

# **Deccan Bearings Limited**

**24th  
Annual Report  
2008-09**

**Board of Directors** MR. KIRAN N. VORA  
MR. BARUKH W. CHRISTIAN  
MR. RAJEEV D. SHENVI  
MR. ABHAY V. KOTHARI  
MR. VINAY H. TENDULKAR  
MR. MAURESH S. PAI

**Auditors** M/S. D. V. VORA & CO.  
  
Chartered Accountants  
36, Bhangwadi Shoppin Arcade,  
Kalbadevi Road,  
Mumbai 400 002

**Bankers** STATE BANK OF INDIA

**Registered Office** 315/321, Prospect Chambers,  
2nd Floor, Dr. D. N. Road, Fort,  
Mumbai 400 001

**Works** 2011 - GIDC Halol,  
Dist. Panchmahal,  
Gujarat.  
  
Survey No. 209, Near Kirti  
Orni, Veraval (Shapar),  
Tal: Kotdasangani,  
Dist: Rajkot,  
Gujarat.

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT the Twenty Fourth Annual General Meeting of the Members of DECCAN BEARINGS LIMITED will be held at the B.U.J. Hall, 23/25, Prospect Chambers Annexe, 2<sup>nd</sup> Floor, 317, D.N. Road, Fort, MUMBAI – 400 001 on Friday, 25<sup>th</sup> September 2009 at 11 a.m. to transact the following business:

**ORDINARY BUSINESS:**

- 1] To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
- 2] To appoint a Director in place of Mr. Rajeev D. Shenvi , who retires by rotation and being eligible, offers himself for re-appointment.
- 3] To appoint a Director in place of Mr. Abhay V. Kothari , who retires by rotation and being eligible, offers himself for re-appointment.
- 4] To appoint Auditors and to fix their remuneration.

By Order of the Board of Directors

SD/-  
KIRAN N.VORA  
Managing Director

**Registered Office**  
315/321, Prospect Chambers,  
Dr.D.N.Road, Fort,  
MUMBAI – 400 001  
Mumbai, Dated: 1<sup>st</sup> September, 2009

**NOTES:**

- a] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b] The Register of Members and Share Transfer Books of the Company will be closed from 21<sup>st</sup> September 2009 to 25<sup>th</sup> September 2009 [both days inclusive].
- c] Members intending to require information about accounts to be explained in the meeting are requested to inform the Company in writing at least ten days in advance of the Meeting.
- d] Shareholders are requested to bring their copies of the Annual Report at General Meeting.
- e] Shareholders are requested to notify change in address, if any, at the Registered Office of the Company, quoting their Folio Numbers.

**DIRECTORS' REPORT**

The Members,

**DECCAN BEARINGS LIMITED**

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the audited accounts for the year ended 31st March, 2009.

<b>1. FINANCIAL RESULTS:</b>	<b>Year Ended 31.03.2009</b>	<b>Year Ended 31.03.2008</b>
Net Profit before providing for Depreciation	2,90,438	(1,12,583)
Less: Depreciation	8,89,336	9,30,725
	<hr/>	<hr/>
Profit after providing Depreciation	(5,98,898)	(10,43,308)
Add/(Less): Provision for		
A] Deferred Tax	1,55,294	4,34,573
B] Fringe Benefit Tax	(1,10,000)	(1,50,000)
	<hr/>	<hr/>
Profit/(Loss) after Taxation	(5,53,604)	(7,58,735)
Add: Balance brought forward from previous year	(36,26,443)	(28,67,708)
	<hr/>	<hr/>
Amount available for Appropriation	(41,80,047)	(36,26,443)
	<hr/> <hr/>	<hr/> <hr/>
<b>Appropriation:</b>		
Balance carried to Balance sheet	(41,80,047)	(36,26,443)
	<hr/> <hr/>	<hr/> <hr/>

**2. DIVIDEND:**

In view of the losses incurred during the year, no dividend has been considered by the Board.

**3. PRESENT OPERATIONS & FUTURE OUTLOOK:**

During the year under consideration, there has been unprecedented economic meltdown all over the world and which also affected all businesses in India. The Production Index globally went down steeply and the financial systems were completely in turmoil. Sales and Annual Results of all Companies in India as well as throughout the world have been heavily affected.

Our Company was also affected although not as severely as most other Companies. The total Sales declined as a result from Rs.5,73,97,477/- in the previous year to Rs.5,11,24,263/- in the Current Year. Although there was loss resulting from the above scenario, there has not been a cash loss as will be seen from the financial results.

In the meantime the Company has started penetrating into new avenues of Business like Industrial Bearings for local distribution in India. This is expected to add substantial additional turnover in the Company. Efforts to export to a wider network of customers in different countries are also being made to increase export turnover. The Company is planning to source many new product range of bearings which the Company does not produce to increase the product range of the Company.

All these measures are expected to improve the total turnover and profit line of the Company.

**4. DIRECTORS:**

Mr. Rajeev D. Shenvi and Mr. Abhay V. Kothari, Directors retire by rotation and are being eligible, offer themselves for re-appointment.

**5. DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the accounting policies are consistently applied and reasonable, prudent judgement and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year; and the loss of the Company for the year ended on that date.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for detecting and preventing frauds and other irregularities.
- (iv) the Directors have prepared the annual accounts on a going concern basis.

**6. AUDITORS:**

The Auditors M/s D. V. Vora & Co. Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

**7. APPOINTMENT OF COST AUDITORS:**

We are advised by Mr. V. V. Deodhar, Cost Accountant, Mumbai, that the provision of Cost Audit are not applicable to the Company and accordingly an application has been sent to "The Adviser (Cost) Govt. of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi" for cancellation of Cost Audit Order.

**8. PARTICULARS OF EMPLOYEES:**

There were no employees drawing remuneration falling under the provisions of Section 217(2A) of the Companies Act, 1956.

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

Information as per Section 217(i)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 has been given in the Annexure-I and forms part of this report.

