

DECCAN BEARINGS LIMITED

**31ST
ANNUAL REPORT
2015 - 2016**

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

❖ Mr. Kiran Nagindas Vora	Managing Director
❖ Mr. Barukhbhai Willliambhai Christian	Whole-Time Director**
❖ Mr. Rajeev Damodar Shenvi	Non- Executive Director
❖ Mr. Abhay Vipin Kothari	Non- Executive Director
❖ Mr. Mahesh Parab	Non- Executive Director
❖ Mrs. Kavita S. Pawar	Non- Executive Director ***
❖ Ms. Archana Yashwant Mhatre	Executive- Director*

** Mr. Barukhbhai Willliambhai Christian *resigned from the Directorship of the Company w.e.f. 01st June, 2016*

*Ms. Archana Yashwant Mhatre *resigned from the Directorship of the Company w.e.f. 24th May, 2016*

*** Mrs. Kavita S. Pawar Appoinetd as Independence Director of the Company w.e.f 24th May, 2016

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)

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

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF DECCAN BEARINGS LIMITED WILL BE HELD AT B.U.J. Hall 23/25, PROSPECT CHAMBERS ANNEX, 2ND FLOOR, 317, D. N. ROAD, FORT, MUMBAI - 400 001 ON FRIDAY THE 5TH AUGUST, 2016 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, 2016 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. Kiran Vora, (DIN: 00108607), who retires by rotation and being eligible, offers himself for re- appointment.
3. To ratify the re-appointment of **M/s. D.V.Vora & CO. Chartered Accountants**, Auditors 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, the Company hereby ratifies the appointment of **M/s. D. V. Vora & Co, Chartered Accountants (Registration No. 111624W)**, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 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.”

SPECIAL BUSINESS:

4. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

Appointment of Mrs.Kavita S. Pawar (DIN: 02717275) as an Independent Director

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force. Mrs.Kavita S. Pawar (DIN: 02717275) who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years.”

5. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation by Nomination and Remuneration Committee and Audit Committee , consent of the Members be and is hereby accorded for increase in the remuneration of **Mr. KIRAN NAGINDAS VORA (DIN: 00108607)**, Managing Director of the company. Payment of Remuneration approved as under:

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- 1) **Salary:** Rs. 2,00,000 Per Month with such annual Increment as may be determined by Board of Director of the company from time to time excluding Perquisite mentioned in Explanatory statement.
- 2) **Perquisite:** As per the details mentioned in the explanatory statement.

RESLOVED FURTHER THAT any of the directors of the Company be and are hereby severally authorized to do such acts, deeds and things, to execute all such documents, instruments, Writings as may be required to give effect to this resolution."

By Order of the Board of Directors

Sd/-

Kiran Vora
Managing Director
DIN: 00108607

Place: Mumbai
Date: 1ST July, 2016

CIN: L29130MH1985PLC035747

Registered office:

315/321 Prospect Chambers,
Dr D N Road, Fort
Mumbai - 400 001

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 **30th July, 2016 to 5th August, 2016** (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.

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 Members are requested to go through Notice carefully as mentioned above.

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

- (i) The voting period begins on 02nd August, 2016 and 11.00 A.M and ends on 04th August, 2016 and 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 29th July, 2016 may 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.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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 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:

	For Members holding shares in Demat Form and Physical Form
PAN	For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.

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	<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"> 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.
<p>Dividend Bank Details</p> <p>OR Date of Birth (DOB)</p>	<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"> 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).

- (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 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 Bearing 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 on or after 30th June 2016. 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 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.
- 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.
- The list of accounts linked in the login should be mailed to 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

- (xxii) 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.
- (xxiii) 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.
- (xxiv) The Results shall be declared on the date of AGM of the Company. The Results declared alongwith 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 1.00 P.M. on all days except Saturday, Sunday and public holidays.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Section 149 inter alia stipulates the criteria of Independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of Section 149 of the Companies Act, 2013, Mrs. Kavita Pawar is eligible to be appointed as an Independent Director of the Company by passing an Ordinary Resolution.

The Company has received request in writing from a member of the company proposing her candidature for appointment as Director (Independent) of the Company along with requisite deposit. Also, the Company has received a declaration from Mrs. Kavita Pawar that she meets with the criteria of Independence as prescribed under Section 149 (6) of Companies Act, 2013. Mrs. Kavita Pawar possesses diversified skills, experience and knowledge, inter alia, in the field of Law.

Brief resume of Mrs. Kavita Pawar, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees as stipulated under Regulation 27 under SEBI(Listing Obligation and Disclosure requirement)Regulations, 2015, has been provided in the statement attached in the details of "Details of the Directors seeking appointment /re-appointment in forthcoming Annual General Meeting" forming part of the Explanatory Statement. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mrs. Kavita Pawar is appointed as an Independent Director for a period of 5 years from the date of Annual General Meeting.

Save and except Mrs. Kavita Pawar, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors of your Company recommends the Resolutions for your approval.

None of the Directors are in anyway concerned or interested in the proposed resolution.

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Name	Ms. Kavita Pawar
Age	40
Appointment on	24 th May, 2016
Qualifications	Graduation
Directorship of other Companies	12
Chairman / Member of the Committees of the board of the Companies on which he is a Director	Member of Board Committee Audit Committee: 3 Nomination and Remuneration Committee: 3 Independence Meeting: 2 Stakeholder Committee: 3
Shareholding of the Director in Deccan Bearings Limited	Nil

Item No. 5

The member may note that based on the recommendations by the Nomination and Remuneration committee the board of directors of the company at their meeting held on 1st July, 2016 approved to increase of remuneration of **Kiran Nagindas Vora**, Managing Director of the company under the provision of Companies Act, 2013. He is currently drawing remuneration of Rs. 11,62,616 during the financial year 2015-2016.

Since the company is operating in the loss and has the negative effective capital, the above proposal requires approval of shareholder of the company. Hence the proposal is laid before the shareholders for their approval through special resolution.

Salary : Salary within range of Rs. 2,00,000- Per month as decided by Board of Directors from time to time i.e. with effect from 1st April, 2016.

