

**DECCAN BEARINGS LIMITED**

**315/321, Prospect Chambers, 2<sup>nd</sup> Floor, Dr. B. N. Road, Fort, Mumbai- 400 001.**

**Annual Audit Report to be filed with the Stock Exchange under Clause 31 of Listing Agreement**

**FORM "A"**

1. NAME OF THE COMPANY : DECCAN BEARINGS LIMITED

2. ANNUAL FINANCIAL STATEMENTS FOR : 31<sup>ST</sup> MARCH, 2014  
THE YEAR ENDED

3. TYPE OF AUDIT OBSERVATION : Un- Qualified

4. FREQUENCY OF OBSERVATION : Not Applicable

5. TO BE SIGNED BY  
Designation

Name of the Signatory

Signature

MANAGING DIRECTOR

: Mr. Kiran N. Vora



AUDITOR OF THE COMPANY

: M/S. D. V. VORA & CO  
Chartered Accountants

*D.V. Vora*



# DECCAN BEARINGS LIMITED

29<sup>TH</sup>  
ANNUAL REPORT  
2013-14

<b>Board of Directors</b>	MR.KIRAN N.VORA MR.BARUKH W.CHRISTIAN MR.RAJEEV D.SHENVI MR.ABHAY V.KOTHARI
<b>Auditors</b>	<b>M/S.D.V.VORA &amp; CO.</b>  Chartered Accountants 36, Bhangwadi Shoppin Arcade, Kalbadevi Road, Mumbai 400 002
<b>Bankers</b>	<b>STATE BANK OF INDIA</b>
<b>Registered Office</b>	315/321, Prospect Chambers, 2nd Floor, Dr.D.N.Road, Fort, Mumbai 400 001
<b>Works</b>	Survey No.209,Near Kirti Orni, Veraval (Shapar), Tal: Kotdasangani, Dist: Rajkot, Gujarat.
<b>CIN NO.</b>	L29130MH1985PLC035747

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## DECCAN BEARINGS LIMITED

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### NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Ninth Annual General Meeting of the Members of DECCAN BEARINGS LIMITED will be held at the B.U.J. Hall, 23/25, Prospect Chambers Annex, 2<sup>nd</sup> Floor, 317, D.N. Road, Fort, MUMBAI – 400 001 on Tuesday, 30<sup>th</sup> September 2014 at 11 a.m. to transact the following business:

#### ORDINARY BUSINESS:

- 1] To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
- 2] To appoint a Director in place of Mr. Kiran Nagindas Vora (holding Director Identification Number 00108607), who retires by rotation and being eligible, offers himself for re-appointment.
- 3] To appoint a Director in place of Mr. Barukh William Christian (holding Director Identification Number 00124830), who retires by rotation and being eligible, offers himself for re-appointment.
- 4] To appoint Auditors to hold office from the conclusion of this Meeting for 3 (three) consecutive years till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company in the calendar year 2017 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s. D. V. Vora & Co (Firm Registration No.111624W) Chartered Accountants, Mumbai, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, for Three Consecutive years until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company in the calendar year 2017, subject to rectification by the shareholders annually, at such remuneration as shall be fixed by the Board of Directors of the Company.”

#### SPECIAL BUSINESS :

- 5] **Appointment of MR. Rajeev D. Shenvi as Independent Director**

To consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Rajeev Shenvi (holding Director Identification Number 00089917), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to March 31, 2019.”

6] **Appointment of MR. Mahesh S. Parab as Independent Director**

To consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mahesh S. Parab (holding Director Identification Number 03387669), who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to March 31, 2019.”

By Order of the Board of Directors

Sd/-

KIRAN N.VORA  
Managing Director

**Registered Office**

315/321, Prospect Chambers,  
Dr.D.N.Road, Fort,  
MUMBAI – 400 001  
Mumbai, Dated: 2<sup>nd</sup> September, 2014

**NOTES:**

- a] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b] The Register of Members and Share Transfer Books of the Company will be closed from 17<sup>th</sup> September 2014 to 19<sup>th</sup> September 2014 [both days inclusive].
- c] Members intending to require information about accounts to be explained in the meeting are requested to inform the Company in writing at least ten days in advance of the Meeting.
- d] Shareholders are requested to bring their copies of the Annual Report at General Meeting.
- e] Shareholders are requested to notify change in address, if any, at the Registered Office of the Company, quoting their Folio Numbers.
- f] We request the shareholders to register their E-mail IDs with the Company / Share Transfer Agents. This will enable the Company to service shareholder's requests / queries electronically apart from furnishing of Annual Report, Notices, Circulars and any other relevant information/communication.
- g] Pursuant to the provisions of section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and the Clause 35B of the Listing Agreement, the Company is pleased to offer e- voting (Electronic Voting) facility to its members to cast their votes electronically on all resolutions set forth in this Notice convening the 29<sup>th</sup> Annual General Meeting to be held on Tuesday, 30<sup>th</sup> September, 2014, at 11.00 a.m.