**10. APPRECIATION:**

Your Directors wish to convey their sincere thanks to State Bank of India, the valued dealers and customers and staff members of the Company for their continued support and assistance to the Company.

For and on behalf of the Board of Directors

SD/-  
KIRAN N.VORA  
Managing Director

Mumbai, Dated: 1<sup>st</sup> September, 2009

**ANNEXURE - I**

Statement of Particulars under Companies [Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

**A] CONSERVATION OF ENERGY:** Not applicable

**B] (i) RESEARCH & DEVELOPMENT (R & D)**

**1. SPECIAL AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY:**

R & D activity covers application development of new sizes specifically developed for customer requirements.

**2. BENEFITS DERIVED AS A RESULT OF THE ABOVE R & D**

Enlargement of product range and contribution to import substitution program of customers.

**3. FUTURE PLAN OF ACTION:**

To cover more users/industries under the fold of application developed program.

**4. EXPENSES ON R & D**

The expenses on development activity being a part of the overall operation, are not separately accounted for.

(ii) **TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

During the year on-going product upgradation in terms of quality and productivity was maintained using inhouse technology. No imported technology was absorbed and the Company's products continue to enjoy international acceptance.

**C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

1. Foreign Exchange Earnings [Export of Goods(F.O.B.)]	:	Rs 1,78,26,081/-	(Rs. 2,11,30,153/-)
2. Foreign Exchange Outgo	:		
Traveling		Rs. Nil /-	( Rs.69,110/-)
Imports			
Raw – Materials on C.I.F.		Rs. Nil/-	( Rs.8,25,363/- )

For and on behalf of the Board of Directors

SD/-  
KIRAN N.VORA  
Managing Director

Mumbai, Dated: 1<sup>st</sup> September, 2009

**AUDITORS' REPORT**

TO,

THE MEMBERS OF  
DECCAN BEARINGS LIMITED  
MUMBAI

- 1] We have audited the attached Balance Sheet of **DECCAN BEARINGS LIMITED** as at 31st March, 2009 and the related Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2] We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material-misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3] As required by the Companies [Auditor's Report] Order, 2003, as amended by the Companies (Auditor's Report) Amendment Order 2004, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, (and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit), we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the said order
- 4] Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit:
  - (b) In our opinion, subject to note no 1(h) of schedule 19, regarding part provision of gratuity, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books of the Company.
  - (c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by the Report are in agreement with the Books of Account of the Company;
  - (d) In our opinion, subject to note no 1(h) of schedule 19, regarding part provision of gratuity, and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956



**DECCAN BEARINGS LIMITED**

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- (e) On the basis of the written representations received from the directors, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2009 from being appointed as Director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (f) In our opinion subject to note no 1(h) of schedule 19, regarding part provision of gratuity, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :
- [1] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
- [2] In the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date; and
- [3] In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**FOR D.V.VORA & CO.  
Chartered Accountants**

**SD/-  
[D.V.VORA]  
Partner**

**Mumbai, Dated: 1<sup>st</sup> September, 2009**

ANNEXURE TO THE AUDITOR'S REPORT

Annexure to the Auditor's Report to the Members of Deccan Bearings Limited for the year ended March 31, 2009, We report that:

- 1] (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
 (b) As per the information and explanations given to us, the management at reasonable intervals carries out the physical verification of the fixed assets. The discrepancies noticed on such verification, which were not material, have been appropriately dealt with in the accounts.  
 (c) The fixed assets disposed off by the company were not substantial and therefore does not affect the going concern assumption.

- 2] (a) As per the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.  
 (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
 (c) In our opinion, the Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the Books of Accounts.

- 3] (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered under register maintained under section 301 of the Act.

- (b) As per the information and explanations given to us, the Company has taken unsecured loans from Companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The details of such unsecured loans taken are as under:

Nature & No. of Parties	Nature of Transaction	Balance as on 31 March, 2009(Rs.)	Maximum balance standing during the year (Rs.)
Inter Corporate Deposit No (1)	Loan Taken	9,41,062	9,41,062
Share holders No. (4)	Loan Taken	17,35,000	17,35,000

- (c) In our opinion, the loan taken is free of interest and on such terms and conditions which are prima facie not prejudicial to the interest of the company.  
 (d) We have been informed that the said loan is repayable as stipulated.

- 4] In our opinion and according to the information and explanation given to us, there are adequate internal procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods & services. During the course of our audit no major weakness has been noticed in the internal controls and there is no continuing failure for the same.

- 5] (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered,

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year are reasonable having regard to the prevailing market prices at the relevant time.

- 6] In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.

- 7] According to the information and explanations given to us, the Company has no internal audit system commensurate with its size and nature of its business.

## DECCAN BEARINGS LIMITED

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- 8] We have broadly reviewed the books of account maintained by the company in respect of manufacture of bearings pursuant to the order made by the Central Government for the maintenance of cost records prescribed under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- 9] (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, investor education and protection fund, wealth tax, service tax and excise duty and cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, there are no dues in respect of sales tax, income tax, customs duty, wealth tax, excise duty, and cess which have not been deposited with the appropriate authorities on account of any dispute.
- 10] The Company's accumulated losses at the end of financial year have not exceeded the net worth of the Company and the Company has not incurred cash losses in the current financial year, but has incurred cash loss in the immediately previous financial year.
- 11] Based on the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions and banks.
- 12] Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13] In our opinion, the Company is not a chit fund, nidhi, mutual benefit fund or a society. Therefore the provisions of clause 4(xiii) of the said order are not applicable to the Company.
- 14] According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investment. Accordingly, clause 4(xiv) of the order is not applicable to the Company.
- 15] According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
- 16] The Company did not have any term loans during the year.
- 17] According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- 18] The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act 1956.
- 19] According to information and explanations given to us during the period covered by our audit report the Company has not issued any debentures.
- 20] The Company has not raised any money through public issues during the year covered by our report.
- 21] As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**FOR D.V. VORA & CO.**  
**Chartered Accountants**

