronically.

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 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 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.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under

	<p>'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 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/login or www.cdslindia.com and click on New System Myeasi. 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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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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.in or 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 e-Voting 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 use 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 on NSDL e-Voting system.**How to cast your vote electronically 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
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. 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.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. 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 cskeyurghelani@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 at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company 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 legal@vishalbearings.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 legal@vishalbearings.com. If you are an Individual shareholder 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 for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for 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.

ITEM NO.02

Details of the Directors seeking appointment and re-appointment at the 30th Annual General Meeting of the company as per Regulation 36(3) SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015:

1) Mr. Vrajlal G. Changela

Name of the Director	Mr. Vrajlal G. Changela
DIN	00247295
Nature	Re-appointment as Whole-Time Director (Retire by Rotation)
Date of Birth	16/08/1952
Qualification	Bachelor of Commerce (B.Com)
Date of Appointment	11/05/2016
Expertise in Specific Functional Area	Experience of More than 40 Years
Directorship held in other Public Limited Company	NA
No. of Shares Held (on 31.03.2021)	11,94,750
List of other Companies in which Directorship are held	VIRDEEP ENGINEERING PRIVATE LIMITED
Chairmanship or membership on other companies	NA

VISHAL BEARINGS LIMITED

Regd. Office: Survey No. 22/1, Plot No.1, Shapar Main Road,
Shapar (Veraval), Rajkot, Gujarat-360002, India.
Tel: 2827-252273,

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE registered office of the company

Name of Address of the Shareholder	Sequence No. :
	Folio No. :
	DP. ID :
	Client ID :

I hereby record my presence at the **30th Annual General meeting** at the Registered office of the Company on **Thursday the 30th September, 2021 at 4:00 PM.**

Signature of the Member or Proxy

No. of Shares held

**Form No. MGT-11
PROXY FORM**

(pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

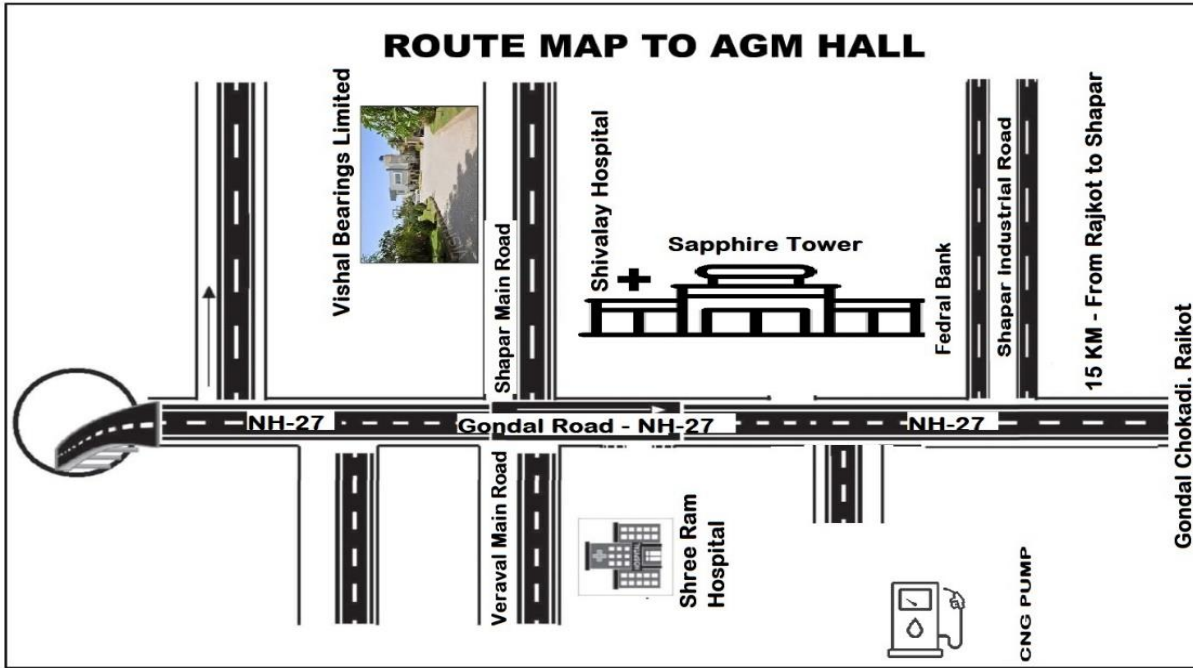
CIN	_____
Name of the Company	_____
Registered Office	_____
Name of the Shareholder	_____
Registered address	_____
E-mail ID	_____
Folio No. / Client ID	_____
DP ID	_____

I/We, being the shareholder(s) of shares of the above named company, hereby appoint:

1 Name	_____
Address	_____
E-mail ID	_____
Signature	_____

Or falling him or her

2 Name	_____
Address	_____
E-mail ID	_____
Signature	_____



As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **30th Annual General Meeting** of the Company, to be held on **Thursday the 30th September, 2021 at 4.00 PM** at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. (✓)

S.N.	Subject	
1	Adoption of Annual Financial Statements for the FY 2020-2021	
2	Re-appointment of Shri Vrajlal Changela, Director retiring by rotation.	
3	Continuance of appointment of Statutory Auditor without ratification	

Signed thisday of 2021.

Signature of shareholder:

Signature of Proxy holder(s):

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Vishal Bearings Limited

(CIN : L29130GJ1991PLC016005)

Regd. Office & Works : Survey No. 22/1, Plot No.1,
Shapar Main Road, Shapar (Veraval), Rajkot,
Gujarat-360 024, India.

Phone : 2827-252273, Fax: 2827-253087

Email : legal@vishalbearings.com

Website : www.vishalbearings.com