

DECCAN BEARINGS LIMITED

BALANCE SHEET
AS ON
31ST MARCH 2012

DECCAN BEARINGS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Seventh Annual General Meeting of the Members of DECCAN BEARINGS LIMITED will be held at the B.U.J. Hall, 23/25, Prospect Chambers Annex, 2nd Floor, 317, D.N. Road, Fort, MUMBAI – 400 001 on Friday, 28th September 2012 at 11 a.m. to transact the following business:

ORDINARY BUSINESS:

- 1] To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
- 2] To appoint a Director in place of Mr. Kiran Nagindas Vora, who retires by rotation and being eligible, offers himself for re-appointment.
- 3] To appoint a Director in place of Mr. Barukh Williams Christian, who retires by rotation and being eligible, offers himself for re-appointment.
- 4] To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

- 5] To consider and if thought fit to pass with or without modification, the following Resolution as a Special Resolution :-

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XII thereto, the approval of Members be and is hereby accorded to the re-appointment of Mr. Kiran N. Vora as the Managing Director of the Company for a period of five years with effect from 1st October, 2012, on terms and conditions including remuneration as set out in the Explanatory Statement attached to this Notice"

By Order of the Board of Directors



KIRAN N.VORA
Managing Director

Registered Office

315/321, Prospect Chambers,
Dr.D.N.Road, Fort,
MUMBAI – 400 001

Mumbai, Dated: 4th September, 2012

NOTES:

- a] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b] The Register of Members and Share Transfer Books of the Company will be closed from 25th September 2012 to 28th September 2012 [both days inclusive].
- c] Members intending to require information about accounts to be explained in the meeting are requested to inform the Company in writing at least ten days in advance of the Meeting.
- d] Shareholders are requested to bring their copies of the Annual Report at General Meeting.

DECCAN BEARINGS LIMITED

- e] Shareholders are requested to notify change in address, if any, at the Registered Office of the Company, quoting their Folio Numbers.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO. 5 :

As per the recommendation of the Remuneration Committee, as its meeting held on 11th August, 2012 has approved the remuneration payable to Mr. Kiran N. Vora, Managing Director with effect from 1st October, 2012 as set out below. The remuneration as detailed hereunder is within the limit as prescribed under Section II Part II of Schedule XII of the Companies Act, 1956.

The term of Mr. Kiran N. Vora as Managing Director of the Company expires on 30th September, 2012 subject to the approval of the Members in General Meeting, the Board of Director during their meeting held on 4th September, 2012, have approved the re-appointment of Mr. Kiran N. Vora as Managing Director of the Company for a period of 5 years with effect from 1st October, 2012 on terms and conditions given below:

A] **Salary** : Salary within range of Rs. 75000/- Per month to Rs.100000/- Per month as decided by Board of Directors from time to time .

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

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

Medical Reimbursement: Reimbursement of medical expenses for self and family, as per Rules of the Company.

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

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

Personal Accidental Insurance : Premium not to exceed Rs. 3000/- per annum.
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.

- 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 .

Provided the aggregate of salary & perquisites shall not exceed Rs. 15 Lacs per annum.

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


The terms & conditions of Mr. Kiran N. Vora's appointment set out above, may be treated as an abstract Under Section 302 of the Company's Act, 1956.

DECCAN BEARINGS LIMITED

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


KIRAN N. VORA
Managing Director

Registered Office

315/321, Prospect Chambers,
Dr.D.N.Road, Fort,
MUMBAI – 400 001
Mumbai, Dated: 4th September, 2012

DIRECTORS' REPORT

The Members,

DECCAN BEARINGS LIMITED

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the audited accounts for the year ended 31st March, 2012.