**SD/-**  
**(D.V.VORA)**  
**Partner**

**Mumbai, Dated: 1<sup>st</sup> September, 2009**

## BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE		As at 31st March, 2009	As at 31st March, 2008
		Rupees	Rupees
<b>SOURCES OF FUNDS:</b>			
<b>1. SHARE HOLDER'S FUNDS:</b>			
{a} Share Capital	1	21,833,340	21,833,340
{b} Reserves and Surplus	2	18,456,946	18,687,026
		40,290,286	40,520,366
<b>2. LOAN FUNDS:</b>			
{a} Secured Loan	3	951,674	8,423,095
{b} Unsecured Loans	4	2,676,062	2,676,062
		3,627,736	11,099,157
<b>3. DEFERRED TAX LIABILITY</b>			
		1,690,820	1,846,114
<b>4. TOTAL FUNDS EMPLOYED</b>			
		<u>45,608,842</u>	<u>53,465,637</u>
<b>APPLICATION OF FUNDS</b>			
<b>5. FIXED ASSETS</b>			
{a} Gross Block	5	25,675,407	26,185,226
{b} Less: Depreciation		11,941,703	10,985,907
{c} Net Block		13,733,704	15,199,319
<b>6. INVESTMENTS :</b>			
	6	124,700	124,700
<b>7. CURRENT ASSETS, LOANS AND ADVANCES</b>			
{a} Inventories	7	13,273,850	21,684,144
{b} Sundry Debtors	8	21,290,797	23,152,197
{c} Cash and Bank Balances	9	1,032,763	821,349
{d} Loans and Advances	10	3,594,986	3,314,227
		39,192,395	48,971,917
<b>8. LESS: CURRENT LIABILITIES AND PROVISIONS:</b>			
{a} Current Liabilities	11	8,666,776	11,612,314
{b} Provisions	12	2,956,028	2,846,028
		11,622,804	14,458,342
<b>9. NET CURRENT ASSETS:</b>			
		27,569,591	34,513,575
<b>10. MISCELLANEOUS EXPENDITURE</b>			
( to the extent not written off or adjusted)	13	800	1,600
<b>11. PROFIT &amp; LOSS ACCOUNT</b>			
		4,160,047	3,626,443
<b>11. TOTAL FUNDS UTILISED</b>			
		<u>45,608,842</u>	<u>53,465,637</u>
<b>NOTES TO ACCOUNTS</b>			
	19	-	-

As per our attached Report of even date  
For **D.V.VORA & CO.**  
Chartered Accountants

For and on behalf of the Board

SD/-  
{D.V. VORA}  
Partner

SD/-  
KIRAN N. VORA  
Managing Director

SD/-  
ABHAY V. KOTHARI  
Executive Director

Mumbai, Dated: 1st September, 2009

Mumbai, Dated: 1st September, 2009

# DECCAN BEARINGS LIMITED

Registered Office: 315/321, Prospect Chambers, 2nd Floor, Fort, Mumbai - 400 001.

## ATTENDANCE SLIP

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and handover at the entrance of the meeting hall.

I hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company held at B.U.J. Hall, 23/25, Prospect Chamber Annexe, 2<sup>nd</sup> Floor, 317, Dr. D. N. Road, Fort, Mumbai - 400 001 on Friday 25th September, 2009 at 11 a.m.

\_\_\_\_\_  
Full Name of the Shareholder (In Block Letters)

\_\_\_\_\_  
Signature of the Shareholder

Folio No. \_\_\_\_\_

\_\_\_\_\_  
Full Name of Proxy (in Block Letters)

\_\_\_\_\_  
Signature of the Proxy

## DECCAN BEARINGS LIMITED

Registered Office: 315/321, Prospect Chambers, 2nd Floor, Fort, Mumbai-400 001

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_

in the district of \_\_\_\_\_ being a member / members of the

above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ in the district of \_\_\_\_\_ or

failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of

\_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at

the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company, to be held on the 25th

September, 2009 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

\_\_\_\_\_  
Signature of the Shareholder

### NOTES:

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself. The Proxy need not be a member of the Company.
2. The Proxy Form duly completed should be deposited at the Registered Office of the Company at least 48 hours before the meeting.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

SCHEDULE	For the period ended 31st March, 2009		For the year ended 31st March, 2008
	Rupees	Rupees	Rupees
<b>1. INCOME:</b>			
{a} Sale of Products	51,124,263		57,397,477
{b} Other Income	14	918,038	1,630,406
		52,042,301	59,027,883
<b>2. EXPENDITURE:</b>			
{a} Cost of Materials	15	25,464,158	23,990,961
{b} Manufacturing & Other Expenses	16	22,582,194	30,464,590
{c} Personnel Expenses	17	3,028,505	3,696,413
{d} Finance Expenses	18	561,408	837,134
{e} Miscellaneous Expenditure W/off		800	800
{f} (Profit) / Loss on sale of Fixed Assets		114,799	150,568
{g} Depreciation	1,119,416		-
Less: Transferred to Revaluation Reserves	230,080	889,336	930,725
		52,641,199	60,071,191
<b>3. PROFIT/(LOSS) AFTER INTEREST &amp; DEPRECIATION</b>		(598,898)	(1,043,308)
<b>4. Add/(Less):</b>			
i) Current Tax		-	-
ii) Deferred Tax		155,294	434,573
iii) Fringe Benefit Tax		(110,000)	(150,000)
<b>5. PROFIT/(LOSS) AFTER TAXATION</b>		(553,604)	(758,735)
<b>6. Add/(Less): Balance b/f from Previous Year</b>		(3,626,443)	(2,867,708)
<b>7. Less: Provision for Tax for Earlier Years</b>		-	-
<b>8. AMOUNT AVAILABLE FOR APPROPRIATIONS</b>		(4,180,047)	(3,626,443)
<b>9. APPROPRIATIONS</b>			
{a} Balance Carried to Balance Sheet		(4,180,047)	(3,626,443)