Perquisites: In addition to the above salary the following perquisites not exceeding the overall ceiling prescribed under Schedule V will be provided to him.

1) Housing : Free residential accommodation or house rent allowance in lieu thereof or house maintenance allowance along with benefit of gas, electricity, water and furnishings.

2) Medical Reimbursement: Reimbursement of medical expenses for self and family.

3) Leave Travel Allowance: For self & family in accordance with the Rules of the Company

4) Club Fees : Club Fees, subject to a maximum of two clubs.

5) Personal Accidental Insurance: He shall also be entitled for Insurance.

Apart from above Mr. Kiran N. Vora also be entitled to the following

Company's contribution to Provident Fund: As per Rules of the Company

Gratuity : As per Rules of the Company

Company's car & Driver : Use of Company car & driver on Company's business & personal use.

Residential Telephone : The Company shall provide telephone facility at his resident. Telephone facility at the resident will not be considered as perquisite. Personal long distance calls will be billed by the Company to Mr. Kiran N. Vora.

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a) In calculating the above ceiling, perquisites shall not be evaluated as per the Income Tax Rules, wherever applicable. In the absence on any such rules the perquisites shall be evaluated at actual costs.

b) Company's contribution to Provident Fund (not exceeding the limit laid down under existing rules thereof) shall not be included in the computation of limits of remuneration aforesaid.

c) Gratuity as per Company's rules shall also not be included in the computation of limits for remuneration aforesaid .

The Board of Directors recommended the above resolution for your approval.

Mr. Kiran N. Vora Managing Director may be deemed to be concerned or interested in this resolution.

None of the other Directors of the Company are, in any way, concerned or interested in this resolution.

By Order of the Board of Directors

Sd/-

Kiran Vora
Managing Director
DIN: 00108607

Place: Mumbai
Date: 1st July, 2016

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DIRECTORS REPORT

To,
The Members,
DECCAN BEARINGS LIMITED

Your Directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

FINANCIAL RESULTS

Particulars	March 31, 2016	March 31, 2015
Net Profit/ Net Loss Before Providing for Depreciation	(1,55,822)	(5,14,547)
Less: Depreciation	12,34,156	15,13,466
Profit after Providing for Depreciation	(13,89,978)	(20,28,013)
Add / (Less) Provision for: A) Deferred Tax B) Income Tax	3,33,515 --	65,742 --
Profit/(Loss) after Taxation	(10,56,463)	(19,62,271)
Add: Balance brought forward from previous year	(54,54,290)	(34,92,019)
Add: Excess Provision for Tax for Earlier	NIL	NIL
Balance Carried to Balance Sheet	(65,10,753)	(54,54,290)

OPERATIONAL REVIEW:

Gross revenues has decreased to Rs. 1,43,27,833, against Rs. 3,52,83,068 in the previous year.

The Company has for the year ended 31st March, 2016, made a net loss of Rs 10,56,463 (Previous year Rs. 19,62,271) after providing for taxation.

DIVIDEND

With a view to strengthen the financial position of the Company, your Directors did not recommend any dividend for its equity shareholders.

FIXED 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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has taken / given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION,

A. **Conservation Of Energy:** Not applicable

B. **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.

C. **Technology absorption, adaptation and innovation:**

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

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 as per SEBI (Listing Obligation and disclosure requirements) Regulation, 2015.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

B. Appointment:

During the year 2015-2016, Ms. Kavita Sandeep Pawar (DIN: 02717275) was appointed as an Additional Director on the Board of the Company.

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C. Cessation:

During the year 2015-2016 none of the directors Resigned.

D. Retirement by rotation:

In terms of the provisions of the Companies Act, 2013, Mr. Kiran Vora(DIN: 00108607) 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.

Brief details of Directors proposed to be appointed/re-appointed as required under SEBI (Listing Obligation and disclosure requirement) Regulation, 2015 of the Listing Agreement are provided in the Notice of Annual General Meeting forming part of this Annual Report.

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).

FOREIGN EXCHANGE EARNINGS AND OUT-GO :

1. Foreign Exchange Earnings :	Nil	(Nil)
[Export of Goods(F.O.B.)]		
2. Foreign Exchange Outgo:		
Traveling	53,666	(Nil)
Professional Fees	88,627	(1,19,700)
Imports		
Raw – Materials on C.I.F.	Nil	(Nil)
Trading Goods on C.I.F.	Nil	(70,07,637)

MEETINGS OF THE BOARD:

Seven Meetings of the Board of Directors of the Company were held during the year following.

Sr no.	Date of Board meeting held.
1	30 th April, 2015
2	5 th June, 2015
3	31 st July, 2015
4	31 st October, 2015
5	4 th February, 2016
6	15 th February, 2016
7	23 rd March, 2016

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

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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:

None of the transactions with related parties falls under the scope of section 188(1) of the Companies Act, 2013 Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure "C" in Form AOC-2 and the same forms part of this report.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

SHARE CAPITAL:

During the year 2015-2016 the Company has not made any issue of equity shares with differential voting Rights, Sweat Equity Shares and Employee Stock Option.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

AUDIT COMMITTEE

The Committee met 4 times during the year under review.

Composition and attendance during the financial year ended 31st March, 2016 is as under:

Name of Directors	Designation	Category	No. of Meetings attended
Mr. Rajeev D. Shenvi	Chairman	Independent / Non-Executive	04
Mr. Abhay V. Kothari	Member	Non-Executive	04
Mr. Mahesh Parab	Member	Independent / Non-Executive	04

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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
Mr. Abhay Vipin Kothari	Member	Non Executive Director

The Nomination and Remuneration Committee met 3 times.

The Nomination and Remuneration Committee has formulated a policy relating to the appointment, remuneration and removal of Executive Directors, Key Managerial Personnel and Other Senior Management Personnel of the Company, in accordance with the provisions of Section 178 of the Act.

