
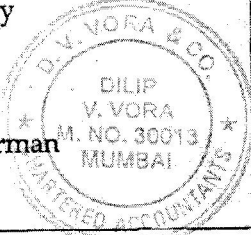
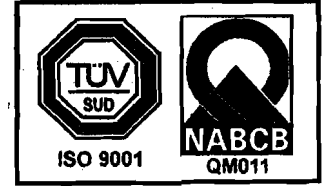


FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

|       |   |  |
|-------|---|--|
| Sr no | Name of the Company   | Deccan Bearings Limited  |
| 1     | Annual financial statements for the year ended  | 31 <sup>st</sup> March, 2017   |
| 2     | Type of Audit Observation   | Un-Qualified   |
| 3     | Frequency of Observation  | Not applicable   |
| 4     | <p>To be signed By:</p> <p>1) Managing Director<br/>(Mr. Kiran Vora)</p> <p>2) Auditor of the Company<br/>(D.V Vora)</p> <p>3) Audit Committee Chairman<br/>(Mr. Rajeev Shenvi)</p> |   <p><i>[Handwritten signature]</i></p> <p><i>[Handwritten signature]</i></p> |

REGD. OFF. : 315/321, PROSPECT CHAMBERS,  
2ND FLOOR, DR. D. N. ROAD, FORT, MUMBAI-400 001. (INDIA)  
TEL. : (91) (22) 2285 2552 / 2204 4159  
FAX : (91) (22) 2287 5841  
E-mail : info@deccanbearings.com  
Website : www.deccanbearings.com  
CIN NO. : L29130MH1985PLC035747



Date: 25<sup>th</sup> September, 2017

The Bombay Stock Exchange Limited,  
Floor 25, P.J. Towers,  
Dalal Street,  
Mumbai-400 001

Scrip Code: 505703

Subject: Annual report for the year 2016-2017.

Dear Sir/Madam,

We are submitting herewith the Annual Report for the year 2016-2017 of Deccan Bearings Limited pursuant to regulation 34 of the SEBI (Listing obligation and disclosure requirements) regulation, 2015.


The said Annual report was approved and adopted by the Members At the 32<sup>nd</sup> Annual General Meeting of the Company held on Thursday 07<sup>th</sup> September, 2017 at 11.00A.M.

Kindly take the same on record.

Thanking you,

Yours Sincerely,

For, Deccan Bearings Limited

  
Kiran Vora  
Managing Director  
DIN: 00108607



**DECCAN BEARINGS LIMITED**

32<sup>ND</sup>  
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2016 - 2017

**DECCAN BEARINGS LIMITED**  
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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS:**

- |                             |  |
|-----------------------------|--|
| ❖ Mr. Kiran Nagindas Vora   | Managing Director                              |
| ❖ Mr. Abhay Vipin Kothari   | Non- Executive Director                        |
| ❖ Mr. Rajeev Damodar Shenvi | Non-Executive Director (Independent Director)  |
| ❖ Mr. Mahesh Parab          | Non- Executive Director (Independent Director) |
| ❖ Mrs. Kavita S. Pawar      | Non- Executive Director (Independent Director) |

**REGISTERED OFFICE:**

315/321 Prospect Chambers Dr. D. N. Road, Fort, Mumbai - 400001

**REGISTRARS AND SHARE TRANSFER AGENTS:**

Purva Share Registry (India) Pvt. Ltd.

Unit no. 9, Shiv Shakti Ind. Estate., J .R. Boricha Marg,

Opp. Kasturba Hospital Lane,

Lower Parel (East), Mumbai- 400011

**AUDITORS**

**M/S. D.V.VORA & CO.**

(CHARTERED ACCOUNTANTS)

36, Bhangwadi Shopping Arcade,

Kalbadevi Road,

Mumbai - 400 002

**BANKERS:**

State Bank of India (SME Backbay Reclamation Branch)

SME Backbay Reclamation,

Nariman Point, Mumbai - 400 021

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NOTICE IS HEREBY GIVEN THAT THE 32<sup>ND</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF DECCAN BEARINGS LIMITED WILL BE HELD AT B.U.J. Hall 23/25, PROSPECT CHAMBERS ANNEX, 2<sup>ND</sup> FLOOR, 317, D. N. ROAD, FORT, MUMBAI - 400 001 ON THURSDAY, 07<sup>TH</sup> SEPTEMBER, 2017 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and statement of Profit and Loss for the year ended on that date, together with the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Abhay Vipin Kothari, (DIN: 00110960), who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint **M/s. K. S. Maheshwari & Co Chartered Accountants**, Statutory Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, **M/s. K. S. Maheshwari & Co, Chartered Accountants ( FRN No. 105846W)**, be and are hereby appointed as Statutory Auditors of the Company to hold office for a term 5 years from the conclusion of 32<sup>nd</sup> Annual General Meeting (AGM) until the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company, subject to ratification of the re-appointment by the Members at the every Annual General Meeting of the Company at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

“RESOLVED FUTHER THAT the Mr. Kiran Vora, Managing Director of the Company be and is hereby authorized to do all acts all such step as may be necessary, proper or expedient to give effect to this resolution.”

By order of board of directors,  
Deccan Bearings Limited

Sd/-

**Mr. Kiran Vora**  
Managing Director  
DIN: 00108607

Date: 01<sup>st</sup> August, 2017

Place: Mumbai

CIN: L29130MH1985PLC035747

**Registered office:**

315/321 Prospect Chambers,

Dr D N Road, Fort

Mumbai - 400 001

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**IMPORTANT NOTES: -**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than **Forty-Eight Hours** before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Pursuant to the provision of Section 91 of Companies Act 2013, the register of members and share transfer books will remain closed from **02<sup>nd</sup> September, 2017 to 06<sup>th</sup> September, 2017** (both days inclusive).
4. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least seven days in advance before the date of the Meeting, to enable the Company to keep the necessary information ready.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.

**7. PROCESS FOR MEMBERS OPTING FOR E-VOTING**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/ her/it discretion, subject to compliance with the instructions prescribed below:

**The Procedure / Instructions for e-voting are as under:**

- (i) The voting period begins on **Monday 04<sup>th</sup> September, 2017 at 09.00 A.M and ends on Wednesday 06<sup>th</sup> September, 2017 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **31<sup>st</sup> August, 2017** cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders/Members
- (v) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | <p>For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.</p> <p>For physical shareholders, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB)            | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>  |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly



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recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "Deccan Bearings Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non - Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

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- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

8. Mr. Suhas Ganpule, a Practicing Company Secretary, (Membership No. 12122; Certificate of Practice No. 5722) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

9. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

10. The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be made available for inspection by the members of the Company at the Registered Office of the Company between 11.00 A.M. and 5.00 P.M. on all days except Saturday, Sunday and public holidays and also available to the Bombay stock exchange.

**By order of board of directors,  
Deccan Bearings Limited**

**Sd/-  
Mr. Kiran Vora  
Managing Director  
DIN: 00108607**

**Date: 01<sup>st</sup> August, 2017**

**Place: Mumbai**

**CIN: L29130MH1985PLC035747**

**Registered office:**

315/321 Prospect Chambers,

Dr D N Road, Fort

Mumbai - 400 001

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**PROFILE OF DIRECTOR BEING RE-APPOINTED AT THE ANNUAL GENERAL MEETING**

As required by regulation 36(3) of the SEBI(LODR) regulations,2015, the particulars of director who are propose to be re-appoint is given below.

|   |                               |
|---|-------------------------------|
| Particulars   | Mr. Abhay Kothari             |
| Date of birth   | 17 <sup>th</sup> August, 1976 |
| Date of appointment   | 03/09/2001                    |
| Qualification   | Engineering and MBA           |
| Expertise in specific functional areas  | Supply chain Management       |
| Directorship held in other public Companies   | Nil                           |
| Membership/Chairmanship of committees of other public companies (includes only Audit committees and Stakeholders relationship Committee.) | Nil                           |
| Number of shares held in the Company  | Nil                           |

**DECCAN BEARINGS LIMITED**  
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**DIRECTORS REPORT**

To,  
The Members,  
DECCAN BEARINGS LIMITED.

Your Directors are pleased to present their 32<sup>nd</sup> Annual Report of the Company on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

**FINANCIAL RESULTS**

| Particulars   | For the Year ended<br>31 <sup>st</sup> March, 2017 | For the year ended<br>31 <sup>st</sup> March, 2016 |
|---|--|--|
| Net Profit/ Net Loss Before<br>Providing for Depreciation and Tax | (28,09,664)  | (1,55,822)   |
| Less: Depreciation  | 12,67,789  | 12,34,156  |
| Profit after Providing for<br>Depreciation and before tax         | (4,077,453)  | (13,89,978)  |
| Add / (Less) Provision for:<br>A) Deferred Tax<br>B) Income Tax   | 251691<br>---                                      | 3,33,515<br>--                                     |
| Profit/(Loss) after Taxation                                      | (3,825,762)  | (10,56,463)  |
| Add: Balance brought forward from<br>previous year                | (6,510,753)  | (54,54,290)  |
| Add: Excess Provision for Tax for<br>Earlier                      | NIL  | NIL  |
| Balance Carried to Balance Sheet                                  | (10,336,515)                                       | (65,10,753)  |

**OPERATIONAL REVIEW:**

Gross revenues have increased to Rs. 14,708,565 against Rs. 14,327,833 in the previous year. The Company has for the year ended 31<sup>st</sup> March, 2017, made a net loss of Rs 3,825,762 (Previous year Rs. 1,056,463) after providing for taxation.

**DIVIDEND**

In view of accumulated losses, your Directors did not recommend any dividend for its equity shareholders.

**DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**TRANSFERS TO RESERVES:**

In view of accumulated losses, Company was not required to transfer any amount to the Reserves.

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**SHARE CAPITAL**

The Authorized Share Capital of the Company is Rs. 3,25,00,000 (Rupees Three Crores Twenty Five Lakhs) and paid up capital of the Company is Rs. 2,18,33,340/- (Two Crores Eighteen Lakhs Thirty Three Thousand Three Hundred and Forty).

During the year there was no change in Share capital of the Company.

**DETAILS OF SUBSIDIARY / JOINT VENTURE/ASSOCIATES COMPANY**

Pursuant to provisions of Companies Act, 2013 Company does not have any Subsidiary/ Joint Venture and Associate Companies.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, Company has provided with the Loans and advances as per provision of Section 186 of Companies Act, 2013 and Rule made thereunder and the details of which is given in the Notes to Financial Statements.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. The management exercises financial control on the Company's operations through monitoring and standard operating procedures.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION,**

The Information required under the Provision of section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 relating to the Conservation of energy and technology, absorption, as the Company is not applicable, as the Company is not carrying any Business of Manufacturing, the Business of the Company is trading in Bearings.

**EMPLOYEES RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

**DIRECTORS:**

A. **Declaration by an Independent Director(s) and Re- Appointment:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16(1)(b) of the SEBI (Listing Obligation and disclosure requirements) Regulation, 2015 with the Stock exchange.

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**B. Appointment:**

During the year 2016-2017, Mrs. Kavita Pawar was appointed as an Additional Director of the Company and was regularized as a Non Executive Independent Director in its 31<sup>st</sup> Annual General Meeting of the company held on 5<sup>th</sup> August, 2016.

**C. Cessation:**

During the year 2016-2017, Mr. Barukhbhai Williambhai Christian and Ms. Archana Yashwant Mhatre resigned from the directorship of company on 1<sup>st</sup> June, 2016 and 24<sup>th</sup> May, 2016 respectively.

**D. Retirement by rotation:**

In terms of the provisions of Section 152(6) of the Companies Act, 2013, Mr. Abhay Vipin Kothari, (DIN: 00110960), retires by rotation at this Annual General Meeting, and being eligible, offer himself for re-appointment.

None of the Directors are disqualified from being appointed as specified in Section 164 of the Companies Act, 2013 and Rules made thereunder.

**FORMAL ANNUAL EVALUATION:**

In terms of the provisions of the Act, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee (NRC) and Stakeholders Relationship Committee (SRC)

During the year under consideration, the approval of the members was obtained by way of postal ballot dated 7<sup>th</sup> December, 2016 to dispose of the two plots of leasehold Land & Building which is in Dilapidated Condition and unused for last 16 years at Halol GIDC Dist. Vadodara in Gujarat. Similar two plots were also sold during the year. The company is searching for suitable buyer.