## NOTES TO ACCOUNTS

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As per our attached Report of even date  
For D.V.VORA & CO.  
Chartered Accountants

For and on behalf of the Board

SD/-  
(D.V. VORA)  
Partner

SD/-  
KIRAN N. VORA  
Managing Director

SD/-  
ABHAY V. KOTHARI  
Executive Director

Mumbai, Dated: 1st September, 2009

Mumbai, Dated: 1st September, 2009

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009  
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

		For the year ended 31st March, 2009		For the year ended 31st March, 2008
	Rupees	Rupees	Rupees	Rupees
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before tax and Extraordinary Items		(598,898)		(1,043,308)
Adjustments for Depreciation	889,336		930,725	
Investment Income	(2,673)		(3,287)	
Interest and Financial charges	561,408		837,134	
Insurance claim	(4,641)		(12,300)	
(Profit) / Loss on sale of Fixed Asset	114,799		150,568	
Preliminary Exp. W/Off	800	1,559,029	800	1,903,640
<b>Operating profit before working capital Changes</b>		<b>960,130</b>		<b>860,332</b>
Adjustments for:				
Trade and other receivables	1,643,221		3,734,288	
Inventories	8,410,294		(1,657,226)	
Trade Payables	(2,945,538)	7,107,976	(5,916,440)	(3,839,378)
<b>Cash generated from operations</b>		<b>8,068,107</b>		<b>(2,979,046)</b>
Interest paid	(561,408)		(837,134)	
Direct tax paid	(62,579)		(430,430)	
		(623,987)		(1,267,564)
<b>Cash flow before extraordinary items</b>		<b>7,444,120</b>		<b>(4,246,610)</b>
Extraordinary items		4,641		12,300
<b>Net cash from operating activities</b>		<b>7,448,761</b>		<b>(4,234,310)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(12,600)		(49,934)	
Sale of Fixed Assets	244,000		400,000	
Investment in Shares/Mutual Fund	-		(100,000)	
Interest earned	2,673		3,287	
<b>Cash from investing activities</b>		<b>234,073</b>		<b>253,353</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Borrowing/ (Repayment) of long term liabilities	(7,471,420)		3,626,522	
<b>Cash from financing activities</b>		<b>(7,471,420)</b>		<b>3,626,522</b>
Net Increase/(Decrease) in cash and cash equivalents		211,414		(354,435)
Cash and cash equivalents as at 31/03/08		821,349		1,175,785
Cash and cash equivalents as at 31/03/09		1,032,763		821,349

For and on behalf of the Board

SD/-

KIRAN N. VORA  
Managing Director

SD/-

ABHAY V. KOTHARI  
Executive Director

Mumbai, Dated: 1st September, 2009

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2009	As at 31st March, 2008
Rupees	Rupees	Rupees
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL :</b>		
AUTHORISED :		
32,50,000 EQUITY SHARES OF Rs. 10/- EACH	32,50,000	32,50,000
ISSUED, SUBSCRIBED & PAID UP :		
21,83,334 EQUITY SHARES OF Rs 10/- EACH	21,833,340	21,833,340
	<u>21,833,340</u>	<u>21,833,340</u>
of the above		
{i} 11,37,500 Equity shares are allotted as fully paidup, by way of Bonus Shares by Capitalisation of amounts out of General Reserves and Profit and Loss Account.		
<b>SCHEDULE 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
{1} CAPITAL RESERVE :		
[ CENTRAL & STATE SUBSIDY FOR PROJECT IN BACKWARD AREA]		
BALANCE AS PER LAST BALANCE SHEET	1,993,298	1,993,298
{2} REVALUATION RESERVES		
BALANCE AS PER LAST BALANCE SHEET	3,843,728	4,073,808
LESS: TRANSFERED FROM PROFIT AND LOSS ACCOUNT		
i] FOR ADJUSTED DEPRECIATION	<u>230,080</u>	<u>230,080</u>
	3,613,648	3,843,728
{3} SHARE PREMIUM		
BALANCE AS PER LAST BALANCE SHEET	6,000,000	6,000,000
{4} GENERAL RESERVES :		
BALANCE AS PER LAST BALANCE SHEET	6,850,000	6,850,000
	<u>18,456,946</u>	<u>18,687,026</u>
<b>SCHEDULE 3</b>		
<b>SECURED LOAN</b>		
{a} FROM SCHEDULED BANK:		
CASH CREDIT ACCOUNT WITH STATE BANK OF INDIA	951,674	8,423,095
{SECURED AGAINST HYPOTHECATION OF STOCK AND BOOK DEBTS & PERSONAL GUARANTEE OF PROMOTER DIRECTOR.}		
	<u>951,674</u>	<u>8,423,095</u>
<b>SCHEDULE 4</b>		
<b>UNSECURED LOANS</b>		
{a} FROM SHAREHOLDERS	1,735,000	1,735,000
{b} INTER CORPORATE DEPOSIT	941,062	941,062
	<u>2,676,062</u>	<u>2,676,062</u>



## SCHEDULES FORMING PART OF THE BALANCE SHEET

## SCHEDULE 5

## FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 31.03.2008	ADDITIONS	DEDUCTION & ADJUSTMENT	AS ON 31.03.2009	AS ON 31.03.2008	DEDUCTION & ADJUSTMENT	FOR THE YEAR ENDED ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	LAND LEASE HOLD LAND AT HALOL	1139606	0		1139606	0	0	0	0	1139606	1139606
2	BUILDING a) AT HALOL b) AT BARODA (POR)	12370953 3146819	0		12370953 3146819	5368721 0		413190	5781911 0	6589042 3146819	7002232 3146819
3	PLANT & MACHINERY	891750	0	51000	840750	106097	5451	41753	142399	698351	785653
4	ELECTRICAL INSTALLATIONS	1053850	0		1053850	991292		62558	1053850	0	62558
5	FURNITURE & FIXTURES	2208286	12600		2220886	1572060		140501	1712561	508325	636226
6	VEHICLES	3438128	0	471419	2966709	2133783	158169	292855	2268469	698240	1304345
7	OFFICE EQUIPMENTS	852234	0		852234	547238		60253	607491	244743	304996
8	STAFF QUARTERS	461906	0		461906	102958		7529	110487	351419	358948
9	COMPUTERS	621694	0	0	621694	163758	0	100777	264535	357159	457936
	TOTAL Rs.	26185226	12600	522419	25675407	10985907	163620	1119416	11941703	13733704	15199319
	PREVIOUS YEAR	41309146	49934	15173854	26185226	22448389	14623287	1160805	10985907	15199319	16860757