1. FINANCIAL RESULTS:	Year Ended 31.03.2012	Year Ended 31.03.2011
Net Profit before providing for Depreciation	11,20,527	10,05,349
Less: Depreciation	9,49,964	9,02,072
	<hr/>	<hr/>
Profit after providing Depreciation	1,70,563	1,03,277
Add/(Less): Provision for		
A] Deferred Tax	(89,776)	2,15,827
B] Income Tax	(2,40,000)	(1,80,000)
	<hr/>	<hr/>
Profit/(Loss) after Taxation	(1,59,213)	1,39,104
Add: Balance brought forward from previous year	(30,44,520)	(35,05,330)
Add: Excess Provision for Tax for Earlier	-----	3,21,706
	<hr/>	<hr/>
Amount available for Appropriation	(32,03,733)	(30,44,520)
	=====	=====
Appropriation:		
Balance carried to Balance sheet	(32,03,733)	(30,44,520)
	=====	=====

2. DIVIDEND:

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

3. PRESENT OPERATIONS & FUTURE OUTLOOK:

During the year under consideration, the Company has mainly focused on increasing the range of the Company's products with a view to create additional customer base and thereby increase the Turnover of the Company. The strategy succeeded and the total sales of the company increased by about 5% inspite of heavy recessionary trends and lower demand in the industrial sectors. Although the exports of the company suffered due to the disturbed middle east markets, the local sales did well due to wider range of our products and increased customer base.

The Indian economy continues to remain sluggish and the industrial consumption low. The GDP projections for the coming year has been revised downward by the government. However, it is expected to improve in the later part of the year.

Overall, the Company expects to achieve its sales and profit targets during the year ahead, with better sales networking and further increase in its product range.

DECCAN BEARINGS LIMITED

4. DIRECTORS:

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

5. DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm that :

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

6. AUDITORS:

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

7. PARTICULARS OF EMPLOYEES:

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

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

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

9. APPRECIATION:

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

For and on behalf of the Board of Directors



KIRAN N.VORA
Managing Director

Mumbai, Dated: 4th September, 2012

DECCAN BEARINGS LIMITED

ANNEXURE - I

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

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

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

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

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

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

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

3. **FUTURE PLAN OF ACTION:**

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

4. **EXPENSES ON R & D**

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

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

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

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

1. Foreign Exchange Earnings [Export of Goods(F.O.B.)]	:	Rs. 15,16,575/-	(Rs.93,03,531/-)
2. Foreign Exchange Outgo	:		
Traveling		Rs. 2,30,034/-	(Rs.2,12,456/-)
Imports			
Raw – Materials on C.I.F.		Rs. 29,95,597/-	(Rs.20,44,664/-)
Trading Goods on C.I.F.		Rs.1,77,53,757/-	(Rs.26,39,465/-)

For and on behalf of the Board of Directors



KIRAN N.VORA
Managing Director

Mumbai, Dated: 4th September, 2012

AUDITORS' REPORT

TO,

THE MEMBERS OF
DECCAN BEARINGS LIMITED
MUMBAI

- 1] We have audited the attached Balance Sheet of **DECCAN BEARINGS LIMITED** as at 31st March, 2012 and the related Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2] We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material-misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3] As required by the Companies [Auditor's Report] Order, 2003, as amended by the Companies (Auditor's Report) Amendment Order 2004, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, (and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit), we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the said order
- 4] Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - (b) In our opinion, subject to Note no 1(h), regarding part provision of gratuity, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books of the Company.
 - (c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by the Report are in agreement with the Books of Account of the Company;
 - (d) In our opinion, subject to Note no 1(h), regarding part provision of gratuity, and to the best of our information and according to the explanations given to us, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956



DECCAN BEARINGS LIMITED

- (e) On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2012 from being appointed as Director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (f) In our opinion subject to Note no 1(h), regarding part provision of gratuity, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :
- [1] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
- [2] In the case of the Statement of Profit & Loss, of the profit of the Company for the year ended on that date; and
- [3] In the case of Cash Flow Statement, of the cash flows for the year ended on that date.



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

D.V.Vora

[D.V.VORA]
Partner M.No.30013

Mumbai, Dated: 4th September, 2012

ANNEXURE TO THE AUDITOR'S REPORT

Annexure to the Auditor's Report to the Members of Deccan Bearings Limited for the year ended March 31, 2012, We report that:

- 1] (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 (b) As per the information and explanations given to us, the management at reasonable intervals carries out the physical verification of the fixed assets. The discrepancies noticed on such verification, which were not material, have been appropriately dealt with in the accounts.
 (c) The Fixed Assets disposed off during the year, in our opinion do not constitute a Substantial part of the Fixed Assets of the Company.
- 2] (a) As per the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
 (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 (c) In our opinion, the Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the Books of Accounts.
- 3] (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered under register maintained under section 301 of the Act.
 (b) As per the information and explanations given to us, the Company has taken unsecured loans from Companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The details of such unsecured loans taken are as under:

Nature & No. of Parties	Nature of Transaction	Balance as on 31 March, 2012 (Rs.)	Maximum balance standing during the year (Rs.)
Inter Corporate Deposit No (1)	Loan Taken	9,41,062	9,41,062
Share holders No. (4)	Loan Taken	17,35,000	17,35,000

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

Q



DECCAN BEARINGS LIMITED

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



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

[Signature]
[D.V.VORA]
Partner M.No.30013

Mumbai, Dated: 4th September, 2012

DECCAN BEARINGS LIMITED

BALANCE SHEET AS AT 31 MARCH, 2012

PARTICULARS		NOTE NO.	AS AT 31 MARCH, 2012	AS AT 31 MARCH, 2011
A	EQUITY AND LIABILITIES			
	1 SHAREHOLDERS' FUNDS			
	(a) Share capital	2	21,833,340	21,833,340
	(b) Reserves and surplus	3	14,562,973	14,952,266
			36,396,313	36,785,606
	2 NON-CURRENT LIABILITIES			
	(a) Long-term borrowings	4	5,381,183	3,816,853
	(b) Deferred tax liabilities (net)		1,166,930	1,077,154
	(c) Other long-term liabilities	5	3,034,410	3,015,274
	(d) Long-term provisions			
			9,582,523	7,909,281
	3 CURRENT LIABILITIES			
	(a) Short-term borrowings	6	1,842,420	1,781,134
	(b) Trade payables		3,570,267	10,005,132
	(c) Other current liabilities	7	2,777,032	3,854,534
	(d) Short-term provisions	8	234,986	180,000
			8,424,705	15,820,800
			54,403,541	60,515,687
B	ASSETS			
	1 NON-CURRENT ASSETS			
	(a) Fixed assets	9	11,667,749	13,237,229
	(i) Tangible assets			
			11,667,749	13,237,229
	(b) Non-current investments	10	124,700	124,700
	(c) Long-term loans and advances	11	2,678,828	2,315,371
	(d) Other non-current assets		8,962,978	9,139,866
			23,434,255	24,817,166
	2 CURRENT ASSETS			
	(a) Inventories	12	14,116,464	21,858,783
	(b) Trade receivables		15,325,791	12,539,883
	(c) Cash and cash equivalents	13	1,181,276	894,455
	(d) Short-term loans and advances	14	319,915	398,860
	(e) Other current assets	15	25,840	6,540
			30,969,286	35,698,521
			54,403,541	60,515,687
NOTES ON FINANCIAL STATEMENTS		1 TO 31		

The notes form an integral part of these financial statement

As per our report of even Date

For D. V. VORA & CO.

Chartered Accountants
(FRN.111624W)

D. V. Vora

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

Place : MUMBAI

Date : 4th September, 2012



For and on behalf of the Board of Directors

Kiran N. Vora
KIRAN N.VORA
Managing Director

B. W. Christian
B. W. CHRISTIAN
Executive Director

Place : MUMBAI

Date : 4th September, 2012



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

PARTICULARS		NOTE NO.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	Revenue from operations (gross) Less: Excise duty Revenue from operations (net)	16	64,275,223 (3,412,903) 60,862,320	61,459,293 (6,198,557) 55,260,736
2	Other income	17	1,577,449	904,798
3	Total revenue (1+2)		62,439,769	56,165,534
4	Expenses			
	(a) Cost of materials consumed	18	8,808,527	27,198,128
	(b) Purchases of stock-in-trade		29,639,211	6,283,508
	(c) Changes in inventories of finished goods, work-in-progress	19	7,330,702	-2,036,428
	(d) Employee benefits expense	20	4,666,607	5,010,120
	(e) Finance costs	21	418,733	481,103
	(f) Depreciation and amortisation expense		949,964	902,072
	(g) Other expenses	22	10,455,462	18,328,171
	Total expenses		62,269,206	56,166,674
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		170,563	-1,140
6	Exceptional items		0	104,417
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		170,563	103,277
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 + 8)		170,563	103,277
10	Tax expense:			
	(a) Current tax expense for current year		-240,000	-180,000
	(b) (Less): MAT credit (where applicable)		-	321,706
	(c) Current tax expense relating to prior years		-240,000	141,706
	(d) Net current tax expense		-89,776	215,827
	(e) Deferred tax		-329,776	357,533
11	Profit / (Loss) from continuing operations (9 + 10)		-159,213	460,810
12	Profit / (Loss) for the year		-159,213	460,810
13	Earnings per share:		-0.07	0.21
NOTES ON FINANCIAL STATEMENTS		1 TO 31		