**FOREIGN EXCHANGE EARNINGS AND OUT-GO :**

| Sr no. | Particulars  | 2016-17 | 2015-16 |
|--------|--|---------|---------|
|        | <b><u>Foreign Exchange Earnings :</u></b><br>[Export of Goods(F.O.B.)] | Nil     | Nil     |
|        | <b><u>Foreign Exchange Outgo:</u></b><br>Traveling                     | 55,932  | 53,666  |
|        | Professional Fees  | Nil     | 88,627  |
|        | <b><u>Imports</u></b><br>Raw - Materials on C.I.F.                     | Nil     | Nil     |
|        | Trading Goods on C.I.F   | Nil     | Nil     |

**DECCAN BEARINGS LIMITED**  
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**MEETINGS OF THE BOARD:**

The Board met Seven Times during the Financial Year. The maximum interval between any two Meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The Board Meeting were held as follows:

| Sr no. | Date of Board meeting          |
|--------|--------------------------------|
| 1      | 24 <sup>th</sup> May, 2016     |
| 2      | 22 <sup>nd</sup> June,2016     |
| 3      | 01 <sup>st</sup> July,2016     |
| 4      | 13 <sup>th</sup> August,2016   |
| 5      | 29 <sup>th</sup> October,2016  |
| 6      | 7 <sup>th</sup> December, 2016 |
| 7      | 14 <sup>th</sup> February,2017 |

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 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 at the end of the financial year and of the profit or loss of the Company for the year under review.
- 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 preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**RELATED PARTY TRANSACTIONS:**

Particulars of Contracts and Arrangements with the related parties referred to in Section 188 (1) of Companies Act, 2013 were on Arm's Length basis.

Information on transactions with related parties pursuant are given in Annexure "C" as Form AOC-2 and the same forms part of this Annual report.

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**RECONSTITUTION OF COMMITTEES MEETING**

During the Year the Company had appointed Mrs. Kavita pawar as Independent director and resigned Mr. B. W. Christian and Mrs. Archana Mhatre therefore, the Committee were re-constituted as follows:

**A) AUDIT COMMITTEE:**

Composition of Audit Committee as under:

| Name of Directors        | Designation | Category                           |
|--------------------------|-------------|------------------------------------|
| Mr. Rajeev D. Shenvi     | Chairman    | Independent / Non-Executive        |
| Mr. Mahesh Parab         | Member      | Independent / Non-Executive        |
| Ms. Kavita Sandeep Pawar | Member      | Non Executive Independent Director |

**B) NOMINATION AND REMUNERATION COMMITTEE:**

Composition of Nomination and Remuneration Committee is as under:

| Name of Director          | Designation | Category                     |
|---------------------------|-------------|------------------------------|
| Mr. Mahesh S. Parab       | Chairman    | Independent / Non- Executive |
| Mr. Rajeev Damodar Shenvi | Member      | Independent / Non- Executive |
| Ms. Kavita Pawar          | Member      | Independent / Non- Executive |

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Composition of Stakeholders Relationship Committee is as under:

| Name of Director          | Designation | Category                     |
|---------------------------|-------------|------------------------------|
| Mr. Mahesh S. Parab       | Chairman    | Independent / Non- Executive |
| Mr. Rajeev Damodar Shenvi | Member      | Independent / Non- Executive |
| Mr. Abhay Vipin Kothari   | Member      | Non Executive Director       |

**MANAGERIAL REMUNERATION:**

The Disclosure pursuant to Rule 5 (1) of the Companies (Appointment of Managerial Personnel) 2014 is as follows:

| Name of the Director          | Amount of remuneration to Directors | Percentage increase in the remuneration | Ratio of remuneration of KMP(Key Managerial Personnel)/ to median remuneration of employees |
|-------------------------------|-------------------------------------|---|---|
| Mr. Abhay Kothari             | 0.00                                | 0.00                                    | 0   |
| Mr. Rajeev Shenvi             | 0.00                                | 0.00                                    | 0   |
| Mr. Kiran N. Vora             | 18,93,387                           | 38.62                                   | 116.516   |
| Mr. B.W Christian             | 58,778                              | 0.00                                    | 3.617   |
| Mr. Mahesh Parab<br>Suryakant | 0.00                                | 0.00                                    | 0.00  |
| Ms. Kavita Pawar              | 15,000                              | 0.00                                    | 0.00  |



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1. The Independent Directors do not receive any remuneration except sitting fees.
  2. There was change in the remuneration of Key managerial Personnel or Director which was disclosed in Annual return i.e MGT-9.
  3. The percentage Increase in the median remuneration of the employees in the financial Year was 84.08%( As Compared to Previous year employee's median, the Company has appointed more 4 employees during the year)
  4. As on 31st March 2017, there were a total of 14 employees on the roll of the Company.
  5. It is affirmed that the remuneration is as per the remuneration policy of the company.
- A) None of the employee of the Company was in receipt of the remuneration (throughout the financial year or part thereof) as per Rule 5(2) of the Companies (Appointment of Managerial Personnel) 2014.
- B) The Company do not have any Holding or Subsidiary Company and None of the Directors of the Company are the Managing Director or Whole Time Director in the Associate Company.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has prepared policy and has put in place vigil Mechanism for directors and Employees of the Company.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

**SECRETARIAL AUDIT :**

The provision of section 204 read with section 134(3) of the companies Act, 2013. The Board has appointed M/s SG & Associates, Practicing Company Secretary, as the secretarial auditor for the year 2016-2017 and their report is annexed to this Report as "Annexure A".

The auditor has raised queries for regarding as per provision of section 204 of the Companies Act, 2013 relating to Non-appointment of Company Secretary and Chief Financial officer of the Company.

The company has not appointed Internal auditor pursuant to section 138 of Companies Act, 2013.

Further, the board has taken note of the same and the Company has published an advertisement in newspaper, searching right candidate for the post of Company Secretary and Chief Financial officer.

**STATUTORY AUDITORS:**

As per provision of Section 139 of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, an Audit Firm functioning as Auditor for period of 10 years or more after the commencement of provisions of Section 139 of the Act, the same auditors further appointed for period of three years i.e M/s D.V. Vora & Co. Chartered Accountants (FRN 111624W) ,

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Consequently the retiring auditors have completed the maximum tenure as Statutory Auditors of the Company as provided under the Companies Act, 2013 and relevant Rules thereunder.

Further, The Board of Directors, on recommendation of Audit Committee has appointed M/s K. S Maheshwari & Co., Chartered Accountants (Firm Registration No. 105846W) as Statutory Auditors for the period of 5 years from 32nd Annual general meeting till the 37th Annual general meeting (Subject to ratification for re-appointment of auditors at every general meeting) and professional fees shall be decided by mutually between statutory auditors and board of directors of the company.

The Report of the statutory Auditors along with the notes to schedule is enclosed to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

**EXTRACT OF ANNUAL RETURN:**

In accordance with Section 134 (3)(a) of Companies Act, 2013, an extract of the Annual Return is annexed herewith as "Annexure B" to this Report.

**RISK MANAGEMENT POLICY:**

The Board has adopted risk Management policy for ensuring the orderly and efficient conduct of its business, including adherence to company's policy, safeguarding of its assets, Prevention detection fraud and error etc.

**COST AUDIT:**

As per the Rules made by central government for the maintenance of cost record under section 148 (1) of the Companies act, 2013, does not apply in respect of company's business.

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company in advance.

**MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Management Discussion Analysis Report forms an integral part of this Annual Report.

**ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

By order of board of directors,  
Deccan bearings Limited

Sd/-  
Mr. Kiran Vora  
Managing Director  
DIN:0010860

Date: 1<sup>st</sup> August, 2017  
Place: Mumbai

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**Annexure A to Boards Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**For The Financial Year Ended On 31<sup>st</sup> March, 2017**

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

To,  
The Members,  
**Deccan Bearings Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deccan Bearings Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Deccan Bearings Limited** for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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 Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange board of India( Listing obligation and Disclosure requirement) Regulation, 2015.

We further state that there were no events / actions in pursuance of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and.
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) OTHER APPLICABLE ACTS:

- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- The Payment of Bonus Act, 1965, and rules made thereunder,
- Payment of Gratuity Act, 1972, and rules made thereunder,

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

*The Company has not appointed Chief Financial Officer and Company Secretary as required under Section 203 of the Companies Act, 2013.*

*The Company has not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013.*

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

I further report that during the audit period, the members approved sale of un-used land since 16 years which is situated at plot no. 2010 and 2011 halol GIDC Dist. Vadodara in Gujarat vide Postal Ballot dated 7<sup>th</sup> December, 2016 in pursuance to section 180(1).

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**S.G. and Associates**

**Place: Mumbai**  
**Date: 27<sup>th</sup> July, 2017**

**Sd/-**  
**Suhas Ganpule**  
**Practicing Company Secretary**  
**COP No.: 5722**

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**'ANNEXURE A' TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**DECCAN BEARINGS LIMITED**  
315/321 Prospect Chambers  
Dr D N Road, Fort  
Mumbai - 400 001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

**S.G. and Associates**

**Sd/-**

**Suhas Ganpule**  
**Practicing Company Secretary**  
**COP No.: 5722**

**Date: 27<sup>th</sup> July, 2017**  
**Place: Mumbai**

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"Annexure B" to Board's Report

|   |
|---|
| <p>Form No. MGT-9<br/> <b>EXTRACT OF ANNUAL RETURN</b><br/> As on the financial year ended on 31/03/2017<br/> Of<br/> <b>DECCAN BEARINGS LIMITED</b><br/> <i>[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]</i></p> |
|---|

**I. REGISTRATION AND OTHER DETAILS:**

|      |  |  |             |
|------|--|--|-------------|
| i)   | CIN:   | L29130MH1985PLC035747  |             |
|      | Registration Date [DDMMYY]   | 26/03/1985   |             |
| ii)  | Category of the Company  | Public Company <input checked="" type="checkbox"/><br>Private Company            |             |
| iii) | Sub Category of the Company  | Company Having Share Capital and Limited by Shares                               |             |
| iv)  | Whether shares listed on recognized Stock Exchange(s)<br>If yes, details of stock exchanges  | <b>Stock Exchange Name</b>   | <b>Code</b> |
|      |  | Bombay Stock Exchange  | 505703      |
| v)   | AGM details-   |  |             |
|      | Whether extension of AGM was granted - Yes / No. ( If yes, provide reference number , date of approval letter and the period upto which extension granted) | No   |             |
|      | If Annual General Meeting was not held, specify the reasons for not holding the same   | N.A.   |             |
| VI)  | <b>NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:</b>  |  |             |
|      | Company Name   | <b>DECCAN BEARINGS LTD</b>   |             |
|      | Address  | 315/321 Prospect Chambers, Dr D N Road, Fort,                                    |             |
|      | Town / City  | Mumbai   |             |
|      | State  | Maharashtra  |             |
|      | Pin Code:  | 400001   |             |
|      | Country Name :   | India  |             |
|      | Country Code   | IN   |             |
|      | Telephone (With STD Area Code)   | 022-22044159, 22852552   |             |
|      | Fax Number :   | 022-22875841   |             |
|      | Email Address  | <a href="mailto:grievances@deccanbearings.com">grievances@deccanbearings.com</a> |             |
|      | Website  | <a href="http://www.deccanbearings.com">www.deccanbearings.com</a>               |             |

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|      |  |  |
|------|--|--|
|      | Name of the Police Station having jurisdiction where the registered office is situated                           | Commissioner of Police Office, Dr. D N Road, Fort.   |
|      | Address for correspondence, if different from address of registered office:                                      | Same as Mentioned Above.   |
| Vii) | <b>Name and Address of Registrar &amp; Transfer Agents (RTA):- Full address and contact details to be given.</b> |  |
|      | Registrar & Transfer Agents ( RTA ):-  | <b>Purva Share Registry (India) Pvt. Ltd</b>   |
|      | Address:   | Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel |
|      | Town / City  | Mumbai   |
|      | State  | Maharashtra  |
|      | Pin Code:  | 400 011  |
|      | Telephone (With STD Area Code)   | 022-2301 6761 / 8261   |
|      | Fax Number :   | 022-2301 2517  |
|      | Email Address  | <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>   |
|      | Website  | <a href="http://www.purvashare.com">www.purvashare.com</a>                                       |