1) A) Land, Factory Building, Plant & Machinery & Staff Quarters had been revalued as on 31st March,1996. Approved valuers were appointed for the same purpose. As per their valuation report based on current replacement cost of such Land,Factory Building, Plant & Machinery & Staff Quarters at Halol,there had been an increase in the book value of assets amounting to Rs. 3,43,59,695/- which had been added to Land, Factory Building, Plant & Machinery & Staff Quarters at Halol and credited to Revaluation Reserve Account

B) Plant & Machinery has been revalued as on 31st March,2003. Approved valuers were appointed for the same purpose. As per their valuation report based on current replacement cost of Plant at Halol,there has been decrease in the book value of Plant & Machinery amounting to Rs. 1,71,91,702/-- which has been reduced from Plant & Machinery at Halol and debited to Revaluation Reserve Account.

2) Depreciation for the year includes Rs.2,30,080/- pertaining to revalued Amount.

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	Rupees	As at 31st March, 2009 Rupees	As at 31st March, 2008 Rupees
<b>SCHEDULE 6</b>			
<b>INVESTMENTS ( AT COST )</b>			
<b>TRADE</b>			
{iii} 6 YEARS NATIONAL SAVINGS CERTIFICATE ( DEPOSITED WITH GOVERNMENT AND LOCAL AUTHORITY.)		1,100	1,100
<b>OTHER THAN TRADE</b>			
<b>{i} QUOTED</b>			
a) 1215 EQUITY SHARES OF Rs.2/- EACH OF ABB LTD. (MARKET VALUE Rs.567405/- ; PREVIOUS YEAR Rs.1426410/-)		3,600	3,600
b) 243 EQUITY SHARES OF Rs.10/- EACH OF ALSTOM PROJECTS INDIA LTD (MARKET VALUE Rs.67590/- ; PREVIOUS YEAR Rs.141389/-)		-	-
c) SBI INFRASTRUCTURE FUND (MARKET VALUE Rs.56500/- ; PREVIOUS YEAR Rs.107300/-)		100,000	100,000
<b>{ii} UNQUOTED</b>			
1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA BEARINGS LTD.		16,000	16,000
1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA MODLER LTD.		4,000	4,000
		<u>124,700</u>	<u>124,700</u>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
<b>SCHEDULE 7</b>			
<b>INVENTORIES</b>			
( AS VALUED AND CERTIFIED BY DIRECTORS )			
{1} RAW MATERIALS	84,962		1,014,312
{2} FINISHED GOODS	8,545,261		13,168,727
{3} WORK-IN-PROGRESS	2,724,794		5,274,297
{4} TRADED GOODS	616,222		776,665
{5} PACKAGING MATERIALS	1,302,611		1,450,143
		13,273,850	21,684,144
<b>SCHEDULE 8</b>			
<b>SUNDRY DEBTORS</b>			
( UNSECURED CONSIDERED GOOD )			
OVER SIX MONTHS	10,039,122		6,558,172
OTHERS	11,251,675		16,594,025
		21,290,797	23,152,197
<b>SCHEDULE 9</b>			
<b>CASH AND BANK BALANCES</b>			
{a} CASH IN HAND & REMITTANCE IN TRANSIT	748,390		593,964
{b} WITH SCHEDULED BANK			
(i) IN CURRENT ACCOUNTS	260,773		203,785
(ii) IN MARGIN MONEY ACCOUNT	23,600		23,600
		1,032,763	821,349
<b>SCHEDULE 10</b>			
<b>LOANS &amp; ADVANCES</b>			
( UNSECURED CONSIDERED GOOD )			
{A} ADVANCE RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	575,729		305,840
{B} DUE FROM EMPLOYEES	465,840		541,813
{C} SUNDRY DEPOSITS	183,494		159,231
{D} ADVANCE PAYMENT AGAINST TAXES	2,369,922		2,307,343
		<u>3,594,986</u>	<u>3,314,227</u>
		<u>39,192,395</u>	<u>48,971,917</u>

## SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at 31st March, 2009	As at 31st March, 2008
	Rupees	Rupees	Rupees
<b>SCHEDULE 11</b>			
<b>CURRENT LIABILITIES</b>			
SUNDRY CREDITORS :			
{a} FOR GOODS	5,162,346		5,249,604
{b} FOR EXPENSES & OTHERS	2,839,113		5,573,454
{c} ADVANCE FROM CUSTOMERS	665,317		789,256
		8,666,776	11,612,314
<b>SCHEDULE 12</b>			
<b>PROVISIONS</b>			
{a} INCOME TAX	2,131,028		2,131,028
{b} FRINGE BENEFIT TAX	825,000	2,956,028	715,000
		11,622,804	14,458,342
<b>SCHEDULE 13</b>			
<b>MISCELLANEOUS EXPENDITURE</b>			
(to the extent not written off or adjusted)	1,600		2,400
SHARE ISSUE EXPENSES			
LESS: WRITTEN OFF DURING THE YEAR	800	800	800
		800	1,600
<b>SCHEDULE 14</b>			
<b>OTHER INCOME</b>			
{a} INCOME FROM INVESTMENTS GROSS		2,673	2,430
{b} INTEREST : ON FIXED DEPOSITS GROSS		-	857
{c} SALE OF LICENSE		910,691	1,614,819
{d} MISCELLANEOUS INCOME		4,674	12,300
		918,038	1,630,406
<b>SCHEDULE 15</b>			
<b>COST OF MATERIALS</b>			
<b>OPENING STOCK</b>			
[1] RAW MATERIALS	1,014,312		1,444,160
[2] FINISHED GOODS	13,168,727		7,261,457
[3] WORK IN PROGRESS	5,274,297		6,569,588
[4] TRADED GOODS	776,665		3,100,473
		20,234,001	18,375,678
ADD: PURCHASE OF RAW MATERIALS	16,904,296		25,849,284
PURCHASE OF TRADED GOODS	297,100	17,201,396	-
		37,435,397	44,224,962
<b>LESS: CLOSING STOCK</b>			
[1] RAW MATERIALS	84,962		1,014,312
[2] FINISHED GOODS	8,545,261		13,168,727
[3] WORK IN PROGRESS	2,724,794		5,274,297
[4] TRADED GOODS	616,222		776,665
		11,971,239	20,234,001
		25,464,158	23,990,961