The notes form an integral part of these financial statement

As per our reports of even Date
For D. V. VORA & CO.
Chartered Accountants
(FRN.111624W)

D.V. Vora
D. V. VORA
Partner M.No.30013



For and on behalf of the Board of Directors

Kiran N. Vora
KIRAN N.VORA
Managing Director

B. W. Christian
B. W. CHRISTIAN
Executive Director

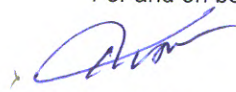
Place : MUMBAI
Date : 4th September, 2012

Place : MUMBAI
Date : 4th September, 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	Rupees	Rupees	Rupees	Rupees
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and Extraordinary Items		170,563		103,277
Adjustments for Depreciation	949,964		902,072	
Investment Income	(45,752)		-	
Interest and Financial charges	418,733		481,103	
Insurance claim/Sundry amount written b	-		(104,417)	
(Profit) / Loss on sale of Fixed Assest	109,005		-	
Preliminary Exp. W/Off	-	1,431,950	-	1,278,758
Operating profit before working capital Changes		1,602,513		1,382,035
Adjustments for:				
Trade and other receivables	(2,893,532)		2,695,653	
Inventories	7,742,319		(1,773,837)	
Trade Payables	(7,493,231)	(2,644,444)	2,498,969	3,420,785
Cash generated from operations		(1,041,931)		4,802,820
Interest paid	(418,733)		(481,103)	
Direct tax paid	(204,314)		(106,540)	
		(623,047)		(587,643)
Cash flow before extraordinary items		(1,664,978)		4,215,177
Extraordinary items		-		104,417
Net cash from operating activities		(1,664,978)		4,319,594
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(2,966,390)		(616,407)	
Sale of Fixed Assets	3,246,821		-	
Investment in Shares/Mutual Fund	-		-	
Interest earned	45,752		-	
Cash from investing activities		326,183		(616,407)
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Borrowing/ (Repayment) of long term liabilities	1,625,616		(3,783,135)	
Cash from financing activities		1,625,616		(3,783,135)
Net Increase/(Decrease) in cash and cash equivalents		286,821		(79,947)
Cash and cash equivalents as at 31/03/11		894,455		974,403
Cash and cash equivalents as at 31/03/12		1,181,276		894,455

For and on behalf of the Board


KIRAN N. VORA
Managing Director


B. W. CHRISTIAN
Executive Director

Mumbai, Dated: 4th September, 2012

DECCAN BEARINGS LIMITED

NOTES FORMING PART OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 ST MARCH 2012

NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

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

(b) USE OF ESTIMATE:

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

(c) REVENUE RECOGNITION:

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

(d) FIXED ASSETS:

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

(e) DEPRECIATION:

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

(f) INVESTMENTS:

Investments are stated at cost.

(g) INVENTORIES:

Inventories are valued as under, after providing for obsolescence.

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

(h) RETIREMENT BEFEFITS:

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

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

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

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

(i) FOREIGN CURRENCY TRANSACTION:

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

(j) TAXATION :

I] CURRENT TAX

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

II] DEFFERED TAX

Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax to the extent that the timing difference are expected to crystallize.

(k) IMPAIRMENT OF ASSETS:

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exist, The Company estimates the recoverable amount. If carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit & Loss Account to the extent the carrying amount exceeds recoverable amount.