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1       | Bearings   | 2913                            | 100                                |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]**

| S. No          | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate |
|----------------|---------------------------------|---------|--------------------------------|
| NOT APPLICABLE |                                 |         |                                |



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**IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY**

**i) Share Capital**

**a) Authorised Capital-**

| Class of Shares  | No. of shares | Nominal Value per share (Rs.) | Total Nominal value of shares [Rs.] |
|--|---------------|-------------------------------|-------------------------------------|
| <b>Equity Share :-</b>                                       |               |                               |                                     |
| At the beginning of the year                                 | 32,50,000     | 10                            | 3,25,00,000                         |
| Changes during the year (Increase)                           | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                           | N.A.          | N.A.                          | N.A.                                |
| At the end of the year                                       | 32,50,000     | 10                            | 3,25,00,000                         |
| <b>Preference Share :-</b>                                   |               |                               |                                     |
| At the beginning of the year                                 | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Increase)                           | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                           | N.A.          | N.A.                          | N.A.                                |
| At the end of the year                                       | N.A.          | N.A.                          | N.A.                                |
| <b>Unclassified Shares</b>                                   |               |                               |                                     |
| At the beginning of the year                                 | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Increase)                           | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                           | N.A.          | N.A.                          | N.A.                                |
| At the end of the year                                       | N.A.          | N.A.                          | N.A.                                |
| <b>Total Authorized Capital at the beginning of the year</b> | 32,50,000     | 10                            | 3,25,00,000                         |
| <b>Total Authorised Capital at the end of the year</b>       | 32,50,000     | 10                            | 3,25,00,000                         |

**b) Issued Share Capital**

| Class of Shares  | No. of shares | Nominal Value per share (Rs.) | Total Nominal value of shares [Rs.] |
|--|---------------|-------------------------------|-------------------------------------|
| <b>Equity Share :-</b>   |               |                               |                                     |
| At the beginning of the year                                   | 21,83,334     | 10                            | 2,18,33,340                         |
| Changes during the year (Increase)                             | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                             | N.A.          | N.A.                          | N.A.                                |
| At the end of the year   | 21,83,334     | 10                            | 2,18,33,340                         |
| <b>Preference Share :-</b>                                     |               |                               |                                     |
| At the beginning of the year                                   | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Increase)                             | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                             | N.A.          | N.A.                          | N.A.                                |
| At the end of the year   | N.A.          | N.A.                          | N.A.                                |
| <b>Total Issued Share Capital at the beginning of the year</b> | 21,83,334     | 10                            | 2,18,33,340                         |

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|   |           |      |             |
|---|-----------|------|-------------|
| Changes during the year (Increase)                | N.A.      | N.A. | N.A.        |
| Changes during the year (Decrease)                | N.A.      | N.A. | N.A.        |
| Total Issued Share Capital at the end of the year | 21,83,334 | 10   | 2,18,33,340 |

**C) Subscribed Share Capital**

| Class of Shares  | No. of shares | Nominal Value per share (Rs.) | Total Nominal value of shares [Rs.] |
|--|---------------|-------------------------------|-------------------------------------|
| <b>Equity Share :-</b>   |               |                               |                                     |
| At the beginning of the year                                       | 21,83,334     | 10                            | 2,18,33,340                         |
| Changes during the year (Increase)                                 | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                                 | N.A.          | N.A.                          | N.A.                                |
| At the end of the year   | 21,83,334     | 10                            | 2,18,33,340                         |
| <b>Preference Share :-</b>   |               |                               |                                     |
| At the beginning of the year                                       | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Increase)                                 | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                                 | N.A.          | N.A.                          | N.A.                                |
| At the end of the year   | N.A.          | N.A.                          | N.A.                                |
| <b>Total Subscribed Share Capital at the beginning of the year</b> | 21,83,334     | 10                            | 2,18,33,340                         |
| Changes during the year (Increase)                                 | N.A.          | N.A.                          | N.A.                                |
| Changes during the year (Decrease)                                 | N.A.          | N.A.                          | N.A.                                |
| <b>Total Subscribed Share Capital at the end of the year</b>       | 21,83,334     | 10                            | 2,18,33,340                         |

**d) (i) Paid Up Share Capital-**

| Class of Shares                                | No. of shares | Nominal Value per share (Rs.) | Total Nominal value of shares [Rs.] |
|--|---------------|-------------------------------|-------------------------------------|
| <b>Equity Share :-</b>                         |               |                               |                                     |
| At the beginning of the year                   | 21,83,334     | 10                            | 2,18,33,340                         |
| Changes during the year                        | N.A.          | N.A.                          | N.A.                                |
| 1. Increase                                    | N.A.          | N.A.                          | N.A.                                |
| i. Public Issue                                | N.A.          | N.A.                          | N.A.                                |
| ii. Private Placement / Preferential Allotment | N.A.          | N.A.                          | N.A.                                |
| iii. ESOS                                      | N.A.          | N.A.                          | N.A.                                |
| iv. Sweat Equity                               | N.A.          | N.A.                          | N.A.                                |
| v. Conversion - Pref. shares / Debentures      | N.A.          | N.A.                          | N.A.                                |
| vi. Conversion into equity                     | N.A.          | N.A.                          | N.A.                                |
| vii. GDR / ADR                                 | N.A.          | N.A.                          | N.A.                                |
| viii. Others, please specify                   | N.A.          | N.A.                          | N.A.                                |

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|  |           |      |             |
|--|-----------|------|-------------|
| 2. Decrease  | N.A.      | N.A. | N.A.        |
| i. Buy-back  | N.A.      | N.A. | N.A.        |
| ii. Forfeiture   | N.A.      | N.A. | N.A.        |
| iii. Re-issue of forfeited shares                        | N.A.      | N.A. | N.A.        |
| iv. Reduction  | N.A.      | N.A. | N.A.        |
| v. Others, please specify                                | N.A.      | N.A. | N.A.        |
| At the end of the year                                   | 21,83,334 | 10   | 2,18,33,340 |
| Total Paid Up Share Capital at the beginning of the year | 21,83,334 | 10   | 2,18,33,340 |
| Changes during the year (Increase)                       | N.A.      | N.A. | N.A.        |
| Changes during the year (Decrease)                       | N.A.      | N.A. | N.A.        |
| Total Paid Up Share Capital at the end of the year       | 21,83,334 | 10   | 2,18,33,340 |

d) (ii) Details of stock split / consolidation during the year (for each class of shares):-

| Class of shares      | Before split / consolidation | After split / Consolidation |
|----------------------|------------------------------|-----------------------------|
| Number of shares     | Not Applicable               |                             |
| Face value per share |                              |                             |

ii) Debentures

| Type of Debentures                                      | No. of Debentures | Nominal Value per Debentures (Rs.) | Total Nominal value of Debentures [Rs.] |
|---|-------------------|------------------------------------|---|
| <b>Non-convertible ( for each type):-</b>               | Not Applicable    |                                    |   |
| At the beginning of the year                            |                   |                                    |   |
| Changes during the year (Increase/Redemption)           |                   |                                    |   |
| At the end of the year                                  |                   |                                    |   |
| <b>Partly-convertible ( for each type)</b>              |                   |                                    |   |
| At the beginning of the year                            |                   |                                    |   |
| Changes during the year (Increase/Redemption)           |                   |                                    |   |
| At the end of the year                                  |                   |                                    |   |
| <b>Fully-convertible ( for each type)</b>               |                   |                                    |   |
| At the beginning of the year                            |                   |                                    |   |
| Changes during the year (Increase/Converted)            |                   |                                    |   |
| At the end of the year                                  |                   |                                    |   |
| <b>Total Amount of Debentures</b>                       |                   |                                    |   |
| At the beginning of the year                            |                   |                                    |   |
| Changes during the year (Increase/Redemption/Converted) |                   |                                    |   |
| At the end of the year                                  |                   |                                    |   |

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**iii) Other Securities-**

| Type of Securities | No. of Securities | Nominal Value of each Unit (Rs.) | Total Nominal Value (Rs.) | Paid up Value of each Unit (Rs.) | Total Paid up Value (Rs.) |
|--------------------|-------------------|----------------------------------|---------------------------|----------------------------------|---------------------------|
| Not Applicable     |                   |                                  |                           |                                  |                           |

**iv) Securities Premium Account-**

| Class of Securities on which premium received                | No. of Securities | Premium per unit [Rs.] | Total Premium [Rs.] |
|--|-------------------|------------------------|---------------------|
| <b>Premium on Equity [specify for each type ]</b>            |                   |                        |                     |
| At the beginning of the year                                 |                   |                        | 60,00,000           |
| Changes during the year                                      |                   |                        | --                  |
| 1. Increase  |                   |                        | --                  |
| i. Public Issue  |                   |                        | --                  |
| ii. Private Placement / Preferential Allotment               |                   |                        | --                  |
| iii. ESOS  |                   |                        | --                  |
| iv. Conversion - Pref. shares / Debentures                   |                   |                        | --                  |
| v. Conversion into equity                                    |                   |                        | --                  |
| vi. GDR / ADR  |                   |                        | --                  |
| vii. Others please specify.....                              |                   |                        | --                  |
| 2. Decrease  |                   |                        | ---                 |
| i) Utilization for issue of bonus shares                     |                   |                        | --                  |
| ii) .....  |                   |                        | --                  |
| iii) .....   |                   |                        | --                  |
| At the end of the year                                       |                   |                        | --                  |
| <b>Premium on Other Securities</b>                           |                   |                        | --                  |
| At the beginning of the year                                 |                   |                        | --                  |
| Changes during the year                                      |                   |                        | --                  |
| 1) Increase -Fresh issue                                     |                   |                        | --                  |
| 2) Decrease-Premium on redemption                            |                   |                        | --                  |
| At end of the year   |                   |                        | --                  |
| <b>Total securities premium at the Beginning of the year</b> |                   |                        | --                  |
| Change during the year                                       |                   |                        | --                  |
| Increase   |                   |                        | --                  |
| Decrease   |                   |                        | --                  |
| <b>Total securities premium at the end of the year</b>       |                   |                        | 60,00,000           |

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**V. Turnover and net worth of the company (as defined in the Act)**

|             |  |
|-------------|--|
| <b>(i)</b>  | <b>Turnover:</b>   |
|             | -Turnover at the end of the financial year: Rs. 14,708,565   |
| <b>(ii)</b> | <b>Net worth of the Company:</b>                             |
|             | - Net worth at the end of the financial year: Rs. 25,082,280 |

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

i) Category-wise Share Holding

| Category of Shareholders                 | No. of Shares held at the end of the year<br>[As on 31-March-2017] |                  |                  |                   | No. of Shares held at the end of the year [As on 31-March-2016] |                  |                  |                   | % Change during the year |
|--|--|------------------|------------------|-------------------|---|------------------|------------------|-------------------|--------------------------|
|  | Demat  | Physical         | Total            | % of Total Shares | Demat   | Physical         | Total            | % of Total Shares |                          |
| <b>A. Promoters</b>                      |  |                  |                  |                   |   |                  |                  |                   |                          |
| <b>(1) Indian</b>                        |  |                  |                  |                   |   |                  |                  |                   |                          |
| a) Individual / HUF                      | --   | 4,99,132         | 4,99,132         | 22.86             | --  | 504450           | 504450           | 23.10             | (0.24)                   |
| b) Central Govt                          | --   | --               | --               | --                | --  | --               | --               | --                | --                       |
| c) State Govt(s)                         | --   | --               | --               | --                | --  | --               | --               | --                | --                       |
| d) Bodies Corp.                          | --   | 3,41,581         | 3,41,581         | 15.64             | -   | 341581           | 341581           | 15.64             | --                       |
| e) Banks / FI                            | --   | --               | --               | --                | --  | --               | --               | --                | --                       |
| f) Any other                             | --   | --               | --               | --                | --  | --               | --               | --                | --                       |
| <b>(2). Foreign</b>                      |  |                  |                  |                   |   |                  |                  |                   |                          |
| Directors / Promoters & there Relatives. | --   | 7,17,830         | 7,17,830         | 32.88             | --  | 7,17,830         | 7,17,830         | 32.88             | --                       |
| <b>Total shareholding of Promoter</b>    | --   | <b>15,58,543</b> | <b>15,58,543</b> | <b>71.38</b>      | --  | <b>15,63,861</b> | <b>15,63,861</b> | <b>71.62</b>      | <b>(0.25)</b>            |
| <b>(A)</b>                               |  |                  |                  |                   |   |                  |                  |                   |                          |