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 each Director/ to median remuneration of employees
Mr. Abhay Kothari	0	0.00	0
Mr. Rajeev Shenvi	0	0.00	0
Mr. Kiran N. Vora	11,62,616	0.00	131.70
Mr. Barukhbhai W. Christian	3,55,168	0.00	40.23
Mrs. Kavita Pawar	0	0.00	0

1. The Independent Directors do not receive any remuneration except sitting fees.
2. There was no change in the remuneration of any other Key managerial Personnel or Director.
3. The percentage decrease in the median remuneration of the employees in the financial Year was 14.71%
4. As on 31st March 2016 there were a total of 10 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 a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

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.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon is self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company would ensure in future that all the provisions are complied with the fullest extent.

AUDITORS:

At the Annual General Meeting, the Member will be requested to ratify the Re-Appointment of **M/s. D.V.Vora & CO. (Firm Registration No.111624W) Chartered Accountants**, Auditors of the Company and authorize the Board of Directors to fix their Remuneration.

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.

SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed **S.G. and Associates**, a firm of **Company Secretaries in Practice (Mumbai)** to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure A"

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

BUSINESS RISK MANAGEMENT:

The company has framed a risk management policy and the same is available on the website of the Company. The Company believes that risk should be managed and monitored on a continuous basis. As a result, the Company has designed a dynamic risk management framework to allow to manage risks effectively and efficiently, enabling both short term and long term strategic and business objectives to be met.

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 secretary 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 the Board of Directors

Sd/-

**Kiran Vora
Managing Director
DIN: 00108607**

**Place: Mumbai
Date: 1st July, 2016**

Annexure A to Boards Report

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2016

(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 31st March, 2016, 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 31st March, 2016 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;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - 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.
 - The Securities and Exchange Board of India (Listing Obligation and Disclosure and Requirements) Regulation, 2015.

(vi) OTHER APPLICABLE ACTS

- Factories Act, 1948
- Payment Of Wages Act, 1936, and rules made thereunder,
- The Minimum Wages Act, 1948, and rules made thereunder
- Employees' State Insurance Act, 1948, and rules made thereunder,
- 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,
- The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with Bombay Stock Exchange

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

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.

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.

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

Sd/-

**Suhas Ganpule
Practicing Company Secretary
COP No.: 5722
Membership No.: 12122**

Place: Mumbai
Date: 1st July, 2016

‘ANNEXURE A’

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
Practising Company Secretary
COP No.: 5722
Membership No.: 12122

Place: Mumbai
Date: 1st July, 2016

DECCAN BEARINGS LIMITED
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Annexure B to Board's Report

<p>Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31/03/2016 Of DECCAN BEARINGS LIMITED <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"/> 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) If yes, details of stock exchanges where	Stock Exchange Name Bombay Stock Exchange	Code 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)	NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:		
	Company Name	DECCAN BEARINGS LTD	
	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	grievances@deccanbearings.com	
	Website	www.deccanbearings.com	
	Name of the Police Station having jurisdiction where the registered office is situated	Commissioner of Police Office, Dr. D N Road, Fort.	

DECCAN BEARINGS LIMITED
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	Address for correspondence, if different from address of registered office:	Same As Mentioned Above.
Vii)	Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.	
	Registrar & Transfer Agents (RTA):-	Purva Share Registry (India) Pvt. Ltd
	Address:	Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (East)
	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	busicomp@vsnl.com
	Website	www.purvashare.com

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			

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.]
Equity Share :-			
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
Preference Share :-			
At the beginning of the year	N.A.	N.A.	N.A.
Changes during the year (Increase)	N.A.	N.A.	N.A.

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Changes during the year (Decrease)	N.A.	N.A.	N.A.
At the end of the year	N.A.	N.A.	N.A.
Unclassified Shares			
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.
Total Authorized Capital at the beginning of the year	32,50,000	10	3,25,00,000
Total Authorised Capital at the end of the year	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.]
Equity Share :-			
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
Preference Share :-			
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.
Total Issued 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 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.]
Equity Share :-			
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
Preference Share :-			
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.

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Total Subscribed 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 Subscribed Share Capital at the end of the year	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.]
Equity Share :-			
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.
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.]
Non-convertible (for each type):-	<h1>Not Applicable</h1>		
At the beginning of the year			
Changes during the year (Increase/Redemption)			
At the end of the year			
Partly-convertible (for each type)			
At the beginning of the year			
Changes during the year (Increase/Redemption)			
At the end of the year			
Fully-convertible (for each type)			
At the beginning of the year			
Changes during the year (Increase/Converted)			
At the end of the year			
Total Amount of Debentures			
At the beginning of the year			
Changes during the year (Increase/Redemption/Converted)			
At the end of the year			

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.]
Premium on Equity [specify for each type]			
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			--

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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			--
Premium on Other Securities			--
At the beginning of the year			--
Changes during the year			--
1) Increase -Fresh issue			--
2) Decrease-Premium on redemption			--
At end of the year			--
Total securities premium at the Beginning of the year			--
Change during the year			--
Increase			--
Decrease			--
Total securities premium at the end of the year			60,00,000

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

(i)	Turnover:
	- Turnover at the end of the financial year: Rs. 14,327,833
(ii)	Net worth of the Company:
	- Net worth at the end of the financial year: Rs. 2,89,08,042

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 [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	De mat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		504450	504450	23.10		504450	504450	23.10	

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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	--	--	--	--	--				--
(2). Foreign									
Directors / Promoters & there Relatives.		7,17,830	7,17,830	32.88		7,17,830	7,17,830	32.88	--
Total shareholding of Promoter (A)		15,63,861	15,63,861	71.62		15,63,861	15,63,861	71.62	--
B. Public Shareholding									
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) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.	326		326	0.014	326	--	326	0.014	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	58855	137264	196119	8.99	58855	137264	196119	8.99	

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ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	420841	--	420841	19.27	420841	--	420841	19.27	--
c) Others (specify)	--	--	--	--	--	--	--	--	--
Non Resident Indians	283	326	609	0.027	283	326	609	0.027	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	349	--	349	0.015	349	--	349	0.015	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
HUF	1555	--	1555	0.071	1555	--	1555	0.071	-
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	481883	1701451	2183334	100	481883	1701451	2183334	100	--