(l) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be as outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(m) DEFERRED TAXTATION:

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

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March, 2012	As at 31st March, 2011
Rupees	Rupees	Rupees
NOTE NO. 2		
SHARE CAPITAL :		
AUTHORISED :		
32,50,000 EQUITY SHARES OF Rs. 10/- EACH	32,50,000	32,50,000
ISSUED, SUBSCRIBED & PAID UP :		
21,83,334 EQUITY SHARES OF Rs 10/- EACH	21,833,340	21,833,340
	<u>21,833,340</u>	<u>21,833,340</u>

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF EQUITY SHARES

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

RECONCILIATION OF NUMBERS OF SHARES

	NO. OF SHARES	AMOUNT OF SHARES	NO. OF SHARES	AMOUNT OF SHARES
EQUITY SHARES				
AT THE BEGINNING OF THE YEAR	2,183,334	21,833,340	2,183,334	21,833,340
AT THE END OF THE YEAR	2,183,334	21,833,340	2,183,334	21,833,340

NOTE NO. 3

RESERVES & SURPLUS

{1} CAPITAL RESERVE :

[CENTRAL & STATE SUBSIDY FOR PROJECT IN BACKWARD AREA]

BALANCE AS PER LAST BALANCE SHEET

1,993,298 1,993,298

{2} REVALUATION RESERVES

BALANCE AS PER LAST BALANCE SHEET

3,153,488

3,383,568

LESS: TRANSFERRED FROM PROFIT AND LOSS ACCOUNT

 i] FOR ADJUSTED DEPRECIATION

230,080

2,923,408 3,153,488

{3} SHARE PREMIUM

BALANCE AS PER LAST BALANCE SHEET

6,000,000 6,000,000

{4} GENERAL RESERVES :

BALANCE AS PER LAST BALANCE SHEET

6,850,000 6,850,000

17,766,706 17,996,786

{5} PROFIT AND LOSS ACCOUNT

ADD PROFIT DURING THE YEAR

-3,044,520 -3,505,330

-159,213 139,104

EXCESS PROVISION OF EARLIER YEARS

321,706

-3,203,733 -3,044,520

TOTAL

14,562,973 14,952,266

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March, 2012	As at 31st March, 2011
Rupees	Rupees	Rupees
NOTE NO.4		
{1} LONG TERM BORROWINGS		
{A} TERM LOAN FROM BANK (SECURED)		
{a} FROM : KOTAK MAHINDRA PRIME LTD CAR LOAN ACCOUNT WITH KOTAK MAHINDRA PRIME LTD. {SECURED AGAINST HYPOTHECATION OF HONDA CIVIC CAR FOR 59 MONTHS , COMMANCING FROM MARCH 2010 AND LAST INSTALLMENT DUE ON JANUARY 2015 AT MONTHLY INSTALLMENT OF RS.20565 AT RATE OF INTEREST @9.23%}	614,028	795,625
{b} FROM : KOTAK MAHINDRA PRIME LTD CAR LOAN ACCOUNT WITH KOTAK MAHINDRA PRIME LTD. {SECURED AGAINST HYPOTHECATION OF PASSAT CAR} FOR 59 MONTHS , COMMANCING FROM FEBRUARY 2012 AND LAST INSTALLMENT DUE ON DECEMBER 2016 AT MONTHLY INSTALLMENT OF RS.45520 AT RATE OF INTEREST @10.40%}	1,911,239	-
{c} FROM : ICICI BANK LTD CAR LOAN ACCOUNT WITH ICICI BANK LTD. {SECURED AGAINST HYPOTHECATION OF MARUTI SWIFT CAR} FOR 35 MONTHS , COMMANCING FROM MAY 2010 AND LAST INSTALLMENT DUE ON MARCH 2013 AT MONTHLY INSTALLMENT OF RS.15735 AT RATE OF INTEREST @8.79%}	179,854	345,166
{B} LOANS AND ADVANCE FROM RELATED PARTIES (UNSECURED)		
{a} FROM OTHERS	1,735,000	1,735,000
{b} FROM ASSOCIATES	941,062	941,062
	<u>5,381,183</u>	<u>3,816,853</u>
NOTE NO.5		
OTHER LONG TERM LIABILITIES		
{a} TRADE PAYABLES	1,265,674	1,298,710
{b} OTHERS		
{1} ADVANCE FROM CUSTOMERS	553,479	1,263,451
{2} OTHER PAYABLES	1,215,257	453,113
	<u>3,034,410</u>	<u>3,015,274</u>
NOTE NO.6		
SHORT TERM BORROWINGS		
{a} LOAN PAYABLE ON DEMAND FROM BANK (SECURED) CASH CREDIT ACCOUNT WITH STATE BANK OF INDIA {SECURED AGAINST HYPOTHECATION OF STOCK AND BOOK DEBTS & PERSONAL GUARANTEE OF PROMOTER DIRECTOR AND FACTORY LAND & BUILDING AT PLOT NO.2011, GIDC, HALOL}	1,842,420	1,781,134
	<u>1,842,420</u>	<u>1,781,134</u>
NOTE NO.7		
OTHER CURRENT LIABILITIES		
{a} STATUTORY LIABILITIES		
{1} PROVIDENT FUND	4,161	7,027
{2} TAX DEDUCTED AT SOURCE	34,453	38,334
{3} PROFESSION TAX	31,352	41,187
{4} VAT AND CST	457,071	90,761
{b} OTHERS	2,249,995	3,677,225
	<u>2,777,032</u>	<u>3,854,534</u>
NOTE NO.8		
SHORT-TERM PROVISIONS		
PROVISION FOR TAXATION (NET OF ADVANCE TAX & TDS)	234,986	180,000
	<u>234,986</u>	<u>180,000</u>