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|  |       |        |        |       |    |        |        |       |      |
|--|-------|--------|--------|-------|----|--------|--------|-------|------|
| <b>B. Public Shareholding</b>  |       |        |        |       |    |        |        |       |      |
| 1. Institutions / Body Corporate   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| a) Mutual Funds  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| b) Banks / FI  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| c) Central Govt  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| d) State Govt(s)   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| e) Venture Capital Funds   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| f) Insurance Companies   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| g) FIIIs   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| h) Foreign Venture Capital Funds   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| i) Others (specify)  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| <b>Sub-total (B)(1):-</b>  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| <b>2. Non-Institutions</b>   |       |        |        |       |    |        |        |       |      |
| i) Indian  | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| ii) Overseas   | --    | --     | --     | --    | -- | --     | --     | --    | --   |
| b) Individuals   |       |        |        |       |    |        |        |       |      |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 58403 | 367304 | 425707 | 19.50 | -- | 420841 | 420841 | 19.28 | 0.22 |

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|  |       |         |         |       |        |         |         |       |       |
|--|-------|---------|---------|-------|--------|---------|---------|-------|-------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | --    | 196119  | 196119  | 19.27 | --     | 196119  | 196119  | 19.27 | --    |
| c) Others (specify)  | --    | --      | --      | --    | --     | --      | --      | --    | --    |
| Non Resident Indians   | 235   | --      | 235     | 0.01  | 283    | -       | 609     | 0.027 | 0.017 |
| Overseas Corporate Bodies  | --    | --      | --      | --    | --     | --      | --      | --    | --    |
| Foreign Nationals  | --    | --      | --      | --    | --     | --      | --      | --    | --    |
| Clearing Members   | 432   | --      | 432     | 0.02  | 349    | --      | 349     | 0.015 | 0.005 |
| Trusts   | --    | --      | --      | --    | --     | --      | --      | --    | --    |
| Foreign Bodies - DR  | --    | --      | --      | --    | --     | --      | --      | --    | --    |
| HUF  | 1555  | --      | 1555    | 0.071 | 1555   | --      | 1555    | 0.071 | -     |
| Bodies corporate (others)  | 743   | --      | 743     | 0.03  | 326    | --      | 326     | 0.01  | 0.02  |
| <b>Sub-total (B)(2):-</b>  | 2965  | --      | 2965    | 0.13  | 2513   | --      | 2839    | 0.13  | --    |
| Total Public Shareholding (B)=(B)(1)+(B)(2)                                      | 61368 | 563423  | 624791  | 28.61 | 198632 | 420841  | 619473  | 28.38 | --    |
| <b>TOTAL</b>   | 61368 | 2121966 | 2183334 | 100   | 198306 | 1985028 | 2183334 | 100   |       |

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**B) Shareholding of Promoter-**

| Sr. No | Shareholder's Name      | Shareholding at the beginning of the year 31 <sup>st</sup> March, 2017 |                                  |  | Share holding at the end of the year 31 <sup>st</sup> March, 2016 |                                  |  | % change in share holding 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      | NIP Exports Pvt Ltd     | 3,41,581   | 15.64                            | --   | 3,41,581  | 15.64                            | --   | --  |
| 2      | Mukesh N Vora           | 2,35,180   | 10.77                            | --   | 2,35,180  | 10.77                            | --   | --  |
| 3      | Nirupa N Vora HUF       | 1,55,833   | 7.14                             | --   | 1,55,833  | 7.14                             | --   | --  |
| 4      | Nirupa N Vora           | 1,30,350   | 5.97                             | --   | 1,30,350  | 5.97                             | --   | --  |
| 5      | Malini M Vora           | 1,30,350   | 5.97                             | --   | 1,30,350  | 5.97                             | --   | --  |
| 6      | Gopa M Vora             | 1,24,050   | 5.68                             | --   | 1,24,050  | 5.68                             | --   | --  |
| 7      | Kiran N Vora            | 97,475   | 4.46                             | --   | 97,475  | 4.46                             | --   | --  |
| 8      | Mukesh N Vora HUF       | 90,700   | 4.15                             | --   | 90,700  | 4.15                             | --   | --  |
| 9      | Manish N Vora           | 79,750   | 3.65                             | --   | 79,750  | 3.65                             | --   | --  |
| 10     | Manish N Vora HUF       | 57,800   | 2.65                             | --   | 57,800  | 2.65                             | --   | --  |
| 11     | Prerna K Vora           | 51,000   | 2.34                             | --   | 51,000  | 2.34                             | --   | --  |
| 12     | Kiran N Vora HUF        | 45,335   | 2.08                             | --   | 45,335  | 2.08                             | --   | --  |
| 13     | Hasmukh R Gandhi        | 14,173   | 0.65                             | --   | 14,173  | 0.65                             | --   | --  |
| 14     | Bhagat singh Rajporohit | 2,836  | 0.13                             | --   | 2,836   | 0.13                             | --   | --  |



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|              |               |                  |              |    |                  |              |    |           |
|--------------|---------------|------------------|--------------|----|------------------|--------------|----|-----------|
| 15           | Balu K Narang | 2,130            | 0.10         | -- | 2,130            | 0.10         | -- | --        |
| 16           | Dilip V.Vora  | --               | --           | -- | 5,318            | 0.24         | -- | (0.24)    |
| <b>TOTAL</b> |               | <b>15,58,543</b> | <b>71.38</b> |    | <b>15,63,861</b> | <b>71.63</b> |    | <b>--</b> |

**C) Change in Promoters' Shareholding:**

| SN                      |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the Year |                                  |
|-------------------------|--|---|----------------------------------|---|----------------------------------|
|                         |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| <b>Mr. DilipV. Vora</b> |  |   |                                  |   |                                  |
|                         | At the beginning of the year   | 5318                                      | 0.24                             | --                                      | --                               |
|                         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | (5318)                                    | (0.24)                           | --                                      | --                               |
|                         | At the end of the year   | --  | --                               | --                                      | --                               |

**D) Shareholding Pattern of top ten Shareholders:**

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

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year 1-4-2016 |                                  | Date | Increase / Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-16 to 31-03-17) |                                  |
|----|-------------------------------------|--|----------------------------------|------|-------------------------------------|--------|--|----------------------------------|
|    |                                     | No. of shares                                      | % of total shares of the company |      |                                     |        | No. of shares  | % of total shares of the company |
| 1. | Chetan D. Dedania                   | 56,517   | 2.59                             | --   | --                                  | --     | 56,517   | 2.5886                           |
| 2. | Hetal                               | 54500  | 2.50                             | -    | -                                   | -      | 54500  | 2.50                             |

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|     |                        |        |        |            |                       |          |        |        |
|-----|------------------------|--------|--------|------------|-----------------------|----------|--------|--------|
|     | Mehta                  |        |        |            |                       |          |        |        |
| 3.  | Dimple D. Dedania      | 53,967 | 2.47   | --         | --                    | --       | 53,967 | 2.4718 |
| 4.  | Rima D. Dedania        | 31,135 | 1.42   | --         | --                    | --       | 31,135 | 1.426  |
| 5.  | Pratap Khakharia       | 11,500 | 0.5267 | --         | --                    | --       | 11,500 | 0.5267 |
| 6.  | Mahesh Natvarlal Mehta | 9110   | 0.442  | 15/04/2016 | Increase (500 shares) | Purchase | 10120  | 0.46   |
|     |                        |        |        | 22/04/2016 | Increase (500 Shares) | Purchase |        |        |
|     |                        |        |        | 13/05/2016 | Increase (10 shares)  | Purchase |        |        |
| 7.  | Paresh C. Modi         | 6,800  | 0.3115 | --         | --                    | --       | 6,800  | 0.3115 |
| 8.  | Raju C. Modi           | 6,800  | 0.3115 | --         | --                    | --       | 6,800  | 0.3115 |
| 9.  | Kanta C. Modi          | 6,133  | 0.2809 | --         | --                    | --       | 6,133  | 0.2809 |
| 10. | Chandulal A. Modi      | 5,967  | 0.2733 | --         | --                    | --       | 5,967  | 0.2733 |

**E) Shareholding of Directors and Key Managerial Personnel:**

| SN                 | Shareholding of each Directors and each Key Managerial Personnel   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the Year |                                  |
|--------------------|--|---|----------------------------------|---|----------------------------------|
|                    |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| Name: Kiran N Vora |  |   |                                  |   |                                  |
|                    | At the beginning of the year   | 1,42,810                                  | 7.00                             | --                                      | --                               |
|                    | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --  | --                               | --                                      | --                               |
|                    | At the end of the year   | 1,42,810                                  | 7.00                             | --                                      | --                               |

Note: above Mention shareholding included Kiran Vora holding and Kiran Vora(HUF).

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**F) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment

|  | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|--|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |  |                    |          |                       |
| i) Principal Amount  | 3,66,790                               | 77,386             | 0        | 4,44,176              |
| ii) Interest due but not paid                              | --                                     | --                 | --       | --                    |
| iii) Interest accrued but not due                          | --                                     | --                 | --       | --                    |
| <b>Total (i+ii+iii)</b>                                    | <b>3,66,790</b>                        | <b>77,386</b>      | <b>0</b> | <b>4,44,176</b>       |
| <b>Change in Indebtedness during the financial year</b>    | --                                     | --                 | --       | --                    |
| * Addition   | --                                     | 5,33,753           | 0        | 5,33,753              |
| * Reduction  | 3,66,790                               | 0                  | 0        | 3,66,790              |
| <b>Net Change</b>  | <b>-3,66,790</b>                       | <b>5,33,753</b>    | <b>0</b> | <b>1,66,963</b>       |
| <b>Indebtedness at the end of the financial year</b>       |  |                    |          |                       |
| i) Principal Amount  | 0                                      | 6,11,139           | 0        | 6,11,139              |
| ii) Interest due but not paid                              | 0                                      | 0                  | 0        | 0                     |
| iii) Interest accrued but not due                          | 0                                      | 0                  | 0        | 0                     |
| <b>Total (i+ii+iii)</b>                                    | <b>0</b>                               | <b>6,11,139</b>    | <b>0</b> | <b>6,11,139</b>       |

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

| Sl. No | Particulars of Remuneration   | Mr. Kiran Nagindas Vora<br>(Managing Director) | Mr. B.W Christian<br>(Two Months)<br>(Whole time Director) | Total Amount |
|--------|---|--|--|--------------|
| 1.     | Gross salary  |  |  |              |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 16,00,000                                      | 58,778   | 16,58,778    |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 2,93,387                                       | --   | 2,93,387     |
|        | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | 0  | 0  | 0            |
| 2.     | Stock Option  | 0  | 0  | 0            |
| 3.     | Sweat Equity  | 0  | 0  | 0            |

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|    |   |           |       |           |
|----|---|-----------|-------|-----------|
| 4. | Commission<br>- as % of profit<br>- others, specify...                      | 0         | 0     | 0         |
| 5. | Others, please specify  | 0         | 0     | 0         |
|    | <b>Total (A)</b>  | 18,93,387 | 58778 | 19,52,165 |
|    | Ceiling as per Schedule V of section 197 and 198 of the Companies Act, 2013 | 60,00,000 |       |           |

**B. Remuneration to other Directors: (Amount in Rs.)**

| Sl. No | Particulars of Remuneration  | Particulars           |                     |                      |                        | Total Amount |
|--------|--|-----------------------|---------------------|----------------------|------------------------|--------------|
|        |  | Rajeev Damodar Shenvi | Abhay Vipin Kothari | Kavita Sandeep Pawar | Mahesh Parab Suryakant |              |
| 1.     | Independent Directors Fee for attending board / committee meetings | 0                     | 0                   | 15000                | 0                      | 15000        |
|        | Commission   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | Others, please specify   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | <b>Total (1)</b>   | 0                     | 0                   | 15,000               | 0                      | 15000        |
| 2.     | Other Non-Executive Directors                                      | 0                     | 0                   | 0                    | 0                      | 0            |
|        | Commission   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | Others, please specify   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | <b>Total (2)</b>   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | <b>Total (B)=(1+2)</b>   | 0                     | 0                   | 0                    | 0                      | 0            |
|        | <b>Total Managerial Remuneration</b>                               | 0                     | 0                   | 15000                | 0                      | 15000        |