B) Shareholding of Promoter-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 31 st March, 2015			Share holding at the end of the year 31 st 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	--	--

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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	Purna 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	Dilip V Vora	5,318	0.24	--	5,318	0.24	--	--
15	Bhagat singh Rajporohit	2,836	0.13	--	2,836	0.13	--	--
16	Balu K Narang	2,130	0.10	--	2,130	0.10	--	--
TOTAL		15,63,861	71.63		15,63,861	71.63		--

C) Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in the promoters Share holding during the year 2015-2016

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
	At the beginning of the year	--	--	--	--
	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	--	---	---	--

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**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Share-holders	Shareholding at the beginning of the year 1-4-2015					Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
				Date	Increase/ Decrease in share-holding	Reason		
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Chetan D. Dedania	56,517	2.58	--	--	--	56,517	2.5886
2.	Hetal Mehta	--	--	03/02/2016	54,500	Transfer	54,500	2.4962
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	9649	0.41	04/12/2015	(539)	Transfer	9110	0.4442
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	142810	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	142810	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 excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,14,039	2,27,102	--	10,41,141
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	8,14,039	2,27,102	--	10,41,141
Change in Indebtedness during the financial year				
* Addition	--	--	--	--
* Reduction	4,47,249	1,49,716	--	5,96,965
Net Change	-4,47,249	-1,49,716	--	-5,96,965
Indebtedness at the end of the financial year				
i) Principal Amount	3,66,790	77,386	--	4,44,176
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	3,66,790	77,386	--	4,44,176

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Particulars		Total Amount
		Kiran Nagindas Vora	Barukhbhai Williambhai Christian	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000	3,55,168	12,55,168
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,62,616	0	2,62,616
	(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
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please specify	0	0	0
	Total (A)	11,62,616	3,55,168	15,17,784
	Ceiling as per the Act	30,00,000	30,00,000	60,00,000

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

Sl. No	Particulars of Remuneration	Particulars			Total Amount
		Rajeev Damodar Shenvi	Abhay Vipin Kothari	Archana Mahtre	
1.	Independent Directors Fee for attending board / committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2.	Other Non-Executive Directors	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0

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, 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 - as % of profit - others, specify...		
5.	Others, please specify		
	Total (C)		

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Not Applicable

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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 or transactions'	
	Date of approval by the Board	
	Amount paid as advances, if any	
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

SL. No.	Particulars	Name of the Related party	Nature of relation	Related Party transaction
1	Name (s) of the related party & nature of relationship	Mr Kiran Vora	Director	Remuneration to Director
		Mr B. W Christian	Director	Remuneration to Director
		Prerana K Vora	Relative of Director	Office and Car Rent
		Deccan Bearings (India) Pvt. Ltd	Directors are Interested	Office Rent
3	Duration of the contracts/arrangements/transaction	Not applicable	NA	NA
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	NA	NA
6	Amount paid as advances, if any	Nil	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS

1.) INDUSTRY STRUCTURE AND DEVELOPMENT

Amidst continued challenges on several fronts on the economic environment, 2016 ended on a note of cautious optimism and hope for a better future. The economy continued on the same volatile path as previous period. Softening but persistent inflationary pressure continued stable but high interest rates presented growth challenges across sectors. Manufacturing and industrial activity remained sluggish for a large part of the year as demand did not take off across most sectors with exception of few. The confidence in business environment remained low for most part of the year, reflected in low investments and low capacity utilization. The business confidence and optimism returned to the corporate dialogue towards the end of the year even as the overall economy improved only marginally. The bearing market in India is served from both domestically produced and imported bearings. The demand for the bearings is driven by the two key user segments as - the automotive and industrial sectors. OEM and end users across industrial and automotive sectors were impacted by the prevailing economic environment. During the year, core sector performance remained unchanged while some showed deceleration of the negative trend and few others posted very moderate growth. In the backdrop of the difficult economic scenario, Deccan Bearing Limited remained committed to meet the demands of the external challenges and continued to focus on building its competitive edge and delivered its best performance.

2.) 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 investors 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 because 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.

3.) OUTLOOK

While economy recovery is expected in 2016-17, and if some of the forecasts hold true, India will become the fastest growing large economy of the world in the coming years. Government initiatives such as 'Make in India' coupled with the new governance regime will boost confidence of global investors and act as a catalyst for overall growth of the industry. The growth momentum in India is expected to be driven by focused spending on development projects in the form of increased public spending on infrastructure development. This will become the engine for driving several sectors of economy and lead increased industrial activity. A continuously moderating inflation and a growth

driving monetary policy coupled with improved purchasing power of an increasing middle class will further aid revival of domestic demand in turn leading to growth. Falling rural incomes and volatility in domestic monetary and fiscal conditions due to global changes may adversely impact the growth. What differentiates your Company is the unique combination of experience and expertise it possesses, the advantage of global operations and knowledge spread across industry sectors accumulated over a century. Your company's ability to work closely with customers and to provide innovative technology-led, sustainable engineering solutions will enable it to counter threats from competition as well as strengthen the ability to create value proposition for customers. Further, the foreign source and several of them making India their sourcing hubs, overall growth prospects of the industry looks better.

4.) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

An important aspect of Good Corporate Governance is a well-defined 'Internal Control' and 'Internal Audit' system. Therefore your Company views internal audit as a continuous process to keep management regularly appraised about the existence, adequacy and effectiveness of control systems and processes in the operations of the organisation. Your company has an internal control framework which are embedded in business operations and standard operating procedures. Each year, these controls are tested by the Internal audit function and complemented by the testing of the major controls by an independent external firm. Based on the annual review and specific feedback received during the year from the units/functions and the Statutory Auditors, the internal audit plan is regularly revisited and revised. This plan is then approved by the Audit Committee at the beginning of the year and is executed by the internal audit team which comprises of both, external and internal qualified professionals. The internal audit function independently tests the design, adequacy and operating effectiveness of the internal control system and this provides a credible assurance to the Audit Committee regarding the adequacy and effectiveness of the internal control system. The plan and the internal audit reports are shared with the Statutory Auditors. The Audit Committee then reviews the Internal Audit reports.