A separate page for electronic voting process is attached herewith for facilitating members for e-voting.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

**For item No.: 5**

Mr. Rajeev D. Shenvi aged 58 years holds graduate degrees in Arts and Law, Practicing Chartered Accountants and also a member of the Institute of Company Secretaries of India. His area of specialization are Direct Taxes, Indirect Taxes and Company Law. Mr. Rajeev D. Shenvi does not hold directorships and committee memberships in any other companies.

The Company had received a requisite notice and deposit from a member under section 160 of the Companies Act, 2013 signifying the intention to propose the name of Mr. Rajeev D. Shenvi as an Independent Director for a term of 5 (Five) consecutive years from the conclusion of this Annual General Meeting. The necessary resolution is placed before the members for their consideration and approval. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Rajeev D. Shenvi is concerned or interested in the resolution. This Explanatory statement may also be regarded as necessary disclosure under Clause 49 of the Listing Agreement.

**For item No.: 6**

Mr. Mahesh S. Parab aged 42 years holds degrees in Commerce. His specialization and experience is of more than 20 years in finalization of company accounts. Mr. Mahesh S. Parab does not hold directorships and committee memberships in any other companies.

The Company had received a requisite notice and deposit from a member under section 160 of the Companies Act, 2013 signifying the intention to propose the name of Mr. Mahesh S. Parab as an Independent Director for a term of 5 (Five) consecutive years from the conclusion of this Annual General Meeting. The necessary resolution is placed before the members for their consideration and approval. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Mahesh S. Parab is concerned or interested in the resolution. This Explanatory statement may also be regarded as necessary disclosure under Clause 49 of the Listing Agreement.

By Order of the Board of Directors

Sd/-

KIRAN N.VORA  
Managing Director

**Registered Office**  
315/321, Prospect Chambers,  
Dr.D.N.Road, Fort,  
MUMBAI – 400 001  
Mumbai, Dated: 2<sup>nd</sup> September, 2014

## DECCAN BEARINGS LIMITED

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### DIRECTORS' REPORT

The Members,

## DECCAN BEARINGS LIMITED

Your Directors have pleasure in presenting the Twenty Ninth Annual Report together with the audited accounts for the year ended 31st March, 2014.

<b>1. FINANCIAL RESULTS:</b>	<b>Year Ended 31.03.2014</b>	<b>Year Ended 31.03.2013</b>
Net Profit before providing for Depreciation	4,51,765	6,75,759
Less: Depreciation	8,48,948	10,03,764
	<hr/>	<hr/>
Profit after providing Depreciation	(3,97,183)	(3,28,005)
Add/(Less): Provision for		
A] Deferred Tax	1,36,807	1,18,850
B] Income Tax	-----	-----
	<hr/>	<hr/>
Profit/(Loss) after Taxation	(2,60,376)	(2,09,155)
Add: Balance brought forward from previous year	(34,12,888)	(32,03,733)
Add: Excess Provision for Tax for Earlier	1,81,245	-----
	<hr/>	<hr/>
Balance Carried to Balance Sheet	(34,92,019)	(34,12,888)
	=====	=====

### 2. DIVIDEND:

In view of the need to conserve the resources for the future growth, no dividend has been considered by the Board.

### 3. PRESENT OPERATIONS & FUTURE OUTLOOK:

The year 2013-2014 was sluggish year for Indian Economy. GDP Growth decelerated to 5%, inflation remained high, rupee depreciated considerably and overall investments slowed down leading to weak overall sentiments. This resulted in increase in the input cost and also reduced sales and turnover of the import related products sold by the Company. There was however increase in the sales of the indigenous products sold by the Company. Over all the sales and profitability of the Company suffered in the year under consideration.

With the new government at the centre there is an expectation of growth in industrial production, which should in turn benefit the Company's sales and profits in the year ahead. All efforts are also being made by the Company to increase the number of sales channels in different parts of the country to boost up sales and profits.

## DECCAN BEARINGS LIMITED

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### 4. DIRECTORS:

Mr. Kiran N. Vora and Mr. Barukh William Christian, Directors retire by rotation and are being eligible, offer themselves for re-appointment.

Independent Directors, Mr. Rajeev D. Shenvi and Mr. Mahesh S. Parab are proposed to be appointed as independent directors at the ensuing Annual General Meeting for the period of five years from 30.09.2014. they are not liable to retire by rotation. The necessary resolutions are placed before the members for consideration and approval.

### DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm that :

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

### 6. AUDITORS:

The Auditors M/s D. V. Vora & Co. Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013.