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

| Sl. No | Particulars of Remuneration  | Particulars    | Total Amount |
|--------|--|----------------|--------------|
| 1.     | Gross salary   | Not Applicable |              |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, |                |              |

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|    |  |  |
|----|--|--|
|    | 1961   |  |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                |  |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 |  |
| 2. | Stock Option   |  |
| 3. | Sweat Equity   |  |
| 4. | Commission<br>- as % of profit<br>- others, specify...                 |  |
| 5. | Others, please specify   |  |
|    | Total (C)  |  |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding Fees imposed | Authority( RD/NCLT / Court) | Appeal made, if any (Give details) |
|-------------------------------------|------------------------------|-------------------|--|-----------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                             |                                    |
| Penalty                             |                              |                   |  |                             |                                    |
| Punishment                          |                              |                   |  |                             |                                    |
| Compounding                         |                              |                   |  |                             |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                             |                                    |
| Penalty                             |                              |                   |  |                             |                                    |
| Punishment                          |                              |                   |  |                             |                                    |
| Compounding                         |                              |                   |  |                             |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                             |                                    |
| Penalty                             |                              |                   |  |                             |                                    |
| Punishment                          |                              |                   |  |                             |                                    |
| Compounding                         |                              |                   |  |                             |                                    |

Not Applicable

By order of board of directors,  
Deccan bearings Limited

Sd/-  
Mr. Kiran Vora  
Managing Director  
DIN: 00108607

Date: 1<sup>ST</sup> August, 2017  
Place: Mumbai

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**Annexure C to the Board Report**

**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)  
of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

| SL. No. | Particulars  | Details        |
|---------|--|----------------|
|         | Name (s) of the related party & nature of relationship   | Not applicable |
|         | Nature of contracts/arrangements/transaction   |                |
|         | Duration of the contracts/arrangements/transaction   |                |
|         | Salient terms of the contracts or arrangements or transaction including the value, if any                      |                |
|         | Justification for entering into such contracts or arrangements transactions'                                   |                |
|         | Date of approval by the Board  |                |
|         | Amount paid as advances, if any  |                |
|         | Date on which the special resolution was passed in General meet as required under first proviso to section 188 |                |

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

1)

| Sr no | Particular  | Details                                 | Details                    | Details                    |
|-------|---|---|----------------------------|----------------------------|
| 1     | Name (s) of the related party & nature of relationship      | Deccan Bearings (India) Private Limited | Prerna K. Vora             | Mr. Kiran Vora             |
| 2     | Nature of Contact /Arrangement/ Transaction                 | Office Rent                             | Car Rent                   | Pay Remuneration           |
| 3     | Duration of Contact   | Payment on basis of Contact             | Payment as yearly/monthly  | Pay Monthly                |
| 4     | Silent feature of the Contact or arrangement or transaction | Not applicable                          | Not applicable             | Not applicable             |
| 5     | Date of approval by the board                               | 24 <sup>th</sup> May, 2016              | 24 <sup>th</sup> May, 2016 | 1 <sup>st</sup> July, 2016 |
| 6     | Nature of relation  | Common Directors                        | Relatives of Director      | Director of the Company    |

By order of board of directors,  
Deccan bearings Limited

Sd/-

Mr. Kiran Vora  
Managing Director  
DIN: 00108607

Date: 1<sup>st</sup> August, 2017  
Place: Mumbai

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry structure and development**

Your company operates in the bearing industry and the major user industries of Bearings are automobiles, general engineering, electrical equipment etc. Bearing is the backbone of the automotive and other sector and largely used. The market segmentation of demand is approximately 60% from original equipment manufacturers (OEM) and the balance coming from the replacement market/exports. The demand for roller bearings has grown and reflecting overall sluggishness in industrial activity. Roller bearings have wide ranging applications and are critical to industrial progress. As Indian industry develops demand for bearings is expected to grow both in quantitative as well as qualitative terms towards bearing solutions that are efficient and support productivity.

Rapid industrialization and economic growth is expected to result in increasing demand for personal transportation and also increase in demand for other automotive and engineering products. The market advancement in automotive segment will lead to demand for higher technology components.

In this economic scenario, Deccan Bearings Limited remained committed to meet the demands of the external challenges and continued to focus on building its competitive edge and delivered the best performance.

**OPPORTUNITIES AND THREATS**

The long term prospects for Indian economy remains bright owing to the growth of internal consumption driven by the country's demographic dividend, rapid urbanization, growth of manufacturing and infrastructure development. In the short term, with revival of business confidence coupled with positive actions on reforms, infrastructure and inclusive growth by the government, the economy is likely to develop positively. The government's call for 'Make in India' has sent out positive cues to the global investor's community. This augurs well for the domestic manufacturing sector and will aid economic activities in the country. Focused spending on future growth projects is likely to pave way for a sustainable demand led recovery. The evolution of the market now increasingly demands efficient and integrated solutions from the manufacturers, paving way for delivering high performance solutions that achieve high energy and resource efficiency, improved reliability and productivity from all assets deployed. The manufacturing sector will play a decisive role in redefining and transforming the nation's future. The overall business sentiments in the country have turned positive after the election of a stable government at the centre, however it is imperative to translate this sentiments into actions to create real gains for the economy. All programs must be implemented with desired speed to continue attracting capital investments and drive growth. Persistent inflation and continued high interest rates could slow the consumption and dampen the hopes of a smooth demand-led recovery. Any shortfall in skilling of the emerging young population and preparing them to be employable could dampen the growth. Coupled with these, the volatility in currency can adversely impact the steel price which is a significant input commodity to manufacture your Company's products. The shortage of appropriately skilled labour across many industries is emerging as a significant and complex challenge to the country's growth and future. Your Company's fundamental strength lies in its ability to continuously develop technologies, products and services that enhance competitive advantages for its customers. Your Company continues to achieve this by both investing in core technology areas and by combining the knowledge.

**DECCAN BEARINGS LIMITED**  
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**Segment wise Performance**

Your Company has a single reportable segment of ball and roller bearings as the primary business segment for the purpose of AS-17. The assets and liabilities of the Company are all expended towards this business segment.

**Risk Management System**

**Risk Management System** Like any other ongoing business, your Company is exposed to a large number of potential risks that can adversely affect its business. Your Company has established comprehensive Risk Management System to ensure that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Consciously dealing with identified risks and regularly monitoring risk factors increases risk awareness and ensures continuing improvement. Management identifies and evaluates - especially such risks which could jeopardise continued existence or development at an early stage and defines and implements measures to control these risks. The Risk Management System consists of multi phased process. Initially, all risks are identified by different departments and functions as bottom up approach. These risks are then analyzed and evaluated by the Company's management team before these are reported to the Board of Directors. Risks are classified in different categories such as financial risk, operational risk, legal risk and strategic risk. These risks are then classified and quantified depending on probability of occurrence and the extent of potential damage. This analytical approach clearly leads to categorisation of risks as follows:-

1. **Material Risk:** Risk with high probability and high negative impact on net assets, financial position and earnings.
2. **Significant Risk:** Risk with medium probability and medium negative impact on net assets, financial position and earnings.

**Internal Control Systems and Adequacy**

Based on the nature of the business and size of operations the Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These controls have been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting
- Safeguarding assets from unauthorized use or losses
- Compliance with applicable statutes, and adherence to management instructions & policies
- Effective management of working capital
- Monitoring economy and efficiency of operations

Processes are also in place for formulating and reviewing annual and long term business plans and for preparation and monitoring of annual budgets for all operating plants and the service functions.

A reputed external audit firm carries out periodical audits at all plants and of all functions and brings out deviations from laid down procedures. The audit firm independently tests the design, adequacy and operating effectiveness of the internal control system to provide a credible assurance to the Audit Committee. The observations arising out of audit are reviewed, in the first instance by the respective HODs and plant/functional heads and compliance is ensured. Further corrective action plans are drawn up to build business processes which will eliminate repetition of deviations. Business risks are managed through cross functional involvement, facilitated by internal audit and the results of the assessment are presented to senior management.



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The Audit Committee reviews the recommendations for improvement of the business processes and the status of implementation of the agreed action plan.

**Human Resource and Industrial Relations**

Overall relations with the workmen at all plants have been cordial during the year and the Company has contained its employee costs, benefiting from the wage settlements which have linked incentive payments to increase in overall production volumes (net of rework) and reduction in rejection rates.

We continuously aim to provide career development and growth opportunities to our people through our Talent Management Process. It provides dual opportunities for people to grow in the managerial and technical capabilities aligned with their career aspirations. We continuously encourage our people to broaden their horizons and fulfill their potential via a wide and varied range of learning and development opportunities be it class room, on the job or experiential.

**Cautionary Statement**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ materially from those either expressed or implied.

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**DECLARATION BY THE MANAGING DIRECTOR UNDER PARA "D" OF  
SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE  
REQUIREMENT) REGULATION, 2015**

To,  
The Members of Deccan Bearings Limited

I, Kiran Vora, Managing Director of Deccan Bearings Limited hereby declare that all the Members of the Board of Directors and have affirmed Compliance with the Code of conduct, as applicable to them, for the year ended, 2017.

Sd/-

**Mr. Kiran Vora**  
**Managing Director**

Date: 1<sup>st</sup> August, 2017  
Place: Mumbai

**DECCAN BEARINGS LIMITED**  
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**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF DECCAN BEARINGS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **DECCAN BEARINGS LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**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, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. 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 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so

**DECCAN BEARINGS LIMITED**  
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required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

**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 relating to preparation of the financial statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these financial statements.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the Directors as on March 31, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 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 Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - iv. The Company has provided disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and the same in accordance with books of accounts maintained by the company.

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

**For D.V. VORA & CO.**  
**Chartered Accountants**  
**Firm Reg. No.: 111624W**

Sd/-

**Dilip V. Vora**  
**(Partner)**

**M. NO. : 30013**

**Place: Mumbai**  
**Date: 24<sup>th</sup> May, 2017**

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**Annexure 'A' to the Independent Auditor's Report of even date on financial statements of Deccan Bearings Limited.**

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

1. We have audited the internal financial controls over financial reporting of Deccan Bearings Limited ('the Company') as of 31 March 2017 in conjunction with our audit of financial statements of the Company for the year ended on that date.

**Management's Responsibility for the Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').
3. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

4. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note'), to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.
5. 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 were established and maintained and if such controls operated effectively in all material respects.
6. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting.**

8. An entity'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. An entity'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 entity; (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 entity are being made only in accordance with authorisations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting.**

9. 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**

10. In our opinion, 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 31 March 2017, 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 ICAI.

**For D.V. VORA & CO.**  
**Chartered Accountants**  
**Firm Reg. No.: 111624W**

**Sd/-**

**Dilip V. Vora**  
**(Partner)**  
**M. NO. : 30013**

**Place: Mumbai**  
**Date: 24<sup>th</sup> May, 2017**

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**Annexure "B" to the Auditors' Report.**

Referred to in Paragraph 2 under "Report on other Legal and Regulatory requirements in independent Auditor's report of even date on the accounts of DEECAN BEARINGS LTD. for the year ended March 31, 2017

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets have been physically verified by the management as per a phased program of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
  - c. According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited liability partnership or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2017 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. As informed to us, the maintenance of cost records has not been prescribed by the Central Government U/s 148(1) of the Company Act, 2013, in respect of the activities carried on by the Company.
7. a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities.
  - b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess were in arrears, as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.