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	For the period ended 31st March,2009	For the year ended 31st March,2008
	Rupees	Rupees
<b>SCHEDULE 16</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
ADVERTISEMENT	54,211	22,827
ANNUAL LISTING FEES	11,184	10,200
AUDITOR'S REMUNERATION		
(i) AUDIT FEES	30,000	30,000
(ii) TAX AUDIT FEES	20,000	20,000
(iii) OTHERS	43,755	45,505
BANK CHARGES	177,225	293,529
BROKERAGE ON SALES	100,729	35,857
CLEARING & FORWARDING	308,771	536,977
CONSUMABLE STORES	187,611	397,081
CONVEYANCE	34,880	62,559
DISCOUNT	4,110,435	3,182,131
ELECTRICITY & POWER CHARGES	398,739	441,895
EXCISE DUTY	4,914,967	6,206,787
FREIGHT OUTWARD	108,266	390,506
FREIGHT INWARD	38,726	91,743
INSURANCE CHARGES	65,980	58,929
LEGAL & PROFESSIONAL FEES	699,220	208,655
PACKING MATERIALS	1,063,953	2,081,813
POSTAGE & TELEGRAPH	65,065	77,214
PRINTING & STATIONERY	118,842	159,399
PROCESSING CHARGES	5,047,692	9,084,211
REMUNERATION TO DIRECTORS	1,263,304	1,311,200
RENT, RATES & TAXES	609,126	807,059
REPAIRS TO MACHINERY	1,910	-
REPAIRS TO OTHERS	67,094	60,490
SALES PROMOTION	978,566	1,257,343
TELEPHONE CHARGES	329,513	476,822
TRAVELLING	1,255,931	2,224,739
VEHICLE EXPENSES	278,036	415,732
MISCELLANEOUS EXPENSES	198,464	473,388
	<u>22,582,194</u>	<u>30,464,590</u>
<b>SCHEDULE 17</b>		
<b>PERSONNEL EXPENSES</b>		
{a} SALARIES & WAGES	2,794,243	3,304,939
{b} CONTRIBUTION TO PROVIDENT FUND AND OTHER SCHEMES	85,210	124,454
{c} WELFARE EXPENSES	149,052	267,020
	<u>3,028,505</u>	<u>3,696,413</u>
<b>SCHEDULE 18</b>		
<b>FINANCE EXPENSES</b>		
INTEREST		
{a} ON BANK LOAN	465,474	819,192
{b} ON OTHERS	95,934	17,942
	<u>561,408</u>	<u>837,134</u>

SCHEDULE 19

NOTES TO ACCOUNTS

1] SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Accounts have been prepared on a going concern basis under historical cost convention on Accrual basis and in accordance with the generally accepted accounting principles in India and the provisions of Companies Act 1956.

(b) USE OF ESTIMATE:

The preparation of financial statement in Conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues during the reporting period the difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(c) REVENUE RECOGNITION:

Revenues are recognized when it is earned and no significant uncertainty exists as to as ultimate collection.

(d) FIXED ASSETS:

Fixed Assets are stated at Cost except for Land, Factory Building, Plant & Machinery, Staff quarters which were revalued as on 31st March, 1996, and Plant & Machinery again revalued as on 31.03.2003, are stated at the value as determined by the approved valuers.

(e) DEPRECIATION:

Depreciation on Fixed Assets is provided on straight line basis at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on revalued assets is calculated on straight line basis on the values given by the approved valuers. The difference between depreciation on assets based on revaluation and that on original cost is transferred from Profit and Loss Account to Revaluation Reserves.

(f) INVESTMENTS:

Investments are stated at cost.

(g) INVENTORIES:

Inventories are valued as under, after providing for obsolescence.

- i] Raw-materials at cost
- ii] Finished goods and Work-in-Progress at cost of Direct materials, Direct wages and appropriate overheads.
- iii] Traded Goods at lower of cost or realisable value.