### 7. PARTICULARS OF EMPLOYEES:

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

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

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

### 9. APPRECIATION:

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

For and on behalf of the Board of Directors

Sd/-  
KIRAN N.VORA  
Managing Director

Mumbai, Dated: 2<sup>nd</sup> September, 2014



## DECCAN BEARINGS LIMITED

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### ANNEXURE - I

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

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

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

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

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

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

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

**3. FUTURE PLAN OF ACTION:**

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

**4. EXPENSES ON R & D**

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

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

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

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

1. Foreign Exchange Earnings [Export of Goods(F.O.B.)]	:	Nil	(Nil)
2. Foreign Exchange Outgo	:		
Imports			
Traveling		Rs. 2,26,859/-	(Rs.1,12,757/-)
Raw – Materials on C.I.F.		Nil	(Nil)
Trading Goods on C.I.F.		Rs.1,11,20,644/-	(Rs.1,67,44,128/-)

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

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

**Mumbai, Dated: 2<sup>nd</sup> September, 2014**

## **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 31st March, 2014, 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 Management is responsible for 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 Standards notified under the Companies Act 1956 ("the Act"), which continue to be applicable in respect of Section 133 of the Companies Act 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 auditor's 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

#### **Opinion**

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

## **DECCAN BEARINGS LIMITED**

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### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act, read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013..
  - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**FOR D.V.VORA & CO.  
Chartered Accountants  
FRN.111624W**

**Sd/-  
[D.V.VORA]  
Partner M.No.30013**

**Mumbai, Dated: 2<sup>nd</sup> September, 2014**

## DECCAN BEARINGS LIMITED

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditor's Report to the Members of **Deccan Bearings Limited** for the year ended March 31, 2014, We report that:

- 1] (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) As per the information and explanations given to us, the management at reasonable intervals carries out the physical verification of the fixed assets. The discrepancies noticed on such verification, which were not material, have been appropriately dealt with in the accounts.  
(c) During the year, there was no disposal of the Fixed Assets of the Company.
- 2] (a) As per the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion, the Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the Books of Accounts.
- 3] (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered under register maintained under section 301 of the Act.  
(b) As per the information and explanations given to us, the Company has taken unsecured loans from Companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The details of such unsecured loans taken are as under:

Nature & No. of Parties	Nature of Transaction	Balance as on 31 March, 2013 (Rs.)	Maximum balance standing during the year (Rs.)
Inter Corporate Deposit No (1)	Loan Taken	8,28,062	9,41,062
Share holders No. (4)	Loan Taken	17,35,000	17,35,000

- (c) In our opinion, the loan taken is free of interest and on such terms and conditions which are prima facie not prejudicial to the interest of the company.
- (d) We have been informed that the said loan is repayable as stipulated.
- 4] In our opinion and according to the information and explanation given to us, there are adequate internal procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods & services. During the course of our audit no major weakness has been noticed in the internal controls and there is no continuing failure for the same.
- 5] (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered,  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year are reasonable having regard to the prevailing market prices at the relevant time.
- 6] In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- 7] According to the information and explanations given to us, the Company has no internal audit system commensurate with its size and nature of its business.

## DECCAN BEARINGS LIMITED

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

**FOR D.V.VORA & CO.**  
**Chartered Accountants**  
**FRN.111624W**

Sd/-  
**[D.V.VORA]**  
**Partner M.No.30013**

**Mumbai, Dated: 2<sup>nd</sup> September, 2014**

**DECCAN BEARINGS LIMITED**
**BALANCE SHEET AS AT 31 ST MARCH 2014**

PARTICULARS		NOTE NO.	AS AT 31 MARCH, 2014	AS AT 31 MARCH, 2013
<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	13,814,527	14,123,738
			35,647,867	35,957,078
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-term borrowings	4	3,377,101	4,091,135
	(b) Deferred tax liabilities (net)		911,273	1,048,080
	(c) Other long-term liabilities	5	2,600,974	3,089,821
			6,889,348	8,229,036
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(a) Trade payables		4,153,071	9,005,423
	(b) Other current liabilities	6	3,241,696	2,609,130
			7,394,767	11,614,553
			49,931,982	55,800,667
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	(a) Fixed assets			
	(i) Tangible assets	7	9,852,604	10,433,905
	(b) Non-current investments	8	121,100	124,700
	(c) Long-term loans and advances	9	1,014,416	1,851,913
	(d) Other non-current assets		8,896,112	9,115,589
			19,884,232	21,526,107
<b>2</b>	<b>CURRENT ASSETS</b>			
	(a) Inventories	10	8,984,488	9,235,301
	(b) Trade receivables	11	16,927,587	19,254,743
	(c) Cash and cash equivalents	12	4,085,324	5,444,355
	(d) Short-term loans and advances	13	30,000	324,915
	(e) Other current assets	14	20,351	15,246
			30,047,750	34,274,560
			49,931,982	55,800,667
<b>NOTES ON FINANCIAL STATEMENTS</b>		1 TO 30		
<p><b>The notes form an integral part of these financial statement</b>  As per our report of even Date  <b>For D. V. VORA &amp; CO.</b>  Chartered Accountants  (FRN.111624W)</p> <p><b>For and on behalf of the Board of Directors</b></p> <p><b>Sd/-</b>  <b>D. V. VORA</b>  Partner (M.No.30013)</p> <p><b>Sd/-</b>  <b>KIRAN N.VORA</b>  Managing Director</p> <p><b>Sd/-</b>  <b>B. W. CHRISTIAN</b>  Executive Director</p> <p>Place : MUMBAI  Date : 2nd September, 2014</p> <p>Place : MUMBAI  Date : 2nd September, 2014</p>				