**DECCAN BEARINGS LIMITED**  
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- C) There were no dues of duty of Customs, duty of Excise and Cess which have not been deposited as at March 31, 2017 on account of dispute.
8. The Company has not defaulted in repayment of dues to any financial institutions or Bank. There are no debentures issued by the company.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied for the purpose for which they were raised.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. 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.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
16. The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**For D.V. VORA & CO.**  
**Chartered Accountants**  
**Firm Reg. No.: 111624W**

Sd/-

**Dilip V. Vora**  
**(Partner)**  
**M. NO. : 30013**

**Place: Mumbai**  
**Date: 24<sup>th</sup> May, 2017**



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**BALANCE SHEET AS AT 31 ST MARCH 2017**

| PARTICULARS |                                      | NOTE NO. | AS AT 31    | AS AT 31    |
|-------------|--------------------------------------|----------|-------------|-------------|
|             |                                      |          | MARCH, 2017 | MARCH, 2016 |
|             |                                      |          | Rs.         | Rs.         |
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>        |          |             |             |
| <b>1</b>    | <b>SHAREHOLDERS' FUNDS</b>           |          |             |             |
|             | (a) Share capital                    | 2        | 21,833,340  | 21,833,340  |
|             | (b) Reserves and surplus             | 3        | 7,705,486   | 11,531,248  |
|             |                                      |          | 29,538,826  | 33,364,588  |
| <b>2</b>    | <b>NON-CURRENT LIABILITIES</b>       |          |             |             |
|             | (a) Long-term borrowings             | 4        | 0           | 0           |
|             | (b) Deferred tax liabilities (net)   |          | 260,325     | 512,016     |
|             | (c) Other long-term liabilities      | 5        | 1,792,082   | 1,698,863   |
|             |                                      |          | 2,052,407   | 2,210,879   |
| <b>3</b>    | <b>CURRENT LIABILITIES</b>           |          |             |             |
|             | (a) Trade payables                   |          | 1,535,912   | 1,788,422   |
|             | (b) Other current liabilities        | 6        | 1,304,836   | 1,624,589   |
|             |                                      |          | 2,840,748   | 3,413,011   |
|             |                                      |          | 34,431,981  | 38,988,478  |
| <b>B</b>    | <b>ASSETS</b>                        |          |             |             |
| <b>1</b>    | <b>NON-CURRENT ASSETS</b>            |          |             |             |
|             | (a) Fixed assets                     |          | 6,085,197   | 7,361,290   |
|             | (i) Tangible assets                  |          |             |             |
|             | (b) Non-current investments          | 8        | 1,621,100   | 121,100     |
|             | (c) Long-term loans and advances     | 9        | 353,552     | 269,589     |
|             | (d) Trade Receivables                |          | 7,778,763   | 8,262,819   |
|             |                                      |          | 15,838,612  | 16,014,798  |
| <b>2</b>    | <b>CURRENT ASSETS</b>                |          |             |             |
|             | (a) Inventories                      | 10       | 8,300,989   | 6,791,931   |
|             | (b) Trade receivables                | 11       | 2,101,778   | 4,083,621   |
|             | (c) Cash and cash equivalents        | 12       | 6,573,036   | 11,016,853  |
|             | (d) Short-term loans and advances    | 13       | 1,556,917   | 994,811     |
|             | (e) Other current assets             | 14       | 60,649      | 86,464      |
|             |                                      |          | 18,593,369  | 22,973,680  |
|             |                                      |          | 34,431,981  | 38,988,478  |
|             | <b>NOTES ON FINANCIAL STATEMENTS</b> | 1 TO 30  |             |             |

The notes form an integral part of these financial statement

As per our report of even Date

For D. V. VORA & CO.

Chartered Accountants

(FRN.111624W)

Sd/-

D. V. VORA

Partner (M.No.30013)

Place : MUMBAI

Date : 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors

Sd/-

KIRAN N. VORA  
Managing Director

DIN : 00108607

Place : MUMBAI

Date : 24<sup>th</sup> May, 2017

Sd/-

RAJEEV D SHENVI  
Director

DIN : 00089917

**DECCAN BEARINGS LIMITED**  
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**STATEMENT OF PROFIT AND LOSS FOR THE YEAR**  
**ENDED 31ST MARCH 2017**

| PARTICULARS |   | NOTE NO. | For the year ended | For the year ended |
|-------------|---|----------|--------------------|--------------------|
|             |   |          | 31 MARCH, 2017     | 31 MARCH, 2016     |
|             |   |          | Rs.                | Rs.                |
| 1           | Revenue from operations (gross)                             | 15       | 14,708,565         | 14,327,833         |
| 2           | Other income  | 16       | 3,526,649          | 5,261,466          |
| 3           | <b>Total revenue (1+2)</b>                                  |          | <b>18,235,214</b>  | <b>19,589,299</b>  |
| 4           | <b>Expenses</b>   |          |                    |                    |
|             | Purchases (Trading)   |          | 9,859,184          | 6,883,276          |
|             | Changes in inventories of finished goods, work-in-progress  | 17       | (1,508,371)        | 1,187,221          |
|             | Employee benefits expense                                   | 18       | 5,196,073          | 4,304,717          |
|             | Finance costs   | 19       | 15,886             | 62,991             |
|             | Depreciation and amortisation expense                       |          | 1,267,789          | 1,234,156          |
|             | Other expenses  | 20       | 7,482,106          | 7,306,916          |
|             | <b>Total expenses</b>                                       |          | <b>22,312,667</b>  | <b>20,979,277</b>  |
| 5           | <b>Profit / (Loss) before tax (3 - 4)</b>                   |          | <b>(4,077,453)</b> | <b>(1,389,978)</b> |
| 6           | <b>Tax expense:</b>   |          |                    |                    |
|             | (a) Excess/(Short) provision for tax related to prior years |          | -                  | -                  |
|             | (b) Deferred Tax Liability reversal                         |          | 251,691            | 333,515            |
|             |   |          | <b>251,691</b>     | <b>333,515</b>     |
| 7           | <b>Profit / (Loss) from continuing operations (9 +10)</b>   |          | <b>(3,825,762)</b> | <b>(1,056,463)</b> |
| 8           | <b>Profit / (Loss) for the year</b>                         |          | <b>(3,825,762)</b> | <b>(1,056,463)</b> |
| 9           | <b>Earnings per share:</b>                                  |          | <b>(1.75)</b>      | <b>(0.48)</b>      |
|             | <b>NOTES ON FINANCIAL STATEMENTS</b>                        | 1 TO 30  |                    |                    |

The notes form an integral part of these financial statement

As per our report of even Date

For D. V. VORA & CO.

Chartered Accountants  
(FRN.111624W)

Sd/-

D. V. VORA  
Partner (M.No.30013)

Place : MUMBAI  
Date : 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors

Sd/-

KIRAN N. VORA  
Managing Director  
DIN : 00108607

Place : MUMBAI  
Date : 24<sup>th</sup> May, 2017

Sd/-

RAJEEV D SHENVI  
Director  
DIN : 00089917

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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**  
**(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

|   | Rupees      | For the year<br>ended 31st<br>March, 2017<br>Rupees | Rupees      | For the year<br>ended 31st<br>March, 2016<br>Rupees |
|---|-------------|---|-------------|---|
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>            |             |   |             |   |
| Net Profit before tax and Extraordinary Items               |             | (4,077,453)   |             | (1,389,978)   |
| Adjustments for Depreciation                                | 1,267,789   |   | 1,234,156   |   |
| Investment Income   | (606,281)   |   | (655,968)   |   |
| Interest and Financial charges                              | 15,886      |   | 62,991      |   |
| Insurance claim/Sundry amount written off                   | -           |   | (4,605,498) |   |
| (Profit) / Loss on sale of Fixed Asset                      | (2,920,368) |   | 294,147     |   |
| Preliminary Exp. W/Off                                      | -           | (2,242,974)   | -           | (3,670,172)   |
| <b>Operating profit before working capital Changes</b>      |             | <b>(6,320,427)</b>                                  |             | <b>(5,060,150)</b>                                  |
| Adjustments for:  |             |   |             |   |
| Trade and other receivables                                 | 1,906,294   |   | 9,661,656   |   |
| Inventories   | (1,509,058) |   | 1,213,070   |   |
| Trade Payables  | (479,044)   | (81,808)  | (3,608,079) | 7,266,647   |
| <b>Cash generated from operations</b>                       |             | <b>(6,402,235)</b>                                  |             | <b>2,206,497</b>                                    |
| Interest paid   | (15,886)    |   | (62,991)    |   |
| Direct tax paid   | (60,649)    |   | (71,218)    |   |
|   |             | (76,535)  |             | (134,209)   |
| <b>Cash flow before extraordinary items</b>                 |             | <b>(6,478,770)</b>                                  |             | <b>2,072,288</b>                                    |
| Extraordinary items (Sundry amount written off)             |             | 2,920,368   |             | 4,605,498   |
| <b>Net cash from operating activities</b>                   |             | <b>(3,558,402)</b>                                  |             | <b>6,677,786</b>                                    |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>             |             |   |             |   |
| Purchase of Fixed Assets                                    | (431,328)   |   | (50,500)    |   |
| Sale of Fixed Assets  | 439,632     |   | 280,000     |   |
| Investment in Shares/Mutual Fund                            | (1,500,000) |   | -           |   |
| Interest earned   | 606,281     |   | 655,968     |   |
| <b>Cash from investing activities</b>                       |             | <b>(885,415)</b>                                    |             | <b>885,468</b>                                      |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>             |             |   |             |   |
| Borrowing/ (Repayment) of long term liabilities             | -           |   | (366,790)   |   |
| <b>Cash from financing activities</b>                       |             | <b>-</b>  |             | <b>(366,790)</b>                                    |
| <b>Net Increase/(Decrease) in cash and cash equivalents</b> |             | <b>(4,443,817)</b>                                  |             | <b>7,196,464</b>                                    |
| Cash and cash equivalents as at 31/03/16                    |             | 11,016,853  |             | 3,820,389   |
| Cash and cash equivalents as at 31/03/17                    |             | 6,573,036   |             | 11,016,853  |

For D. V. VORA & CO.

Chartered Accountants  
(FRN.111624W)

Sd/-

D. V. VORA

Partner (M.No.30013)

Place : MUMBAI

Date : 24<sup>th</sup> May, 2017

For and on behalf of the Board

Sd/-

KIRAN N. VORA

Managing Director

DIN : 00108607

Sd/-

RAJEEV D. SHENVI

Director

DIN : 00089917

**DECCAN BEARINGS LIMITED**  
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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2017**

**NOTE NO. 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 2013.

**(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 method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**(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.

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**(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.

**(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) DEFERRED TAXTATION:**

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.