- (h) **RETIREMENT BEFEFITS:**  
i) **Gratuity Liability a defined benefit scheme:** Except Mumbai Office, All employees are covered under Employee Gratuity Scheme. The Company contributes to the Fund on the basis of the year-end liability actuarially determined in pursuance of the Scheme.  
The Company has not made full provision in the Books of Accounts, since no actuarial valuation in respect of Mumbai office employees are done by the Company at the end of the Financial Year.  
ii) **Provident Fund:** Provident Fund contributions are made to Government Provident Fund Authority are charged to revenue.  
iii) **Employees Pension Scheme:** Contribution to employees Pension Scheme 1995 is made to Government Provident Fund Authority are charged to revenue.
- (i) **FOREIGN CURRENCY TRANSACTION:**  
Realised gains and losses on Foreign exchange transactions pertaining to current assets and current liabilities are recognized in the Profit and Loss Account.
- (j) **TAXATION :**  
I) **CURRENT TAX**  
Provision for Current income tax liability is made on estimated taxable income under Income Tax Act, 1961 after considering permissible tax exemption, deductions and disallowances.  
II) **DEFFERED TAX**  
Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax to the extent that the timing difference are expected to crystallize.  
III) **FRINGE BENEFIT TAX**  
Fringe benefit tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under the Income Tax Act, 1961.
- (k) **IMPAIRMENT OF ASSETS:**  
At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exist, The Company estimates the recoverable amount. If carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit & Loss Account to the extent the carrying amount exceeds recoverable amount.
- (l) **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**  
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be as outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- (m) The Company has not received any intimation from 'suppliers' regarding their status under The Micro, Small and Medium Enterprises Development Act 2006, and hence the Disclosure, if any relating to the amount unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

2] Land at Halol was acquired on lease from Gujarat Industrial Development Corporation.

**DECCAN BEARINGS LIMITED****3] Auditors' Remuneration and expenses charged to the accounts:**

	2008-2009 Rs.	2007-2008 Rs.
Audit Fees	30,000	30,000
Tax-Audit Fees	20,000	20,000
Others	43,755	45,505

**4] EXPENDITURE IN FOREIGN CURRENCY:**

Traveling expenses	Rs. Nil	(Rs. 69,110/-)
Imports		
(Raw-Materials on C.I.F.)	Rs. Nil	(Rs. Nil)

**5] EARNINGS IN FOREIGN EXCHANGE:**

Export of Goods(F.O.B)	Rs. 1,78,26,081 /-	(Rs. 2,11,30,153/-)
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**6] Information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956 has been furnished to the extent applicable.****7] RELATED PARTY TRANSACTION:**

The Company has entered into related party transaction with key management personnel. Details of such transaction is given below.

Name of Related Party	Nature of Relation	Nature of Transaction	2008-2009 Rs.	2007-2008 Rs.
Mr. Kiran Vora	Managing Director	Managerial Remuneration	7,25,953/-	6,19,394/-
Mr. Abhay V. Kothari	Director	Managerial Remuneration	3,10,800/-	4,51,200/-
Mr. Bharukh W. Christian	Director	Managerial Remuneration	3,52,504/-	3,50,000/-

**8] SEGMENT REPORTING:**

The Company is engaged in the business of Bearings, which as per Accounting Standard AS-17, On Segment Reporting issued by The Institute of Chartered Accountant of India is considered to be the only reportable business segment, the Company is operating in the same geographical segment. Therefore Segment wise reporting is not applicable.

**9] DEFERRED TAXATION:**

The Company has recognized Deferred Tax Liabilities using current tax rate. Deferred Tax Assets/ Liabilities are reviewed at Balance Sheet date for the appropriateness of their respective carrying value based on the developments/ information available. The working of Deferred Tax Liabilities is as follows:

Deferred Tax	2008-2009 Rs.	2007-2008 Rs.
Difference between Book and Tax Depreciation	16,90,820/-	18,46,114/-

**DECCAN BEARINGS LIMITED**

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- 10] Basic and diluted earning per share has been calculated by dividing net profit available for appropriation for the year by 21,83,334 equity shares of nominal value of Rs. 10/- each, outstanding as on 31 March, 2009

	2008-09 Amount Rs.	2007-08 Amount Rs.
Profit/ (Loss) available to equity shareholders	(5,53,604)	(7,58,735)
Weighted average no. of equity share for basic EPS	21,83,334	21,83,334
Nominal value of equity shares	Rs.10	Rs.10
Earning Per Share (Basic/Diluted)	(0.25)	(0.35)

- 11] Figures of the Previous Year have been regrouped/ recasted wherever necessary.

**SIGNATURE TO SCHEDULE '1' TO '19'**

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As per our attached Report of even date

For and on behalf of the Board

**For D.V.VORA & CO.**  
Chartered Accountants

**SD/-**  
**KIRAN N.VORA**  
Managing Director

**SD/-**  
**(D.V.VORA)**  
Partner  
Mumbai, Dated: 1<sup>st</sup> September, 2009

**SD/-**  
**ABHAY KOTHARI**  
Executive Director  
Mumbai, Dated: 1<sup>st</sup> September, 2009



**ADDITIONAL INFORMATION PURSUANT TO GOVERNMENT  
NOTIFICATION DATED 30TH OCTOBER 1973**

A] INFORMATION FOR EACH CLASS OF GOODS MANUFACTURED: \*

1 Licensed & Installed Capacity and Actual Production

IN PICES	LICENSED CAPACITY		* INSTALLED CAPACITY		ACTUAL PRODUCTION	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
TAPER ROLLER BEARINGS						
RAJKOT					196832	346660

2 Trading Purchase

TRADING PURCHASE	UNITS	2008-2009		2007-2008	
		QTY	VALUE	QTY	VALUE
BEARINGS (TRADED)	PCS.	910	297100	339	0

\* As certified by the management and relied on by the auditors, being a technical matter:

B] PARTICULARS IN RESPECT OF OPENING STOCK, SALES & CLOSING STOCK FOR EACH CLASS OF GOODS DEALT WITH BY THE COMPANY

	UNITS	CURRENT YEAR 2008-2009		PREVIOUS YEAR 2007-2008	
		QTY	VALUE	QTY	VALUE
<b>SALES</b>					
1. TAPER ROLLER BEARINGS (GOODS MANUFACTURED)	PICES	226124	50550314	349944	1998951
2. BEARINGS (TRADED)	PICES	2433	573949	41653	55398526
			<u>51124263</u>		<u>57397477</u>
<b>OPENING STOCK</b>					
1. TAPER ROLLER BEARINGS (GOODS MANUFACTURED)	PICES	88883	13168727	92167	7261457
2. BEARINGS (TRADED)	PICES	6879	776665	48193	3100473
			<u>13945392</u>		<u>10361930</u>
<b>CLOSING STOCK</b>					
1. TAPER ROLLER BEARINGS (GOODS MANUFACTURED)	PICES	59591	8545261	66883	13166727
2. BEARINGS (TRADED)	PICES	5356	616222	6879	776665
			<u>9161483</u>		<u>13945392</u>
<b>3. RAW MATERIAL CONSUMED</b>					
STEEL	KGS	105524	4561487	314630	9735892
ROLLERS	SETS	151712	4357016	51604	6261944
OTHERS		-	11464646	-	10281296
			<u>20383149</u>		<u>26279132</u>