**DECCAN BEARINGS LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH, 2014**

PARTICULARS		NOTE NO.	For the year ended 31 MARCH, 2014	For the year ended 31 MARCH, 2013
1	Revenue from operations (gross) Less: Excise duty Revenue from operations (net)	15	43,837,513 43,837,513	51,157,005 (1,032,101) 50,124,904
2	Other income	16	1,399,379	477,750
3	<b>Total revenue (1+2)</b>		<b>45,236,892</b>	<b>50,602,654</b>
4	<b>Expenses</b>			
	(a) Cost of materials consumed	17	-	287,096
	(b) Purchases (Trading)		30,377,773	32,651,365
	(c) Changes in inventories of finished goods, work-in-progress	18	272	4,787,103
	(d) Employee benefits expense	19	4,132,685	3,731,468
	(e) Finance costs	20	219,780	350,520
	(f) Depreciation and amortisation expense		848,948	1,003,764
	(g) Other expenses	21	10,054,617	8,119,343
	<b>Total expenses</b>		<b>45,634,075</b>	<b>50,930,659</b>
5	<b>Profit / (Loss) before tax (3 - 4)</b>		<b>(397,183)</b>	<b>(328,005)</b>
6	<b>Tax expense:</b>			
	(a) Excess/(Short) provision for tax related to prior years		181,245	-
	(b) Deferred Tax Asset / (Liability)		136,807	118,850
			<b>318,052</b>	<b>118,850</b>
7	<b>Profit / (Loss) from continuing operations (9 ±10)</b>		<b>(79,131)</b>	<b>(209,155)</b>
8	<b>Profit / (Loss) for the year</b>		<b>(79,131)</b>	<b>(209,155)</b>
9	<b>Earnings per share:</b>		<b>(0.04)</b>	<b>(0.10)</b>
	<b>NOTES ON FINANCIAL STATEMENTS</b>	1 TO 30		

The notes form an integral part of these financial statement

As per our reports of even Date

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

Chartered Accountants

(FRN.111624W)

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

**Sd/-**

**D. V. VORA**

Partner M.No.30013

**Sd/-**

**KIRAN N.VORA**

Managing Director

**Sd/-**

**B. W. CHRISTIAN**

Executive Director

Place : MUMBAI

Date : 2nd September, 2014

Place : MUMBAI

Date : 2nd September, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014  
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

		For the year ended 31st March, 2014		For the year ended 31st March, 2013
	Rupees	Rupees	Rupees	Rupees
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before tax and Extraordinary Items		(397,183)		(328,005)
Adjustments for Depreciation	848,948		1,003,764	
Investment Income	(203,208)		(152,417)	
Interest and Financial charges	219,780		350,520	
Insurance claim/Sundry amount written off	(1,196,171)		(237,135)	
(Profit) / Loss on sale of Fixed Assest	-		-	
Preliminary Exp. W/Off	-	(330,651)	-	964,732
<b>Operating profit before working capital Changes</b>		<b>(727,834)</b>		<b>636,727</b>
Adjustments for:				
Trade and other receivables	3,694,291		(3,259,648)	
Inventories	250,813		4,881,163	
Trade Payables	(4,708,633)	(763,529)	4,433,668	6,055,183
<b>Cash generated from operations</b>		<b>(1,491,363)</b>		<b>6,691,910</b>
Interest paid	(219,780)		(350,520)	
Direct tax paid	(20,351)		(43,146)	
		(240,131)		(393,666)
<b>Cash flow before extraordinary items</b>		<b>(1,731,494)</b>		<b>6,298,244</b>
Extraordinary items (Sundry amount written off)		1,196,171		237,135
<b>Net cash from operating activities</b>		<b>(535,323)</b>		<b>6,535,379</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(497,727)		-	
Sale of Fixed Assets	-		-	
Investment in Shares/Mutual Fund	3,600		-	
Interest earned	203,208		152,417	
<b>Cash from investing activities</b>		<b>(290,919)</b>		<b>152,417</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Borrowing/ (Repayment) of long term liabilities	(532,789)		(2,424,717)	
<b>Cash from financing activities</b>		<b>(532,789)</b>		<b>(2,424,717)</b>
Net Increase/(Decrease) in cash and cash equivalents		(1,359,031)		4,263,079
Cash and cash equivalents as at 31/03/13		5,444,355		1,181,276
Cash and cash equivalents as at 31/03/14		4,085,324		5,444,355

For and on behalf of the Board

**Mumbai, Dated:** 2nd September, 2014

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

**Sd/-**  
**B. W. CHRISTIAN**  
Executive Director



## DECCAN BEARINGS LIMITED

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### NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2014

#### 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 1956.

**(b) USE OF ESTIMATE:**

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

**(c) REVENUE RECOGNITION:**

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

**(d) FIXED ASSETS:**

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

**(e) DEPRECIATION:**

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

**(f) INVESTMENTS:**

Investments are stated at cost.