5.) DEVELOPMENT IN HUMAN RESOURCES

The company strives to develop the most superior team so that it can accomplish along with the individual employees, their work goals & services to its customers & stakeholder. Our fundamental belief in immense power of the human potential and team work. A transformational force that stimulates enterprise accelerates our constant pursuit of excellence and empowers our people to release their full potential. The company also believes human resources as the supporting pillars for the organization's success.

MANAGING DIRECTOR'S CERTIFICATION

To,

**The Board of the Directors,
Deccan Bearings Limited**

We hereby certify to the Board that;

- A. We have received the Financial Statements and the Cash Flow Statements for the year 2015-2016 and that to the best of our knowledge and belief :
- (I) These statements do not contain any materially untrue or misleading statements nor omits any material fact.
- (II) These statements together present a true and fair view of Companies affairs and are in Compliance with existing Accounting Standards, Applicable Laws and Regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year 2015-2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept the responsibility for establishing and maintaining the internal controls for the Financial Reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to the financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such a internal control, if any, of which we are aware and steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated to the Auditors and Audit Committee:
1. Significant changes in the internal control over financial reporting during the year 2015-2016
 2. Significant changes in the accounting policies during the year 2015-2016 and that the same have been incorporated in the notes to the financial statements and
 3. Instances of significant fraud, if any of which we have become aware, and involvement therein if any, of the Management or an Employee having significant role in Companies internal control system over a financial reporting.

By Order of the Board of Directors

Sd/-

**Kiran Vora
Managing Director
DIN: 00108607**

**Place: Mumbai
Date: 1st July, 2016**

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, 2016, 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 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, 2016, 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, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 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.
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: 24th May, 2016

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 2016 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.
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

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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 2016, 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: 24th May, 2016

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, 2016

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, 2016 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 31st March 2016 for a period of more than six months from the date they became payable.
 - c) There were no dues of duty of Customs, duty of Excise and Cess which have not been deposited as at March 31, 2016 on account of dispute.

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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. : 300133

Place: Mumbai
Date: 24th May, 2016

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BALANCE SHEET AS AT 31 ST MARCH, 2016

PARTICULARS		NOTE NO.	AS AT 31 MARCH, 2016 Rs.	AS AT 31 MARCH, 2015 Rs.
A	EQUITY AND LIABILITIES			
1	SHAREHOLDERS' FUNDS			
	(a) Share capital	2	21,833,340	21,833,340
	(b) Reserves and surplus	3	11,531,248	12,587,711
			33,364,588	34,421,051
2	NON-CURRENT LIABILITIES			
	(a) Long-term borrowings	4	-	366,790
	(b) Deferred tax liabilities (net)		512,016	845,531
	(c) Other long-term liabilities	5	1,698,863	2,858,078
			2,210,879	4,070,399
3	CURRENT LIABILITIES			
	(a) Trade payables		1,788,422	3,211,833
	(b) Other current liabilities	6	1,624,589	2,650,042
			3,413,011	5,861,875
			38,988,478	44,353,325
B	ASSETS			
1	NON-CURRENT ASSETS			
	(a) Fixed assets	7	7,361,290	9,119,093
	(i) Tangible assets			
	(b) Non-current investments	8	121,100	121,100
	(c) Long-term loans and advances	9	269,589	439,169
	(d) Trade Receivables		8,262,819	9,538,676
			16,014,798	19,218,038
2	CURRENT ASSETS			
	(a) Inventories	10	6,791,931	8,005,001
	(b) Trade receivables	11	4,083,621	12,750,519
	(c) Cash and cash equivalents	12	11,016,853	3,820,389
	(d) Short-term loans and advances	13	994,811	523,781
	(e) Other current assets	14	86,464	35,597
			22,973,680	25,135,287
			38,988,478	44,353,325
	NOTES ON FINANCIAL STATEMENTS	1 TO 29		
<p>The notes form an integral part of these financial statement</p> <p>As per our report of even Date</p> <p>For D. V. VORA & CO.</p> <p>Chartered Accountants (FRN.111624W)</p> <p>SD/- D. V. VORA Partner (M.No.30013)</p> <p>Place : MUMBAI Date : 24th May, 2016</p> <p style="text-align: center;">For and on behalf of the Board of Directors</p> <p>SD/- KIRAN N.VORA Managing Director DIN : 00108607</p> <p>SD/- B. W. CHRISTIAN Executive Director DIN : 00124830</p>				

DECCAN BEARINGS LIMITED
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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH, 2016

PARTICULARS		NOTE NO.	For the year ended 31 MARCH, 2016	For the year ended 31 MARCH, 2015
			Rs.	Rs.
1	Revenue from operations (gross)	15	14,327,833	35,283,068
2	Other income	16	5,261,466	771,883
3	Total revenue (1+2)		19,589,299	36,054,951
4	Expenses			
	Purchases (Trading)		6,883,276	22,834,990
	Changes in inventories of finished goods, work-in-progress	17	1,187,221	987,867
	Employee benefits expense	18	4,304,717	4,535,239
	Finance costs	19	62,991	209,618
	Depreciation and amortisation expense		1,234,156	1,513,466
	Other expenses	20	7,306,916	8,001,784
	Total expenses		20,979,277	38,082,964
5	Profit / (Loss) before tax (3 - 4)		(1,389,978)	(2,028,013)
6	Tax expense:			
	(a) Excess/ (Short) provision for tax related to prior years		-	-
	(b) Deferred Tax Asset / (Liability)		333,515	65,742
			333,515	65,742
7	Profit / (Loss) from continuing operations (9 +10)		(1,056,463)	(1,962,271)
8	Profit / (Loss) for the year		(1,056,463)	(1,962,271)
9	Earnings per share:		(0.48)	(0.90)
	NOTES ON FINANCIAL STATEMENTS	1 TO 29		
<p>The notes form an integral part of these financial statement</p> <p>As per our report of even Date</p> <p>For D. V. VORA & CO.</p> <p>Chartered Accountants</p> <p>(FRN.111624W)</p> <p>SD/- D. V. VORA Partner (M.No.30013)</p> <p>Place : MUMBAI Date : 24th May, 2016</p> <p style="text-align: center;">For and on behalf of the Board of Directors</p> <p>SD/- KIRAN N.VORA Managing Director DIN : 00108607</p> <p>SD/- B. W. CHRISTIAN Executive Director DIN : 00124830</p>				