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**NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017**

| Rupees                                    | As at 31st<br>MARCH,2017<br>Rupees | As at 31st<br>MARCH,2016<br>Rupees |
|---|------------------------------------|------------------------------------|
| <b>NOTE NO. 2</b>                         |                                    |                                    |
| <b>SHARE CAPITAL :</b>                    |                                    |                                    |
| <b>AUTHORISED :</b>                       |                                    |                                    |
| 32,50,000 EQUITY SHARES OF Rs. 10/- EACH  | 32,50,000                          | 32,50,000                          |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP :</b> |                                    |                                    |
| 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>                  |

**DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF EQUITY SHARES**

| <u>NAME OF THE PERSONS</u> | <u>NO. OF<br/>SHARES</u> | <u>PERCENT<br/>AGE %</u> | <u>NO. OF<br/>SHARES</u> | <u>PERCENTAGE<br/>%</u> |
|----------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
| NIP EXPORTS PVT.LTD.       | 341,581                  | 15.64                    | 341,581                  | 15.64                   |
| MUKESH N. VORA             | 235,180                  | 10.77                    | 235,180                  | 10.77                   |
| NIRUPA N. VORA (HUF)       | 155,833                  | 7.14                     | 155,833                  | 7.14                    |
| NIRUPA N. VORA             | 130,350                  | 5.97                     | 130,350                  | 5.97                    |
| MALINI M. VORA             | 130,350                  | 5.97                     | 130,350                  | 5.97                    |
| GOPA M. VORA               | 124,050                  | 5.68                     | 124,050                  | 5.68                    |
|                            | <u>1,117,344</u>         | <u>51.18</u>             | <u>1,117,344</u>         | <u>51.18</u>            |

**RECONCILIATION OF NUMBERS OF SHARES**

| <u>EQUITY SHARES</u>         | <u>NO. OF<br/>SHARES</u> | <u>AMOUNT<br/>OF<br/>SHARES</u> | <u>NO. OF<br/>SHARES</u> | <u>AMOUNT OF<br/>SHARES</u> |
|------------------------------|--------------------------|---------------------------------|--------------------------|-----------------------------|
| AT THE BEGINNING OF THE YEAR | 2,183,334                | 21,833,340                      | 2,183,334                | 21,833,340                  |
| AT THE END OF THE YEAR       | 2,183,334                | 21,833,340                      | 2,183,334                | 21,833,340                  |

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**NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017**

| Rupees  | As at 31st<br>MARCH,2017<br>Rupees | As at 31st<br>MARCH,2016<br>Rupees |
|---|------------------------------------|------------------------------------|
| <b>NOTE NO. 3</b>                                       |                                    |                                    |
| <b>RESERVES &amp; SURPLUS</b>                           |                                    |                                    |
| <b>{1} CAPITAL RESERVE :</b>                            |                                    |                                    |
| [ CENTRAL & STATE SUBSIDY FOR PROJECT IN BACKWARD AREA] |                                    |                                    |
| BALANCE AS PER LAST BALANCE SHEET                       | 1,993,298                          | 1,993,298                          |
| <b>{2} REVALUATION RESERVES</b>                         |                                    |                                    |
| BALANCE AS PER LAST BALANCE SHEET                       | 2,463,248                          | 2,463,248                          |
| <b>{3} SHARE PREMIUM</b>                                |                                    |                                    |
| BALANCE AS PER LAST BALANCE SHEET                       | 6,000,000                          | 6,000,000                          |
| <b>{4} GENERAL RESERVES :</b>                           |                                    |                                    |
| BALANCE AS PER LAST BALANCE SHEET                       | 7,585,455                          | 7,585,455                          |
|   | <u>18,042,001</u>                  | <u>18,042,001</u>                  |
| <b>{5} PROFIT AND LOSS ACCOUNT</b>                      |                                    |                                    |
| ADD PROFIT DURING THE YEAR                              | -6,510,753                         | -5,454,290                         |
|   | -3,825,762                         | -1,056,463                         |
|   | <u>-10,336,515</u>                 | <u>-6,510,753</u>                  |
| TOTAL   | <u>7,705,486</u>                   | <u>11,531,248</u>                  |

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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017.**

|  | As at 31st<br>MARCH,2017<br>Rupees | As at 31st<br>MARCH,2016<br>Rupees |
|--|------------------------------------|------------------------------------|
| <b>NOTE NO.4</b>   |                                    |                                    |
| <b>{1} LONG TERM BORROWINGS</b>                          | -                                  | -                                  |
|  | -                                  | -                                  |
| <b>NOTE NO.5</b>   |                                    |                                    |
| <b>OTHER LONG TERM LIABILITIES</b>                       |                                    |                                    |
| {a} TRADE PAYABLES                                       | 156,606                            | -                                  |
| {b} OTHERS   |                                    |                                    |
| {1} PROVISION FOR TAXATION<br>(NET OF ADVANCE TAX & TDS) | -                                  | -                                  |
| {2} ADVANCE FROM CUSTOMERS                               | 611,139                            | 77,386                             |
| {3} OTHER PAYABLES                                       | 1,024,337                          | 1,621,477                          |
|  | <u>1,792,082</u>                   | <u>1,698,863</u>                   |
| <b>NOTE NO.6</b>   |                                    |                                    |
| <b>OTHER CURRENT LIABILITIES</b>                         |                                    |                                    |
| {a} CURRENT MATURITY OF LONG TERM BENEFITS               |                                    |                                    |
| {1} FROM : KOTAK MAHINDRA PRIME LTD                      | -                                  | 366,790                            |
| {b} STATUTORY LIABILITIES                                |                                    |                                    |
| {1} PROVIDENT FUND                                       | 1,318                              | 907                                |
| {2} TAX DEDUCTED AT SOURCE                               | 26,509                             | 78,129                             |
| {3} PROFESSION TAX                                       | 2,350                              | 27,090                             |
| {4} VAT AND CST  | -                                  | -                                  |
| {c} OTHERS   | 1,274,659                          | 1,151,673                          |
|  | <u>1,304,836</u>                   | <u>1,624,589</u>                   |



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NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE NO. 7

FIXED ASSETS

| SR. NO. | DESCRIPTION OF ASSETS    | GROSS BLOCK      |           | DEDUCTION              |                  | DEPRECIATION                     |                        | NET BLOCK        |                  |
|---------|--------------------------|------------------|-----------|------------------------|------------------|----------------------------------|------------------------|------------------|------------------|
|         |                          | AS ON 01.04.2016 | ADDITIONS | DEDUCTION & ADJUSTMENT | AS ON 31.03.2017 | FOR THE YEAR ENDED ON 31.03.2017 | DEDUCTION & ADJUSTMENT | AS ON 31.03.2017 | AS ON 31.03.2016 |
|         |                          | Rs.              | Rs.       | Rs.                    | Rs.              | Rs.                              | Rs.                    | Rs.              | Rs.              |
| 1       | LAND                     |                  |           |                        |                  |                                  |                        |                  |                  |
|         | LEASE HOLD LAND AT HALOL | 1,139,606        | -         | 439,632                | 699,974          | -                                | -                      | 699,974          | 1,139,606        |
| 2       | BUILDING                 |                  |           |                        |                  |                                  |                        |                  |                  |
|         | AT HALOL                 | 12,370,953       | -         | -                      | 12,370,953       | 467,381                          | 9,250,004              | 3,120,949        | 3,588,330        |
| 3       | PLANT & MACHINERY        |                  |           |                        |                  |                                  |                        |                  |                  |
|         |                          | 865,750          | -         | -                      | 865,750          | 79,052                           | 587,791                | 277,959          | 357,011          |
| 4       | FURNITURE & FIXTURES     |                  |           |                        |                  |                                  |                        |                  |                  |
|         |                          | 404,642          | -         | -                      | 404,642          | 43,530                           | 143,460                | 261,182          | 304,712          |
| 5       | VEHICLES                 |                  |           |                        |                  |                                  |                        |                  |                  |
|         |                          | 3,556,047        | 431,328   | -                      | 3,987,375        | 595,550                          | 2,567,289              | 1,420,086        | 1,584,308        |
| 6       | OFFICE EQUIPMENTS        |                  |           |                        |                  |                                  |                        |                  |                  |
|         |                          | 232,485          | -         | -                      | 232,485          | 48,343                           | 139,413                | 93,072           | 141,415          |
| 7       | STAFF QUARTERS           |                  |           |                        |                  |                                  |                        |                  |                  |
|         |                          | 461,906          | -         | -                      | 461,906          | 33,933                           | 249,931                | 211,975          | 245,908          |
|         | TOTAL Rs.                | 19,031,389       | 431,328   | 439,632                | 19,023,085       | -                                | 12,937,888             | 6,085,197        | 7,361,290        |
|         | PREVIOUS YEAR            | 20,425,500       | 50,500    | 1,444,611              | 19,031,389       | 870,464                          | 11,670,099             | 7,361,290        | 9,119,093        |

1] A] Land, Factory Building, Plant & Machinery & Staff Quarters had been revalued as on 31st March, 1996. Approved values 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 values 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.

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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017.**

|   | As at 31st<br>MARCH,2017 | As at 31st<br>MARCH,2016 |
|---|--------------------------|--------------------------|
|   | Rupees                   | Rupees                   |
| <b>NOTE NO.8</b>  |                          |                          |
| <b>NON-CURRENT INVESTMENTS</b>  |                          |                          |
| <b>INVESTMENTS ( AT COST )</b>  |                          |                          |
| <b>TRADE</b>  |                          |                          |
| (iii) 6 YEARS NATIONAL SAVINGS CERTIFICATE<br>( DEPOSITED WITH GOVERNMENT AND LOCAL AUTHORITY.) | 1,100                    | 1,100                    |
| <b>OTHER THAN TRADE</b>   |                          |                          |
| <b>(i) QUOTED</b>   |                          |                          |
| SBI INFRASTRUCTURE FUND<br>(MARKET VALUE Rs.139420/- ; PREVIOUS YEAR Rs.116320/-)               | 100,000                  | 100,000                  |
| IDFC CASH FUND<br>(MARKET VALUE Rs.500232/- ; PREVIOUS YEAR Nil)                                | 450,000                  | -                        |
| IDFC MONEY MANAGER FUND<br>(MARKET VALUE Rs.1077804/- ; PREVIOUS YEAR Nil)                      | 1,050,000                | -                        |
| <b>(ii) UNQUOTED</b>  |                          |                          |
| 1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA BEARINGS LTD.                                     | 16000                    | 16,000                   |
| 1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA MODLER LTD.                                       | 4000                     | 4,000                    |
|   | 1,621,100                | 121,100                  |
| <b>NOTE NO.9</b>  |                          |                          |
| <b>LONG TERM LOAN &amp; ADVANCES</b>  |                          |                          |
| <b>(UNSECURED CONSIDERED GOOD)</b>  |                          |                          |
| {1} SECURITY DEPOSITS   | 115,293                  | 107,793                  |
| {2} LOAN & ADVANCES   | 63,314                   | 73,315                   |
| {3} ADVANCE TAX (NET OF PROVISIONS)   | 174,945                  | 88,481                   |
|   | 353,552                  | 269,589                  |
| <b>NOTE NO.10</b>   |                          |                          |
| <b>INVENTORIES</b>  |                          |                          |
| <b>( AS VALUED AND CERTIFIED BY DIRECTORS )</b>   |                          |                          |
| {1} WORK IN PROGRESS  | 980,194                  | 980,194                  |
| {2} TRADED GOODS  | 6,783,353                | 5,274,982                |
| {3} PACKAGING MATERIALS   | 537,442                  | 536,755                  |
|   | 8,300,989                | 6,791,931                |

**DECCAN BEARINGS LIMITED**  
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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017.**

|  | As at 31 <sup>st</sup><br>MARCH, 2017<br>Rupees | As at 31 <sup>st</sup><br>MARCH, 2016<br>Rupees |
|--|---|---|
| <b>NOTE NO.11</b>  |   |   |
| <b>TRADE RECEIVABLES (CONSIDERED GOOD)</b>   |   |   |
| (1) OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTH FROM THE DATE THEY WERE DUE FOR PAY | 87,776  | 1,046,558                                       |
| (2) OTHERS   | 2,014,002                                       | 3,037,063                                       |
|  | <u>2,101,778</u>                                | <u>4,083,621</u>                                |
| <b>NOTE NO.12</b>  |   |   |
| <b>CASH AND CASH EQUIVALENTS</b>   |   |   |
| (1) BALANCE WITH BANKS   | 183,329   | 1,551,071                                       |
| (2) CASH ON HAND   | 104,971   | 39,785  |
| (3) BALANCE WITH BANK IN MARGIN MONEY  | 23,600  | 23,600  |
| (4) TERM DEPOSIT   | 6,261,136                                       | 9,402,397                                       |
|  | <u>6,573,036</u>                                | <u>11,016,853</u>                               |
| <b>NOTE NO.13</b>  |   |   |
| <b>SHORT TERM LOAN AND ADVANCES</b>  |   |   |
| (1) DUES FROM EMPLOYEES  | 122,750   | 39,500  |
| (2) LOAN & ADVANCES  | 1,434,167                                       | 955,311   |
|  | <u>1,556,917</u>                                | <u>994,811</u>                                  |
| <b>NOTE NO.14</b>  |   |   |
| <b>OTHER CURRENT ASSETS</b>  |   |   |
| (1) ADVANCE INCOME TAX (NET OF PROVISION FOR TAXATION)                               | 60,649  | 86,464  |
|  | <u>60,649</u>                                   | <u>86,464</u>                                   |
| <b>NOTE NO.15</b>  |   |   |
| <b>REVENUE FROM OPERATION</b>  |   |   |
| <b>SALES</b>   | 14,708,565                                      | 14,327,833                                      |
|  | <u>14,708,565</u>                               | <u>14,327,833</u>                               |