**DECCAN BEARINGS LIMITED**

THE CONSUMPTION FIGURE SHOWN ABOVE HAVE BEEN ASCERTAINED ON THE BASIS OF OPENING STOCK PLUS PURCHASE LESS CLOSING STOCKS AND, THEREFORE, INCLUDES EXCESSES AND SHORTAGES ASCERTAINED ON PHYSICAL COUNT.

THE DIRECT COMPARISON OF QUANTITY AND VALUE IS NOT POSSIBLE DUE TO PECULIAR NATURE OF BUSINESS. THE WEIGHT, SIZE AND CORRESPONDING VALUE OF BEARINGS DIFFERS FROM ONE BEARING TO ANOTHER.

4) CONSUMPTION OF IMPORTED & INDIGENOUS  
RAW MATERIALS, SPARES PARTS AND COMPONENTS

	CURRENT YEAR 2008-2009		PREVIOUS YEAR 2007-2008	
	VALUE	%	VALUE	%
A) RAW MATERIALS (I) IMPORTS	0	0.00	0	0.00
(II) INDIGENOUS	20383149	100.00	26279132	100.00
	<b>20383149</b>	<b>100.00</b>	<b>26279132</b>	<b>100.00</b>
B) SPARE PARTS AND COMPONENTS:				
(I) INDIGENOUS	187611	100	397081	100
	<b>187611</b>	<b>100</b>	<b>397081</b>	<b>100</b>

5) MANAGING/WHOLETIME DIRECTORS REMUNERATION UNDER SECTION 198 OF THE COMPANIES ACT, 1956.

	2008-2009	2007-2008
SALARIES	1263304	1311200
PERQUISITES	125953	109394
CONTRIBUTION TO PROVIDENT FUND	19512	22824
TOTAL MANAGING/WHOLETIME DIRECTORS REMUNERATION INCLUDING PERQUISITES	<b>1408769</b>	<b>1443418</b>

As per our attached Report of even date  
For **D.V. VORA & CO**  
Chartered Accountants

For and on behalf of the Board

SD/-  
**(D.V. VORA)**  
Partner

SD/-  
**KIRAN N. VORA**  
Managing Director

SD/-  
**Abhay V. Kothari**  
Executive Director

Mumbai, Dated: 1st September, 2009

Mumbai, Dated: 1st September, 2009

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	1	1	-	3	5	7	4	7
Balance Sheet Date	3	1		0	3		0	9
	Date		Month		Year			

State Code 

1	1
---	---

II. Capital Raised during the year (Amount in Rs. Lacs)

Public Issue

						N	I	L
--	--	--	--	--	--	---	---	---

Right Issue

						N	I	L
--	--	--	--	--	--	---	---	---

Bonus Issue

						N	I	L
--	--	--	--	--	--	---	---	---

Private Placement

						N	I	L
--	--	--	--	--	--	---	---	---

III. Position of Mobilisation and Deployment of funds(Amount in Lacs)

Total Liabilities

			4	5	6	.	0	9
--	--	--	---	---	---	---	---	---

Total Assets

			4	5	6	.	0	9
--	--	--	---	---	---	---	---	---

Source of Funds

Paid up Capital

			2	1	8	.	3	3
--	--	--	---	---	---	---	---	---

Reserves & Surplus

			1	8	4	.	5	7
--	--	--	---	---	---	---	---	---

Secured Loans

					9	.	5	2
--	--	--	--	--	---	---	---	---

Unsecured Loans

					2	.	6	7
--	--	--	--	--	---	---	---	---

Deferred Tax Liability

				1	6	.	9	1
--	--	--	--	---	---	---	---	---

Application of Funds

Net Fixed Assets

			1	3	7	.	3	4
--	--	--	---	---	---	---	---	---

Investment

					1	.	2	5
--	--	--	--	--	---	---	---	---

Net Current Assets

			2	7	5	.	7	0
--	--	--	---	---	---	---	---	---

Miscellaneous Expenditure

					0	.	0	1
--	--	--	--	--	---	---	---	---

Accumulated Losses

				4	1	.	8	0
--	--	--	--	---	---	---	---	---

IV. Performance of Company (Amount in Rs. Lacs)

Turnover

			5	2	0	.	4	2
--	--	--	---	---	---	---	---	---

Total Expenditure

			5	2	6	.	4	1
--	--	--	---	---	---	---	---	---

+/- Profit Before Tax

-					5	.	9	9
---	--	--	--	--	---	---	---	---

+/- Profit After Tax

-					5	.	5	4
---	--	--	--	--	---	---	---	---

Earning Per Share

				-	0	.	2	5
--	--	--	--	---	---	---	---	---

Dividend Rate %

							N	I	L
--	--	--	--	--	--	--	---	---	---

V. Genetic Names of Three Principal Products service of Company (as per monetary terms)

Item Code No. 

8	4	8	2	2	0	0	1
---	---	---	---	---	---	---	---

 (ITC Code) 

8	4	8	2	2	0	0	1
---	---	---	---	---	---	---	---

Product Description 

B	E	A	R	I	N	G	S												
---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--

As per our attached Report of even date

For and on behalf of the Board

For D. V. VORA & CO.  
Chartered Accountants

SD/-  
KIRAN N. VORA  
Managing Director

SD/-  
(D.V.VORA)  
Partner

SD/-  
Abhay V. Kothari  
Executive Director

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