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

NOTE NO. 9

FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	AS ON 1.4.2011		GROSS BLOCK		DEDUCTION & ADJUSTMENT		AS ON 31.03.2012		DEPRECIATION		NET BLOCK	
		Rs.	Rs.	ADDITIONS	DEDUCTION & ADJUSTMENT	Rs.	Rs.	AS ON 1.4.2011	DEDUCTION & ADJUSTMENT	FOR THE YEAR ENDED ON 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2011
1	LAND LEASE HOLD LAND AT HALOL	1139606	0	0	1139606	0	0	0	0	0	0	1139606	1139606
2	BUILDING a) AT HALOL b) AT BARODA (POR)	12370953	0	0	12370953	3146819	0	6607159	414322	7021481	0	5349472	5763794
3	PLANT & MACHINERY	865750	0	0	865750	0	0	227153	41236	268389	0	597361	638597
4	ELECTRICAL	1053850	0	0	1053850	0	0	1053850	0	1053850	0	0	0
5	FURNITURE & FIXTURES	2220886	0	0	2220886	0	0	1993340	140967	2134307	0	86579	227546
6	VEHICLES	3904292	2939640	2939640	5877436	966496	0	2233707	757489	1887214	0	3990222	1670585
7	OFFICE EQUIPMENTS	869884	26750	26750	896634	0	0	722947	61685	784632	0	112002	146937
8	STAFF QUARTERS	461906	0	0	461906	0	0	125524	7550	133074	0	328832	336382
9	COMPUTERS	635444	0	0	635444	0	0	468481	103288	571769	0	63675	166963
	TOTAL Rs.	26669390	2966390	2966390	25522465	4113315	0	13432161	757489	13854716	0	11667749	13237229
	PREVIOUS YEAR	26052983	616407	616407	26669390	0	0	12300009	0	1132152	0	13237229	13752974