**DECCAN BEARINGS LIMITED**  
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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017.**

|  | As at 31st<br>MARCH,2017 | As at 31st<br>MARCH,2016 |
|--|--------------------------|--------------------------|
|  | Rupees                   | Rupees                   |
| <b>NOTE NO.16</b>  |                          |                          |
| <b>OTHER INCOME</b>  |                          |                          |
| {a} FD INTREREST (TDS RS.60,649/-, PREVIOUS YEAR RS.65369/-) | 606,281                  | 653,538                  |
| {b} DIVIDEND   | -                        | 2,430                    |
| {c} INTEREST RECEIVED FROM CUSTOMERS                         | -                        | 3,17,186                 |
| {d} SUNDRY AMOUNT WRITTEN BACK                               | -                        | 1,466,478                |
| {f} INTEREST ON IT REFUND A.Y. 2013-14                       | -                        | 1,834                    |
| {g} PROFIT ON SALES OF FIXED ASSETS                          | 2,920,368                | -                        |
|  | <u>3,526,649</u>         | <u>5,261,466</u>         |
| <b>NOTE NO.17</b>  |                          |                          |
| <b>CHANGES IN INVENTORIES</b>                                |                          |                          |
| <b>OPENING STOCK</b>   |                          |                          |
| {a} WORK IN PROGRESS   | 980,194                  | 1,231,741                |
| {b} TRADED GOODS   | 5,274,982                | 6,210,656                |
|  | <u>6,255,176</u>         | <u>7,442,397</u>         |
| <b>CLOSING STOCK</b>   |                          |                          |
| {a} WORK IN PROGRESS   | 980,194                  | 980,194                  |
| {b} TRADED GOODS   | 6,783,353                | 5,274,982                |
|  | <u>7,763,547</u>         | <u>6,255,176</u>         |
| <b>CHANGES IN INVENTORIES</b>                                | <u>-1,508,371</u>        | <u>1,187,221</u>         |
| <b>NOTE NO.18</b>  |                          |                          |
| <b>EMPLOYEE BENEFITS EXPENSES</b>                            |                          |                          |
| {a} SALARIES & WAGES   | 3,318,475                | 2,855,607                |
| {b} DIRECTORS REMUNARATION                                   | 1,658,778                | 1,255,168                |
| {c} CONTRIBUTION TO PROVIDENT FUND AND OTHER SCHEMES         | 23,368                   | 29,944                   |
| {c} WELFARE EXPENSES   | 195,452                  | 163,998                  |
|  | <u>5,196,073</u>         | <u>4,304,717</u>         |
| <b>NOTE NO.19</b>  |                          |                          |
| <b>FINANCIAL COST</b>  |                          |                          |
| {a} INTEREST ON OTHERS                                       | 15,886                   | 62,991                   |
|  | <u>15,886</u>            | <u>62,991</u>            |

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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017.**

|                               | As at<br>31 <sup>st</sup> March, 2017<br>Rupees | As at<br>31 <sup>st</sup> March, 2016<br>Rupees |
|-------------------------------|---|---|
| <b>NOTE NO.20</b>             |   |   |
| <b>OTHER EXPENSES</b>         |   |   |
| ADVERTISEMENT                 | 24,221  | 58,293  |
| ANNUAL LISTING FEES           | 229,000   | 224,720   |
| AUDITOR'S REMUNERATION        |   |   |
| (i) AUDIT FEES                | 35,000  | 35,000  |
| (ii) TAX AUDIT FEES           | 25,000  | 25,000  |
| (iii) TAXATION MATTERS        | 78,000  | 78,000  |
| BANK CHARGES                  | 7,717   | 15,416  |
| CONVEYANCE                    | 29,489  | 28,039  |
| CAR HIRE CHARGES              | 285,000   | 228,000   |
| DISCOUNT                      | 415,601   | 560,594   |
| ELECTRICITY & POWER CHARGES   | 344,960   | 412,747   |
| FREIGHT OUTWARD               | 43,142  | 35,171  |
| FREIGHT INWARD                | 39,510  | 47,718  |
| INSURANCE CHARGES             | 53,366  | 56,367  |
| LEGAL & PROFESSIONAL FEES     | 369,037   | 536,595   |
| PACKING MATERIALS             | 775,466   | 450,658   |
| POSTAGE & TELEGRAPH           | 168,412   | 53,604  |
| PRINTING & STATIONERY         | 182,889   | 68,883  |
| RENT, RATES & TAXES           | 978,761   | 1,688,911                                       |
| REPAIRS TO OTHERS             | 63,423  | 51,060  |
| SALESPROMOTION                | 1,000,918                                       | 665,999   |
| TELEPHONE CHARGES             | 186,496   | 197,285   |
| TRAVELLING                    | 1,489,334                                       | 641,683   |
| VEHICLE EXPENSES              | 316,563   | 322,329   |
| LOSS ON SALES OF FIXED ASSETS | -   | 294,147   |
| MISCELLANEOUS EXPENSES        | 340,801   | 530,697   |
|                               | 7,482,106                                       | 7,306,916                                       |

**NOTE NO.21**

**Auditors' Remuneration and expenses charged to the accounts:**

| PARTICULARS      | 2016-17<br>Rs. | 2015-16<br>Rs. |
|------------------|----------------|----------------|
| Audit Fees       | 35,000         | 35,000         |
| Tax-Audit Fees   | 25,000         | 25,000         |
| Taxation Matters | 78,000         | 78,000         |

**NOTE NO.22**

**EXPENDITURE IN FOREIGN CURRENCY:**

|                           |           |             |
|---------------------------|-----------|-------------|
| Traveling expenses        | Rs.55,932 | (Rs.53,666) |
| Professional Fees         | Nil       | (Rs.88,627) |
| Imports                   |           |             |
| (Trading Goods on C.I.F.) | Nil       | (Nil)       |

**NOTE NO.23**

**EARNINGS IN FOREIGN EXCHANGE:**

|                         |     |       |
|-------------------------|-----|-------|
| Export of Goods (F.O.B) | Nil | (NIL) |
|-------------------------|-----|-------|

**DECCAN BEARINGS LIMITED**  
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**NOTE NO.24**

**RELATED PARTIES TRANSACTIONS :**

- 1] Relationship :
- (a) Associates :  
Deccan Bearings (India) Pvt. Limited
- (b) Key management personnel  
Kiran N. Vora, Managing Director  
B. W. Chrisitan, Director
- (c) Relatives :  
Prerna K. Vora
- 2] Transactions with Related parties (amount in Rupees):

**I] REMUNARATION**

| PARTICULARS        | 2016-17<br>Rs. | 2015-16<br>Rs. |
|--------------------|----------------|----------------|
| REMUNARATION       | 16,58,778      | 12,55,168      |
| PERQUISITES        | 2,93,387       | 2,62,616       |
| CONTRIBUTION TO PF |                |                |
| TOTAL              | 19,52,165      | 15,17,784      |

**II] RENT**

| PARTICULARS | ASSOCIATES     |                | RELATIVES      |                |
|-------------|----------------|----------------|----------------|----------------|
|             | 2016-17<br>Rs. | 2015-16<br>Rs. | 2016-17<br>Rs. | 2015-16<br>Rs. |
| OFFICE RENT | 33,466         | 54,578         | 33,466         | 54,578         |
| CAR RENT    | NIL            | NIL            | 2,85,000       | 2,28,000       |

**NOTE NO.25**

**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.

**NOTE NO.26**

**EARNINGS PER SHARE:**

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, 2017

| PARTICULARS  | 2015-16<br>Rs. | 2015-16<br>Rs. |
|--|----------------|----------------|
| Profit/ (Loss) available to equity shareholders    | (38,25,762)    | (10,56,463)    |
| 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)                  | -1.75          | -0.48          |

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**NOTE NO.27**

Discloser regarding pursuant to Circular No. 308 (E) dated 30<sup>th</sup> March, 2017 :  
Details of Specified Bank Notes (SBN) held and transacted during the period  
8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 is provided in the table below:

|  | SBN's      | Other<br>Denomination<br>notes | Total      |
|--|------------|--------------------------------|------------|
| Closing Cash In Hand as on<br>08.11.2016 | 11,00,000  | 86,257                         | 11,86,257  |
| (+) Permitted Receipts                   | 0          | 3,45,590                       | 3,45,590   |
| (-) Permitted Payments                   | 0          | -3,49,811                      | -3,49,811  |
| (-) Amount deposited in bank             | -11,00,000 | 0                              | -11,00,000 |
|  |            |                                |            |
| Closing cash in hand as on 30.12.2016    | 0          | 82,036                         | 82,036     |

**NOTE NO.28**

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.

**NOTE NO.29**

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

**NOTE NO.30**

Figures of the Previous Year have been regrouped/ recasted wherever necessary to correspond with the current years' classification/disclosure.

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As per our attached Report of even date

For and on behalf of the Board

SD/-  
For D.V.VORA & CO.  
Chartered Accountants  
(FRN.111624W)  
(D.V.VORA)  
Partner M.No.30013

SD/-  
KIRAN N. VORA  
Managing Director  
DIN: 00108607

SD/-  
RAJEEV D. SHENVI  
Director  
DIN: 00089917

Mumbai, Dated: 24<sup>th</sup> May, 2017

**DECCAN BEARINGS LIMITED**  
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Deccan Bearing Limited  
CIN: L29130MH1985PLC035747  
Registered: 315/321 Prospect Chambers, Dr.D. N. Road, Fort Mumbai -400001.  
Phone: 022-022-22044159, Fax: 022-022-22875841  
Email: [grievances@deccanbearings.com](mailto:grievances@deccanbearings.com) Website: [www.deccanbearings.com](http://www.deccanbearings.com)  
**ATTENDANCE SLIP**

**32<sup>nd</sup> Annual General Meeting on Thursday, 07<sup>th</sup> September, 2017 at 11.00 A.M**

|  |  |
|--|--|
| Registered Folio No./<br>DP ID/Client ID |  |
| No. of Shares                            |  |
| Name and address of<br>the<br>Member(s)  |  |
| Joint Holder 1<br>Joint Holder 2         |  |

**Serial No. 1**

I/We hereby record my/our presence at the 32<sup>nd</sup> Annual General Meeting of the Company to be held on Thursday, 07<sup>th</sup> September, 2017 at 15/321 Prospect Chambers DR, D N Road, Fort Mumbai -400001.

.....  
Member's/Proxy's name in Block Letters

.....  
Member's/Proxy's Signature

***Please hand it over at the Attendance Verification Counter at the entrance of the meeting hall.  
Members are requested to bring their copies of the Annual Report to the AGM***

Note: Please read carefully the instructions given in the Notice for voting through the e-voting platform. The voting period begins on 04<sup>th</sup> September, 2017 at 09.00 A.M and ends on 06<sup>th</sup> September, 2017 (IST). The voting module shall be disabled by CDSL for voting thereafter.

|   |                     |
|---|---------------------|
| <b>EVSN (Electronic Voting Sequence Number)</b> | <b>*Default PAN</b> |
| 170805011                                       |                     |

\*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan Field.



**DECCAN BEARINGS LIMITED**  
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**DECCAN BEARINGS LTD.**  
**315/321 Prospect Chambers, Dr. D. N. Road, Fort, Mumbai - 400 001**

**PROXY FORM**

|                         |
|-------------------------|
| Name of the Member(s) : |
| Registered address :    |
| E-mail Id :             |
| Folio No./Client ID No: |
| DP ID :                 |

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint:

1.

|           |  |            |  |
|-----------|--|------------|--|
| Name      |  |            |  |
| Address   |  |            |  |
| E-mail ID |  | Signature: |  |

2.

|           |  |            |  |
|-----------|--|------------|--|
| Name      |  |            |  |
| Address   |  |            |  |
| E-mail ID |  | Signature: |  |

or failing him

3.

|           |  |            |  |
|-----------|--|------------|--|
| Name      |  |            |  |
| Address   |  |            |  |
| E-mail ID |  | Signature: |  |

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting, to be held on Thursday, 07<sup>th</sup> September, 2017 at 15/321 Prospect Chambers DR, D N Road, Fort Mumbai -400001.and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution Nos.:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Abhay Vipin Kothari, (DIN: 00110960), who retires by rotation and being eligible, offers himself for re- appointment
3. To Appoint M/s. K. S. Maheshwari & Co Chartered Accountants, Statutory Auditor, of the company for a period of 3 years.

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

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.