DECCAN BEARINGS LIMITED
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

		For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rupees	Rupees	Rupees
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit before tax and Extraordinary			
Items		(1,389,978)	(2,028,013)
Adjustments for Depreciation	1,234,156		1,513,466
Investment Income	(655,968)		(427,598)
Interest and Financial charges	62,991		209,618
Insurance claim/Sundry amount written off etc.	(4,605,498)		(344,285)
(Profit) / Loss on sale of Fixed Assest	294,147		-
Preliminary Exp. W/Off	-	(3,670,172)	-
Operating profit before working capital		(5,060,150)	(1,076,812)
Changes			
Adjustments for:			
Trade and other receivables	9,661,656		3,668,854
Inventories	1,213,070		979,487
Trade Payables	(3,608,079)	7,266,647	(1,275,788)
Cash generated from operations		2,206,497	2,295,741
Interest paid	(62,991)		(209,618)
Direct tax paid	(71,218)		(68,130)
		(134,209)	(277,748)
Cash flow before extraordinary items		2,072,288	2,017,993
Extraordinary items (Sundry amount written off)		4,605,498	344,285
Net cash from operating activities		6,677,786	2,362,278
(B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets	(50,500)		(44,500)
Sale of Fixed Assets	280,000		-
Investment in Shares/ Mutual Fund	-		-
Interest earned	655,968		427,598
Cash from investing activities		885,468	383,098
(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Borrowing/ (Repayment) of long term liabilities	(366,790)		(3,010,311)
Cash from financing activities		(366,790)	(3,010,311)
Net Increase/ (Decrease) in cash and cash equivalents		7,196,464	(264,935)
Cash and cash equivalents as at 31/03/15		3,820,389	4,085,324
Cash and cash equivalents as at 31/03/16		11,016,853	3,820,389

For D. V. VORA & CO.
For and behalf of the Chartered Accountants
(FRN. 111624W)

For and on behalf of the Board

SD/-

D. V. VORA
Partner (M.No. 30013)
Mumbai,
Date: 24th May, 2016

SD/-
KIRAN V. VORA
Managing Director

DIN : 00108607

SD/-
B. W. CHRISTIAN
Executive Director

DIN : 00124830

**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR
ENDED 31 ST MARCH 2016**

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.

- (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.

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NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2016

Rupees	As at 31 st MARCH,2016 Rupees	As at 31 st MARCH,2015 Rupees
NOTE NO. 2		
SHARE CAPITAL :		
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
	21,833,340	21,833,340

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</u> <u>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
	1,117,344	51.18	1,117,344	51.18

RECONCILIATION OF NUMBERS OF SHARES

<u>EQUITY SHARES</u>	<u>NO. OF SHARES</u>	<u>AMOUNT</u> <u>OF SHARES</u>	<u>NO. OF SHARES</u>	<u>AMOUNT</u> <u>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

[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

2,463,248

2,463,248

{3} SHARE PREMIUM

BALANCE AS PER LAST BALANCE SHEET

6,000,000

6,000,000

{4} GENERAL RESERVES :

BALANCE AS PER LAST BALANCE SHEET

6,850,000

ADD : TRANSITIONAL PROVISION OF

735,455

DEPRECIATION

7,585,455

7,585,455

18,042,001

18,042,001

{5} PROFIT AND LOSS ACCOUNT

ADD PROFIT DURING THE YEAR

-5,454,290

-3,492,019

-1,056,463

-1,962,271

-6,510,753

-5,454,290

TOTAL

11,531,248

12,587,711

DECCAN BEARINGS LIMITED
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NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2016

	As at 31st MARCH,2016 Rupees	As at 31st MARCH,2015 Rupees
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NOTE NO. 4

{1} LONG TERM BORROWINGS

{A} TERM LOAN FROM BANK (SECURED)

FROM : KOTAK MAHINDRA PRIME LTD	-	366,790
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%		

-	366,790
---	---------

NOTE NO. 5

OTHER LONG TERM LIABILITIES

{a} TRADE PAYABLES	-	1,237,523
{b} OTHERS		
{1} PROVISION FOR TAXATION	-	-
(NET OF ADVANCE TAX & TDS)		
{2} ADVANCE FROM CUSTOMERS	77,386	227,102
{3} OTHER PAYABLES	1621,477	1,393,453
	1,698,863	2,858,078

NOTE NO. 6

OTHER CURRENT LIABILITIES

{a} CURRENT MATURITY OF LONG TERM LIABILITES		
{1} FROM : KOTAK MAHINDRA PRIME LTD	366,790	447,249
{b} STATUTORY LIABILITIES		
{1} PROVIDENT FUND	907	2,330
{2} TAX DEDUCTED AT SOURCE	78,129	117,102
{3} PROFESSION TAX	27,090	27,670
{4} VAT AND CST	-	71,778
{c} OTHERS	1,151,673	1,983,913
	1,624,589	2,650,042

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NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE NO. 7

FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS ON 01.04.2015	ADDITIONS	DEDUCTION & ADJUSTMENT	AS ON 31.03.2016	AS ON 01.04.2015	DEDUCTION & ADJUSTMENT ON 31.03.2016	FOR THE YEAR ENDED 31.03.2016	AS ON 31.03.2016
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	LAND								
	LEASE HOLD LAND AT HALOL	1,139,606	-	-	1,139,606	-	-	-	1,139,606
2	BUILDING								
	AT HALOL	12,370,953	-	-	12,370,953	8,315,242	-	467,381	3,588,330
3	PLANT & MACHINERY								
		865,750	-	-	865,750	429,687	-	79,052	436,063
4	FURNITURE & FIXTURES								
		404,642	-	-	404,642	56,400	-	43,530	304,712
5	VEHICLES								
		5,000,658	-	1,444,611	3,556,047	2,274,871	870,464	567,332	1,584,308
6	OFFICE EQUIPMENTS								
		181,985	50,500	-	232,485	48,142	-	42,928	141,415
7	STAFF QUARTERS								
		461,906	-	-	461,906	182,065	-	33,933	245,908
	TOTAL Rs.	20,425,500	50,500	1,444,611	19,031,389	11,306,407	870,464	1,234,156	7,361,290
	PREVIOUS YEAR	26,020,192	44,500	5,639,192	20,425,500	16,167,588	6,374,647	1,513,466	9,119,093
									9,852,604

- 1] A] Land, Factory Building, Plant & Machinery & Staff Quarters had been revalued as on 31st March, 1996. Approved valuers were appointed for the same purpose. As per their valuation report based on current replacement cost of such Land, Factory Building, Plant & Machinery & Staff Quarters at Halol, there had been an increase in the book value of assets amounting to Rs. 3,43,59,695/- which had been added to Land, Factory Building, Plant & Machinery & Staff Quarters at Halol and credited to Revaluation Reserve Account.
- B] Plant & Machinery has been revalued as on 31st March, 2003. Approved valuers were appointed for the same purpose. As per their valuation report based on current replacement cost of Plant at Halol, there has been decrease in the book value of Plant & Machinery amounting to Rs. 1,71,91,702/- which has been reduced from Plant & Machinery at Halol and debited to Revaluation Reserve Account.

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**NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR
ENDED 31 ST MARCH 2016**

	As at 31st MARCH,2016 Rupees	As at 31st MARCH,2015 Rupees
NOTE NO. 8		
NON-CURRENT INVESTMENTS		
INVESTMENTS (AT COST)		
TRADE		
{iii} 6 YEARS NATIONAL SAVINGS CERTIFICATE (DEPOSITED WITH GOVERNMENT AND LOCAL AUTHORITY.)	1,100	1,100
OTHER THAN TRADE		
{i} QUOTED		
SBI INFRASTRUCTURE FUND (MARKET VALUE Rs.116320/- ; PREVIOUS YEAR Rs.117780/-)	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
	<u>121,100</u>	<u>121,100</u>
NOTE NO. 9		
LONG TERM LOAN & ADVANCES		
(UNSECURED CONSIDERED GOOD)		
{1} SECURITY DEPOSITS	107,793	307,724
{2} LOAN & ADVANCES	73,315	63,315
{3} ADVANCE TAX (NET OF PROVISIONS)	88,481	68,130
	<u>269,589</u>	<u>439,169</u>
NOTE NO. 10		
INVENTORIES		
(AS VALUED AND CERTIFIED BY DIRECTORS)		
{1} WORK IN PROGRESS	980,194	1,231,741
{2} TRADED GOODS	5,274,982	6,210,656
{3} PACKAGING MATERIALS	536,755	562,604
	<u>6,791,931</u>	<u>8,005,001</u>
NOTE NO. 11		
TRADE RECEIVABLES (CONSIDERED GOOD)		
{1} OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTH FROM THE DATE THEY WERE DUE FOR PAY	1,046,558	907,977
{2} OTHERS	3,037,063	11,842,542
	<u>4,083,621</u>	<u>12,750,519</u>
NOTE NO. 12		
CASH AND CASH EQUIVALENTS		
{1} BALANCE WITH BANKS	1,551,071	362,967
{2} CASH ON HAND	39,785	23,822
{3} BALANCE WITH BANK IN MARGIN MONEY	23,600	23,600
{4} TERM DEPOSIT	9,402,397	3,410,000
	<u>11,016,853</u>	<u>3,820,389</u>
NOTE NO. 13		
SHORT TERM LOAN AND ADVANCES		
{1} DUES FROM EMPLOYEES	39,500	40,500
{2} LOAN & ADVANCES	955,311	483,281
	<u>994,811</u>	<u>523,781</u>
NOTE NO. 14		
OTHER CURRENT ASSETS		
{1} ADVANCE INCOME TAX (NET OF PROVISION FOR TAXATION)	86,464	35,597
	<u>86,464</u>	<u>35,597</u>
NOTE NO. 15		
REVENUE FROM OPERATION		
SALES	14,327,833	35,283,068
	<u>14,327,833</u>	<u>35,283,068</u>

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NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2016

	As at 31st MARCH,2016 Rupees	As at 31 st MARCH,2015 Rupees
NOTE NO. 16		
OTHER INCOME		
{a} FD INTEREST (TDS RS.65,369/-, PREVIOUS YEAR RS.42,444/-)	653,538	424,196
{b} DIVIDEND	2,430	3,402
{c} INTEREST RECEIVED FROM CUSTOMERS	3,137,186	256,857
{d} SUNDRY AMOUNT WRITTEN BACK	1,466,478	87,428
{e} INTEREST ON IT REFUND A.Y. 2013-14	1,834	-
	5,261,466	771,883
NOTE NO. 17		
CHANGES IN INVENTORIES		
OPENING STOCK		
{a} WORK IN PROGRESS	1,231,741	1231,741
{b} TRADED GOODS	6,210,656	7,198,523
(a)	7,442,397	8,430,264
CLOSING STOCK		
{a} WORK IN PROGRESS	980,194	1,231,741
{b} TRADED GOODS	5,274,982	6,210,656
(b)	6,255,176	7,442,397
(a-b)	1,187,221	987,867
NOTE NO. 18		
EMPLOYEE BENEFITS EXPENSES		
{a} SALARIES & WAGES	2,855,607	3,066,143
{b} DIRECTORS REMUNARATION	1,255,168	1,288,210
{c} CONTRIBUTION TO PROVIDENT FUND AND OTHER SCHEMES	29,944	44,828
{d} WELFARE EXPENSES	163,998	136,058
	4,304,717	4,535,239
NOTE NO. 19		
FINANCIAL COST		
{a} INTEREST ON BANK LOAN	-	10
{b} INTEREST ON OTHERS	62,991	114,854
{c} BANK CHARGES	-	94,754
	62,991	209,618