**(g) INVENTORIES:**

Inventories are valued as under, after providing for obsolescence.

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

(h) **RETIREMENT BEFEFITS:**

i]**Gratuity Liability a defined benefit scheme:** Except Mumbai Office, All employees are covered under Employee Gratuity Scheme. The Company contributes to the Fund on the basis of the year-end liability actuarially determined in pursuance of the Scheme.

The Company has not made full provision in the Books of Accounts, since no actuarial valuation in respect of Mumbai office employees are done by the Company at the end of the Financial Year.

ii]**Provident Fund:** Provident Fund contributions are made to Government Provident Fund Authority are charged to revenue.

iii]**Employees Pension Scheme:** Contribution to employees Pension Scheme 1995 is made to Government Provident Fund Authority are charged to revenue.

(i) **FOREIGN CURRENCY TRANSACTION:**

Realised gains and losses on Foreign exchange transactions pertaining to current assets and current liabilities are recognized in the Profit and Loss Account.

(j) **TAXATION :**

I] **CURRENT TAX**

Provision for Current income tax liability is made on estimated taxable income under Income Tax Act, 1961 after considering permissible tax exemption, deductions and disallowances.

II] **DEFERRED 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.

**DECCAN BEARINGS LIMITED**

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st <b>MARCH,2014</b>	As at 31st <b>MARRH,2013</b>
Rupees	<b>Rupees</b>	Rupees
<b>NOTE NO. 2</b>		
<b>SHARE CAPITAL :</b>		
AUTHORISED :		
32,50,000 EQUITY SHARES OF Rs. 10/- EACH	32,500,000	32,500,000
ISSUED, SUBSCRIBED & PAID UP :		
21,83,334 EQUITY SHARES OF Rs 10/- EACH	21,833,340	21,833,340
	<u>21,833,340</u>	<u>21,833,340</u>

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

<u>NAME OF THE PERSONS</u>	<u>NO. OF SHARES</u>	<u>PERCENTAGE %</u>	<u>NO. OF SHARES</u>	<u>PERCENTAGE %</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 SHARES</u>	<u>AMOUNT OF SHARES</u>	<u>NO. OF SHARES</u>	<u>AMOUNT OF 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

**NOTE NO. 3****RESERVES & SURPLUS**

## {1} CAPITAL RESERVE :

[ CENTRAL & STATE SUBSIDY FOR PROJECT IN BACKWARD AREA]  
BALANCE AS PER LAST BALANCE SHEET

1,993,298      1,993,298

## {2} REVALUATION RESERVES

BALANCE AS PER LAST BALANCE SHEET

2,693,328

2,923,408

LESS: TRANSFERED FROM PROFIT AND LOSS ACCOUNT

i) FOR ADJUSTED DEPRECIATION

230,080230,080

2,463,248      2,693,328

## {3} SHARE PREMIUM

BALANCE AS PER LAST BALANCE SHEET

6,000,000

6,000,000

## {4} GENERAL RESERVES :

BALANCE AS PER LAST BALANCE SHEET

6,850,0006,850,000

17,306,546      17,536,626

## {5} PROFIT AND LOSS ACCOUNT

ADD PROFIT DURING THE YEAR

-3,412,888

-3,203,733

-79,131

-209,155

-3,492,019      -3,412,888

**TOTAL      13,814,527      14,123,738**

**DECCAN BEARINGS LIMITED**

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st <b>MARCH,2014</b> Rupees	As at 31st <b>MARCH,2013</b> Rupees
<b>NOTE NO.4</b>		
<b>{1} LONG TERM BORROWINGS</b>		
<b>{A} TERM LOAN FROM BANK (SECURED)</b>		
{a} FROM : KOTAK MAHINDRA PRIME LTD CAR LOAN ACCOUNT WITH KOTAK MAHINDRA PRIME LTD. {SECURED AGAINST HYPOTHECATION OF HONDA CIVIC CAR FOR 59 MONTHS , COMMANCING FROM MARCH 2010 AND LAST INSTALLMENT DUE ON JANUARY 2015 AT MONTHLY INSTALLMENT OF RS.20565 AT RATE OF INTEREST @9.23%}	-	197,297
{b} FROM : KOTAK MAHINDRA PRIME LTD CAR LOAN ACCOUNT WITH KOTAK MAHINDRA PRIME LTD. {SECURED AGAINST HYPOTHECATION OF PASSAT CAR} FOR 59 MONTHS , COMMANCING FROM FEBRUARY 2012 AND LAST INSTALLMENT DUE ON DECEMBER 2016 AT MONTHLY INSTALLMENT OF RS.45520 AT RATE OF INTEREST @10.40%}	814,039	1,217,776
<b>{B} LOANS AND ADVANCE FROM RELATED PARTIES (UNSECURED)</b>		
{a} FROM OTHERS	1,735,000	1,735,000
{b} FROM ASSOCIATES	828,062	941,062
	<u>3,377,101</u>	<u>4,091,135</u>
<b>NOTE NO.5</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
{a} TRADE PAYABLES	1,261,095	1,292,878
{b} OTHERS		
{1} PROVISION FOR TAXATION (NET OF ADVANCE TAX & TDS)	-	181,246
{2} ADVANCE FROM CUSTOMERS	268,603	277,735
{3} OTHER PAYABLES	1,071,276	1,337,962
	<u>2,600,974</u>	<u>3,089,821</u>
<b>NOTE NO.6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
{a} CURRENT MATURITY OF LONG TERM LIABILITES		
{1} FROM : KOTAK MAHINDRA PRIME LTD	197,297	217,838
{2} FROM : KOTAK MAHINDRA PRIME LTD	403,737	364,459
{b} STATUTORY LIABILITIES		
{1} PROVIDENT FUND	2,752	4,283
{2} TAX DEDUCTED AT SOURCE	39,661	32,379
{3} PROFESSION TAX	30,865	27,245
{4} VAT AND CST	4,319	286,232
{c} OTHERS	2,563,065	1,676,694
	<u>3,241,696</u>	<u>2,609,130</u>

## NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

## FIXED ASSETS

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

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

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

**DECCAN BEARINGS LIMITED**

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH, 2014

	As at 31st <b>MARCH,2014</b>	As at 31st <b>MARCH,2013</b>
Rupees	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 ( DEPOSITED WITH GOVERNMENT AND LOCAL AUTHORITY.)	1,100	1,100
<b>OTHER THAN TRADE</b>		
{i} QUOTED		
a] NIL (PREVIOUS YEAR 1215) EQUITY SHARES OF Rs.2/- EACH OF ABB LTD. (MARKET VALUE Rs.NIL ; PREVIOUS YEAR Rs.594742/-)	-	3,600
b]243 EQUITY SHARES OF Rs.10/- EACH OF ALSTOM PROJECTS INDIA LTD (MARKET VALUE Rs.101926/- ; PREVIOUS YEAR Rs.77335/-)	-	-
c]SBI INFRASTRUCTURE FUND (MARKET VALUE Rs.76080/- ; PREVIOUS YEAR Rs.72780/-)	100,000	100,000
{ii} UNQUOTED		
1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA BEARINGS LTD.	16,000	16,000
1000 EQUITY SHARES OF Rs.10/- EACH OF KANSARA MODLER LTD.	4,000	4,000
	<b>121,100</b>	<b>124,700</b>
<b>NOTE NO.9</b>		
<b>LONG TERM LOAN &amp; ADVANCES</b>		
(UNSECURED CONSIDERED GOOD)		
{1} SECURITY DEPOSITS	655,340	944,228
{2} LOAN & ADVANCES	343,830	907,685
{3} ADVANCE TAX (NET OF PROVISIONS)	15,246	-
	<b>1,014,416</b>	<b>1,851,913</b>
<b>NOTE NO.10</b>		
<b>INVENTORIES</b>		
( AS VALUED AND CERTIFIED BY DIRECTORS )		
{1} WORK IN PROGRESS	1,231,741	1,710,966
{2} FINISHED GOODS		1,373,320
{3} TRADED GOODS	7,198,523	5,346,250
{4} PACKAGING MATERIALS	554,224	804,765
	<b>8,984,488</b>	<b>9,235,301</b>
<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	2,972,481	258,882
{2} OTHERS	13,955,106	18,995,861
	<b>16,927,587</b>	<b>19,254,743</b>
<b>NOTE NO.12</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
{1} BALANCE WITH BANKS	819,265	592,699
{2} CASH ON HAND	32,459	339,056
{3} BALANCE WITH BANK IN MARGIN MONEY	233,600	712,600
{4} TERM DEPOSIT	3,000,000	3,800,000
	<b>4,085,324</b>	<b>5,444,355</b>
<b>NOTE NO.13</b>		
<b>SHORT TERM LOAN AND ADVANCES</b>		
{1} DUES FROM EMPLOYEES	30,000	324,915
	<b>30,000</b>	<b>324,915</b>
<b>NOTE NO.14</b>		
<b>OTHER CURRENT ASSETS</b>		
{1} ADVANCE INCOME TAX (NET OF PROVISION FOR TAXATION)	20,351	15,246
	<b>20,351</b>	<b>15,246</b>
<b>NOTE NO.15</b>		
<b>REVENUE FROM OPERATION</b>		
<b>SALES OF BEARINGS</b>		
{1} MANUFACTURING SALES	-	6,589,240
{2} TRADING SALES	43,837,513	44,567,765
	<b>43,837,513</b>	<b>51,157,005</b>