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

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

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

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

Rupees	As at 31st March, 2012 Rupees	As at 31st March, 2011 Rupees
NOTE NO.10		
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		
a)1215 EQUITY SHARES OF Rs.2/- EACH OF ABB LTD. (MARKET VALUE Rs.1033540/- ; PREVIOUS YEAR Rs.966229/-)	3,600	3,600
b)243 EQUITY SHARES OF Rs.10/- EACH OF ALSTOM PROJECTS INDIA LTD (MARKET VALUE Rs.82851/- ; PREVIOUS YEAR Rs.142580/-)	-	-
c)SBI INFRASTRUCTURE FUND (MARKET VALUE Rs.78100/- ; PREVIOUS YEAR Rs.93700/-)	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>124,700</u>	<u>124,700</u>
NOTE NO.11		
LONG TERM LOAN & ADVANCES		
(UNSECURED CONSIDERED GOOD)		
{1} SECURITY DEPOSITS	1,090,707	246,031
{2} LOAN & ADVANCES TO RELATED PARTIES	1,588,121	2,069,340
	<u>2,678,828</u>	<u>2,315,371</u>
NOTE NO.12		
INVENTORIES		
(AS VALUED AND CERTIFIED BY DIRECTORS)		
{1} WORK IN PROGRESS	2,524,522	6,222,292
{2} FINISHED GOODS	4,545,853	10,072,017
{3} TRADED GOODS	6,147,264	4,254,032
{4} PACKAGING MATERIALS	898,825	1,310,442
	<u>14,116,464</u>	<u>21,858,783</u>
NOTE NO.13		
CASH AND CASH EQUIVALENTS		
{1} BALANCE WITH BANKS	247,163	227,675
{2} CASH ON HAND	263,513	33,180
{3} BALANCE WITH BANK IN MARGIN MONEY	670,600	633,600
	<u>1,181,276</u>	<u>894,455</u>
NOTE NO.14		
SHORT TERM LOAN AND ADVANCES		
{1} DUES FROM EMPLOYEES	319,915	398,860
	<u>319,915</u>	<u>398,860</u>
NOTE NO.15		
OTHER CURRENT ASSETS		
{1} ADVANCE INCOME TAX (NET OF PROVISION FOR TAXATION)	25,840	6,540
{2} TDS DEDUCTED BY BANK ON MARGINE MONEY	-	-
	<u>25,840</u>	<u>6,540</u>
NOTE NO.16		
REVENUE FROM OPERATION		
SALES OF BEARINGS		
{1} MANUFACTURING SALES	29,806,689	55,372,013
{2} TRADING SALES	34,468,534	6,087,280
	<u>64,275,223</u>	<u>61,459,293</u>

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March, 2012	As at 31st March, 2011
Rupees	Rupees	Rupees
NOTE NO.17		
OTHER INCOME		
{a} INTREREST ON LC MARGIN	45,752	-
{b} INCOME FROM INVESTMENTS	-	4,860
{c} SALE OF LICENSE	378,516	899,938
{d} PROFIT ON SALE OF FIXED ASSETS	1,153,181	-
	<u>1,577,449</u>	<u>904,798</u>

NOTE NO.18		
COST OF MATERIALS CONSUMED		
ROLLERS	973,913	5,781,063
TOHERS	7,644,495	21,208,032
CONSUMABLES	190,119	209,033
	<u>8,808,527</u>	<u>27,198,128</u>

CONSUMPTION OF IMPORTED & INDIGENOUS

	CURRENT YEAR 2011-2012		PREVIOUS YEAR 2010-2011	
	VALUE	%	VALUE	%
IMPORTED	3401648	38.62	2621726	9.64
INDIGENOUS	5406879	61.38	24576402	90.36
	<u>8808527</u>	<u>100.00</u>	<u>27198128</u>	<u>100.00</u>

NOTE NO.19		
CHANGES IN INVENTORIES		
OPENING STOCK		
{a} FINISHED GOODS	10,072,017	10,001,215
{b} WORK IN PROGRESS	6,222,292	6,442,162
{c} TRADED GOODS	4,254,032	2,068,536
	(a) <u>20,548,341</u>	<u>18,511,913</u>
CLOSING STOCK		
{a} FINISHED GOODS	4,545,853	10,072,017
{b} WORK IN PROGRESS	2,524,522	6,222,292
{c} TRADED GOODS	6,147,264	4,254,032
	(b) <u>13,217,639</u>	<u>20,548,341</u>
CHANGES IN INVENTORIES	(a-b) <u>7,330,702</u>	<u>-2,036,428</u>

NOTE NO.20		
EMPLOYEE BENEFITS EXPENSES		
{a} SALARIES & WAGES	3,474,494	3,751,262
{b} DIRECTORS REMUNARATION	952,504	952,504
{c} CONTRIBUTION TO PROVIDENT FUND AND OTHER SCHEMES	80,271	92,177
{c} WELFARE EXPENSES	159,338	214,177
	<u>4,666,607</u>	<u>5,010,120</u>

NOTE NO.21		
FINANCIAL COST		
{a} INTEREST ON BANK LOAN	144,042	284,942
{b} INTEREST ON OTHERS	127,491	114,961
{c} BANK CHARGES	147,200	81,200
	<u>418,733</u>	<u>481,103</u>