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NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2016

	As at 31th MARCH,2016	As at 31st MARCH,2015
	Rupees	Rupees
NOTE NO. 20		
OTHER EXPENSES		
ADVERTISEMENT	58,293	43,707
ANNUAL LISTING FEES	224,720	112,360
AUDITOR'S REMUNERATION		
{i} AUDIT FEES	35,000	35,000
{ii} TAX AUDIT FEES	25,000	25,000
{iii} TAXATION MATTERS	78,000	76,800
BANK CHARGES	15,416	51,730
CONVEYANCE	28,039	36,771
CAR HIRE CHARGES	228,000	-
DISCOUNT	560,594	1,695,182
ELECTRICITY & POWER CHARGES	412,747	433,738
FREIGHT OUTWARD	35,171	71,286
FREIGHT INWARD	47,718	59,270
INSURANCE CHARGES	56,367	65,482
LEGAL & PROFESSIONAL FEES	536,595	440,155
PACKING MATERIALS	450,658	685,687
POSTAGE & TELEGRAPH	53,604	62,722
PRINTING & STATIONERY	68,883	122,901
RENT, RATES & TAXES	1,688,911	731,184
REPAIRS TO OTHERS	51,060	48,945
SALES PROMOTION	665,999	1,116,724
TELEPHONE CHARGES	197,285	196,953
TRAVELLING	641,683	950,272
VEHICLE EXPENSES	322,329	324,040
LOSS ON SALES OF FIXED ASSETS	294,147	-
MISCELLANEOUS EXPENSES	530,697	615,875
	7,306,916	8,001,784

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NOTE NO.21

Auditors' Remuneration and expenses charged to the accounts:

PARTICULARS	2015-16 Rs.	2014-15 Rs.
Audit Fees	35,000	35,000
Tax-Audit Fees	25,000	25,000
Taxation Matters	78,000	76,800

NOTE NO.22

EXPENDITURE IN FOREIGN CURRENCY:

Traveling expenses	Rs.53,666	(Nil)
Professional Fees	Rs.88,627	(Rs.1,19,700)
Imports (Trading Goods on C.I.F.)	Nil	(Rs. 70,07,637)

NOTE NO.23

EARNINGS IN FOREIGN EXCHANGE:

Export of Goods (F.O.B)	Nil	(NIL)
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NOTE NO.24

RELATED PARTIES DISCLOSURES :

1] Relationship :

(a) Associates :

Deccan Bearings Marketing Pvt. Limited

Deccan Bearings (India) 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)

Prerna K. Vora

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

I] LOANS

PARTICULARS	ASSOCIATES		RELATIVES		TOTALS	
	2015-16 Rs.	2014-15 Rs.	2015-16 Rs.	2014-15 Rs.	2015-16 Rs.	2014-15 Rs.
LOANS REPAID	NIL	8,28,062	NIL	17,35,000	NIL	25,63,062
YEAR END BALANCE	NIL	NIL	NIL	NIL	NIL	NIL

II] REMUNARATION

PARTICULARS	2015-16 Rs.	2014-15 Rs.
REMUNARATION	12,55,168	12,88,210
PERQUISITES	2,62,616	2,73,360
CONTRIBUTION TO PF		9,756
TOTAL	15,17,784	15,71,326

III] RENT

PARTICULARS	ASSOCIATES		RELATIVES	
	2015-16 Rs.	2014-15 Rs.	2015-16 Rs.	2014-15 Rs.
OFFICE RENT	54,578	23,866	54,578	23,866
CAR RENT	NIL	NIL	2,28,000	NIL

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, 2016

PARTICULARS	2015-16 Rs.	2014-15 Rs.
Profit/ (Loss) available to equity shareholders	(10,56,463)	(19,62,271)
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)	-0.48	-0.90

NOTE NO. 27

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. 28

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

NOTE NO. 29

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

As per our attached Report of even date

For and on behalf of the Board

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

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

SD/-
(D.V.VORA)
Partner M.No.30013

SD/-
B. W. CHRISITAN
Executive Director
DIN: 00124830

Mumbai, Dated: 24th May, 2016

Mumbai, Dated: 24th May, 2016

DECCAN BEARINGS LIMITED
ANNUAL REPORT 2015-2016

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 Website: www.deccanbearings.com

ATTENDANCE SLIP

31ST Annual General Meeting on Friday, 05th August, 2016 at 11. A.M

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

Serial No. 1

I/ We hereby record my/our presence at the 31ST Annual General Meeting of the Company to be held on **Friday, 05th August, 2016 at 11.00 A.M** at 15/321 Prospect Chambers, Dr. D. N. Road, Fort Mumbai -400001.

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

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

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 2nd August, 2016(Tuesday) at 11.00 A.M. (IST) and ends on 4th August, 2016(Thursday) at 5.00 P.M. (IST). The voting module shall be disabled by CDSL for voting thereafter.

EVSN (Electronic Voting Sequence Number)	*Default PAN
160704029	

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

DECCAN BEARINGS LIMITED
ANNUAL REPORT 2015-2016

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: _____ E-mail Id: _____

Address: _____ Signature _____

or failing him

2.

Name: _____ E-mail Id: _____

Address: _____ Signature _____

or failing him

3.

Name: _____ E-mail Id: _____

Address: _____ 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 **Friday, the 05th August, 2016 at 11.00 A.M. at B.U.J. Hall 23/25, Prospect Chambers Annex, 2nd Floor, 317, D. N. Road, Fort, Mumbai - 400 001** 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, 2016 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. Kiran Vora, (DIN: 00108607), who retires by rotation and being eligible, offers himself for re- appointment
3. To ratify the appointment of **M/s. D.V.Vora & CO. Chartered Accountants**, Auditors of the company.
4. To Appoint Ms. Kavita Pawar as an Independent Director
5. To Consider the Increase in the remuneration of Mr. Kiran Vora, Managing director of the Company

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.