**DECCAN BEARINGS LIMITED**

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31st MARCH,2014	As at 31st MARCH,2013
Rupees	Rupees	Rupees
<b>NOTE NO.16</b>		
<b>OTHER INCOME</b>		
{a} INTREREST ON LC MARGIN & FDS (TDS RS.20351/-, PREVIOUS YEAR RS.15246)	203,208	148,772
{b} DIVIDEND	-	3,645
{c} SALE OF LICENSE	-	88,198
{d} PROFIT ON SALES OF SHARES	974,145	-
{e} INTEREST ON LATE PAYMENT	203,091	-
{f} SUNDRY AMOUNT WRITTEN BACK	-	237,135
{g} OTHERS	18,935	-
	<u>1,399,379</u>	<u>477,750</u>
<b>NOTE NO.17</b>		
<b>COST OF MATERIALS CONSUMED</b>		
ROLLERS & OTHERS	-	285,396
CONSUMABLES	-	1,700
	<u>-</u>	<u>287,096</u>
<b>CONSUMPTION OF IMPORTED &amp; INDIGENOUS</b>		
	<b>CURRENT YEAR 2013-2014</b>	<b>PREVIOUS YEAR 2012-2013</b>
	<b>VALUE %</b>	<b>VALUE %</b>
IMPORTED	0.00	0
INDIGENOUS	0.00	287096
	<u>0</u>	<u>287096</u>
	<u>0.00</u>	<u>100.00</u>
<b>NOTE NO.18</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>OPENING STOCK</b>		
{a} FINISHED GOODS	1,373,320	4,545,853
{b} WORK IN PROGRESS	1,710,966	2,524,522
{c} TRADED GOODS	5,346,250	6,147,264
	(a) <u>8,430,536</u>	<u>13,217,639</u>
<b>CLOSING STOCK</b>		
{a} FINISHED GOODS	-	1,373,320
{b} WORK IN PROGRESS	1,231,741	1,710,966
{c} TRADED GOODS	7,198,523	5,346,250
	(b) <u>8,430,264</u>	<u>8,430,536</u>
<b>CHANGES IN INVENTORIES</b>	(a-b) <u>272</u>	<u>4,787,103</u>
<b>NOTE NO.19</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
{a} SALARIES & WAGES	3,022,468	2,609,125
{b} DIRECTORS REMUNARATION	952,504	952,504
{c} CONTRIBUTION TO PROVIDENT FUND AND OTHER SCHEMES	40,163	60,811
{c} WELFARE EXPENSES	117,550	109,028
	<u>4,132,685</u>	<u>3,731,468</u>
<b>NOTE NO.20</b>		
<b>FINANCIAL COST</b>		
{a} INTEREST ON BANK LOAN	263	6,335
{b} INTEREST ON OTHERS	174,723	237,785
{c} BANK CHARGES	44,794	106,400
	<u>219,780</u>	<u>350,520</u>

**DECCAN BEARINGS LIMITED**

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

	As at 31th <b>MARCH,2014</b> <b>Rupees</b>	As at 31st <b>MARCH,2013</b> <b>Rupees</b>
<b>NOTE NO.21</b>		
<b>OTHER EXPENSES</b>		
ADVERTISEMENT	26,800	41,333
ANNUAL LISTING FEES	16,854	16,854
AUDITOR'S REMUNERATION		
{i} AUDIT FEES	35,000	30,000
{ii} TAX AUDIT FEES	25,000	25,000
{iii} TAXATION MATTERS	63,596	57,360
BANK CHARGES	196,748	206,381
CONVEYANCE	42,696	31,910
DISCOUNT	2,229,298	2,474,212
ELECTRICITY & POWER CHARGES	382,241	344,216
FREIGHT OUTWARD	53,365	133,012
FREIGHT INWARD	58,795	43,235
INSURANCE CHARGES	75,617	38,877
LEGAL & PROFESSIONAL FEES	466,319	575,399
PACKING MATERIALS	855,389	359,287
PROCESSING CHARGES	-	5,673
POSTAGE & TELEGRAPH	54,056	60,254
PRINTING & STATIONERY	141,994	71,420
RENT, RATES & TAXES	814,157	1,043,894
REPAIRS TO OTHERS	298,439	45,220
SALES PROMOTION	1,429,634	660,396
TELEPHONE CHARGES	223,782	200,222
TRAVELLING	1,443,048	1,008,144
VEHICLE EXPENSES	357,694	325,614
MISCELLANEOUS EXPENSES	764,095	321,430
	<b>10,054,617</b>	<b>8,119,343</b>



**DECCAN BEARINGS LIMITED****NOTE NO.22****Auditors' Remuneration and expenses charged to the accounts:**

	<b>2013-2014 Rs.</b>	<b>2012-2013 Rs.</b>
Audit Fees	35,000	30,000
Tax-Audit Fees	25,000	25,000
Taxation Matters	63,596	57,360

**NOTE NO.23****EXPENDITURE IN FOREIGN CURRENCY:**

Traveling expenses	Rs. 2,26,859/-	( Rs. 1,12,757 )
Imports		
(Trading Goods on C.I.F.)	Rs.1,11,20,644/-	( Rs. 1,67,44,128 )

**NOTE NO.24****EARNINGS IN FOREIGN EXCHANGE:**

Export of Goods (F.O.B)	NIL	(NIL)
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**NOTE NO.25****RELATED PARTIES DISCLOSURES :**