DECCAN BEARINGS LIMITED

NOTES FORMING PARTS OF STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March,2012	As at 31st March,2011
Rupees	Rupees	Rupees
NOTE NO.22		
OTHER EXPENSES		
ADVERTISEMENT	50,839	23,993
ANNUAL LISTING FEES	16,545	11,030
AUDITOR'S REMUNERATION		
{i} AUDIT FEES	30,000	30,000
{ii} TAX AUDIT FEES	25,000	20,000
{iii} OTHERS	57,360	43,755
BAD DEBTS	-	658,975
BANK CHARGES	246,385	250,703
BROKERAGE & COMMISSION		94,567
CLEARING & FORWARDING	47,072	169,375
CONVEYANCE	37,166	65,168
DISCOUNT	2,778,301	3,009,189
ELECTRICITY & POWER CHARGES	351,429	340,780
FREIGHT OUTWARD	302,246	173,053
FREIGHT INWARD	34,150	83,925
INSURANCE CHARGES	67,652	64,407
LEGAL & PROFESSIONAL FEES	466,853	253,032
PACKING MATERIALS	927,593	1,670,719
PROCESSING CHARGES	274,466	5,322,836
POSTAGE & TELEGRAPH	65,366	71,531
PRINTING & STATIONERY	125,264	165,006
RENT, RATES & TAXES	847,678	1,108,396
REPAIRS TO OTHERS	173,273	56,401
SALES PROMOTION	1,096,332	1,915,609
TELEPHONE CHARGES	225,997	287,989
TRAVELLING	1,293,358	1,684,367
VEHICLE EXPENSES	264,368	282,974
LOSS ON SALES OF FIXED ASSETS	109,005	-
MISCELLANEOUS EXPENSES	541,764	470,391
	<u>10,455,462</u>	<u>18,328,171</u>

DECCAN BEARINGS LIMITED**NOTE NO.23****Auditors' Remuneration and expenses charged to the accounts:**

	2011-2012 Rs.	2010-2011 Rs.
Audit Fees	30,000	30,000
Tax-Audit Fees	25,000	20,000
Others	57,360	43,755

NOTE NO.24**EXPENDITURE IN FOREIGN CURRENCY:**

Traveling expenses	Rs. 2,30,034/-	(Rs. 2,12,456)
Imports (Raw-Materials on C.I.F.)	Rs. 29,95,597/-	(Rs. 20,44,664)
(Trading Goods on C.I.F.)	Rs.1,77,53,757/-	(Rs. 26,39,465)

NOTE NO.25**EARNINGS IN FOREIGN EXCHANGE:**

Export of Goods(F.O.B)	Rs. 15,16,575 /-	(Rs. 93,03,531/-)
------------------------	------------------	-------------------

NOTE NO.26**RELATED PARTIES DISCLOSURES :**

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

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

PARTICULARS	ASSOCIATES		KEY MANAGEMENT PERSONNEL		RELATIVES	
	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
LOANS	9,41,062/-	9,41,062/-			17,35,000/-	17,35,000/-
REMUNARATION PERQUISITES			9,52,504/-	9,52,504/-		
CONTRIBUTION TO PROVIDEND FUND			12,888/-	12,888/-		
TOTAL REMUNARATION			11,50,067/-	11,50,682/-		

DECCAN BEARINGS LIMITED

NOTE NO.27

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.28

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, 2012

	2011-12 Amount Rs.	2010-11 Amount Rs.
Profit/ (Loss) available to equity shareholders	(1,59,213)	1,39,104
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)	-0.07	0.06

NOTE NO.29

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.30

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

NOTE NO.31

The Financial Statements for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956 the Financial Statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly the previous year figures have also been reclassified to confirm to this year's classification.

As per our attached Report of even date

For and on behalf of the Board

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

D.V.VORA

(D.V.VORA)
Partner M.No.30013
Mumbai, Dated: 4th September,2012



Kiran N. Vora

KIRAN N. VORA
Managing director

B.W. Chrisitan

B. W. CHRISITAN
Executive Director
Mumbai, Dated: 4th September,2012