- 1] Relationship :
- (a) Associates :
- Deccan Bearings Marketing Pvt. Limited
- (b) Key management personnel
- Kiran N. Vora, Managing Director
- B. W. Chrisitan, Director
- (c) Relatives :
- Malini M. Vora
- Mukesh N. Vora (HUF)
- Nirupa M. Vora
- Nirupa M. Vora (HUF)

**2] Transactions with Related parties (amount in Rupees):**

<b>PARTICULARS</b>	<b>ASSOCIATES</b>		<b>KEY MANAGEMENT PERSONNEL</b>		<b>RELATIVES</b>	
	<b>2013-2014</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2012-2013</b>
LOANS	8,28,062/-	9,41,062/-			17,35,000/-	17,35,000/-
REMUNARATION			9,52,504/-	9,52,504/-		
PERQUISITES			2,28,910/-	2,32,478/-		
CONTRIBUTION TO PROVIDEND FUND			12,888/-	12,888/-		
TOTAL REMUNATION			11,94,302/-	11,97,870/-		

**DECCAN BEARINGS LIMITED**

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**NOTE NO.26****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.27****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, 2014

	2013-14 Amount Rs.	2012-13 Amount Rs.
Profit/ (Loss) available to equity shareholders	(79,131)	(2,09,155)
Weighted average no. of equity share for basic EPS	21,83,334	21,83,334
Nominal value of equity shares	Rs.10	Rs.10
Earning Per Share (Basic/Diluted)	-0.04	-0.10

**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

**For D.V.VORA & CO.**  
**Chartered Accountant**  
**(FRN.111624W)**

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

**SD/-**  
**(D.V.VORA)**  
**Partner M.No.30013**  
**Mumbai, Dated: 2<sup>nd</sup> September,2014**

**SD/-**  
**B. W. CHRISITAN**  
**Executive Director**  
**Mumbai, Dated: 2<sup>nd</sup> September,2014**

## DECCAN BEARINGS LIMITED

Regd. Office:315/321 Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 Tel. no. 22852552,22044159  
CIN No.L29130MH1985PLC035747

### ATTENDANCE SLIP

DP ID*	
CLIENT ID*	

FOLIO NO.	
NO. OF SHARES	

NAME AND ADDRESS OF SHARE HOLDER

I/we hereby record my/our presence at the **29<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company at B.U.J. Hall, 23/25, Prospect Chambers Annex, 2<sup>nd</sup> Floor, 317, D.N. Road, Fort, MUMBAI – 400 001 on Tuesday, 30<sup>th</sup> September 2014 at 11 a.m.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

\*Applicable for investors holding shares in electronic form.

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## DECCAN BEARINGS LIMITED

Regd. Office:315/321 Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 Tel. no. 22852552,22044159  
CIN No.L29130MH1985PLC035747

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of member(s):		e-mail Id:	
Registered address:		Folio No/*Client Id:	
		*DP Id:	

I/we, being the holder(s) of .....shares of the above named company, hereby appoint

1. ----- of ----- having e-mail Id ----- or failing him
2. ----- of ----- having e-mail Id ----- or failing him
3. ----- of ----- having e-mail Id -----

And whose signature(s) are appended below as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **29<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, 30<sup>th</sup> September 2014 at 11.00a.m. at B.U.J. Hall, 23/25, Prospect Chambers Annex, 2<sup>nd</sup> Floor, 317, D.N. Road, Fort, MUMBAI – 400 001 and at any adjournment thereof in respect of such resolution below:

\*\* I wish my above Proxy to vote in the manner as in the box below.

SR.No.	Description	Assent (FOR)	Dissent (AGAINST)
	<b>ORDINARY BUSINESS :</b>		
1.	Adoption of the Financial Statement for the year ended 31 <sup>st</sup> March 2014 ( <b>Ordinary Resolution</b> )		
2.	Re-appointment of Mr. Kiran Nagindas Vora, who retires by rotation ( <b>Ordinary Resolution</b> )		
3.	Re-appointment of Mr. Barukh William Christian, who retires by rotation ( <b>Ordinary Resolution</b> )		
4.	Appointment of M/s. D. V. Vora & Co., Chartered Accountants as Auditors and fixing their remuneration ( <b>Ordinary Resolution</b> )		
	<b>SPECIAL BUSINESS :</b>		
5.	Appointment of Mr. Rajeev D. Shenvi as an Independent Director ( <b>Ordinary Resolution</b> )		
6.	Appointment of Mr. Mahesh S. Parab as an Independent Director ( <b>Ordinary Resolution</b> )		

\*Applicable for investors holding shares in electrical form.

P.T.O.

----- ✂ ----- ✂ ----- ✂ ----- ✂ ----- ✂ -----

Signed this ..... day of .....2014.

.....  
Signature of Share-holder(s)

Affix  
Revenue  
Stamp

.....  
Signature of first Proxy-holder

.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

NOTES:

1. 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.
2. A proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\*4. This is only optional. Put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitle to vote in the manner as he/she thinks appropriate.
5. Appointing proxy does not prevent a member from attending in person if he so wishes.
6. In the case of joint holders, the signature of any holder will be sufficient, but name of all the joint holders should be stated.