

**40th Annual Report
2017 - 2018**



Deccan Finance Limited



DECCAN FINANCE LIMITED

Managing Director	: Shri. Kailashmull Dugar , B.Com., B.L.
Dy. Managing Director	: Shri. Sanjay Bhansali , B.Com.,
Executive Director	: Shri. Dileep Bhandari , B.A.,
Directors	: Shri. Surendra M. Mehta Shri. K.V. Ramana Shetty , B.E.,
Independent Directors	: Shri. P.S. Balasubramaniam , B.Com., ACA, ACS Ms. Ekta Surana
Auditors	: M/s. Chandarana & Sanklecha
Internal Auditors	: M/s. Victoria Mathews & Santhakumar
Bankers	: State Bank of India
Registered Office	: Old No. 19, New No. 4/3, 1st Floor, 1st Cross Street, (Near Srilankan Consulate), Sterling Road, Nungambakkam, Chennai - 600 034. Email.Id: deccanfinance@gmail.com Website: www.deccanfinance.in
Phone	: Tel : 044 - 28252729
C I N No	: U65910 TN1978 PLC007632
Shares Listed with	: Unlisted
Depositories	: National Securities Depository Ltd., (NSDL) Central Depository Services (India) Ltd., (CDSL)
SHARE REGISTRAR / TRANSFER AGENT	: CAMEO CORPRATE SERVICES LTD Subramaniam Building No. 1, Club House Road, Chennai - 600 002.



DECCAN FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the members of **DECCAN FINANCE LIMITED** will be held on Saturday, the 29th day of September, 2018 at 10.00 a.m. at No. 75 (34-B), 1st Floor, Uthamar Gandhi Salai, Nungambakkam, Chennai-600 034, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2018; Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a Director in the place of Shri. SURENDRA M MEHTA (DIN: 02245751) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri. DILEEP BHANDARI (DIN: 00344054) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the continuance and remuneration of Auditor.

SPECIAL BUSINESS:

5. Re-appointment of Shri. Kailashmull Dugar (DIN:00134419) as Chairman & Managing Director, having attained the age of above 70 years and the payment of remuneration:

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 sections 196, 197, 203, Chapter XIII read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) Shri. KAILASHMULL DUGAR (DIN: 00134419), be and is hereby re-appointed as Chairman & Managing Director of the Company for a period of three years with effect from 1st April, 2018 on the salary, allowances and perquisites as under:

- (a) Salary: Not exceeding Rs.80,000/- per month with an annual increment of Rs.10,000/-per month or such sum as may be agreed by the Board from time to time.
- (b) Perquisites: Subject to the Ceiling of Rs.1,00,000/- per annum.



Category A:

- (i) Reimbursement of medical expenses of the Managing Director and his family, the total cost of which to the Company shall not exceed one months' salary in the year or three months' salary in a block of three years.
- (ii) Club Fees: Subject to a maximum of two clubs and this will not include admission and life membership.

Category B:

- (i) Car: The Company shall provide a car for the Company's business and if no car is provided, reimbursement of the conveyance shall be made on actual basis as per the claims made by him for the use of the car for purposes of business of the Company.
- (ii) Telephone: Free use of telephone at his residence provided that personal long distance calls on the telephone shall be billed by the Company to the Chairman & Managing Director.

Note: For the purpose of perquisites stated in Category "A" above "Family" means the Spouse, the dependent children and dependent parents of the appointee."

"FURTHER RESOLVED THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri. KAILASHMULL DUGAR shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to decide break-up of the remuneration within the above said maximum permissible limit and in order to give effect with the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

6. Re-designation of Sanjay Bhansali, Executive director as Managing Director :

To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED that Shri. Sanjay Bhansali (DIN: 01811994) Executive director, be and is hereby re-designated as **MANAGING DIRECTOR** and his terms of



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appointment and remuneration shall continue as that was approved by the members at the 39th Annual General Meeting”.

By Order of the Board,
For **DECCAN FINANCE LIMITED**

Place: Chennai
Date : 05.09.2018

(KAILASHMULL DUGAR)
Managing Director
DIN: 00134419

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
2. The proxy form, in order to be effective, must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
3. The members are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited, Subramanian Building, V Floor, No.1, Club House Road, Chennai 600 002, Change of Address, if any, at the earliest quoting their registered folio number .
4. Members holding Shares in more than one folio in identical order of names are requested to write to Registrar and Transfer Agents enclosing their Share Certificate to enable us to consolidate their holding in one folio to facilitate better service.
5. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date so as to enable the management to keep the information ready.
6. e-voting will commence on 26.09.2018 at 10 a.m. and will end on 28.09.2018 at 5 p.m.
7. The instructions for shareholders voting electronically are as under:
 1. The voting period begins on 26.09.2018 and ends on 28.09.2018. 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) 22nd day of September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 2. The shareholders should log on to the e-voting website www.evotingindia.com.
 3. Click on Shareholders.
 4. Now Enter your User ID allotted by CDSL, 16 digits beneficiary ID, Next enter the Image Verification as displayed and Click on Login.



5. 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.
6. If you are a first time user follow the steps given below:

For Members holding shares in **Demat Form** and **Physical Form**

PAN	Enter your 10 digit alpha-numeric*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company/Depository, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (4).

7. After entering these details appropriately, click on "SUBMIT" tab.
8. 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.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant on which you choose to vote.
11. 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.



12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
16. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Note for Non-Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed 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 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.

Mr. V. NAGARAJAN, Company Secretary, be and is hereby appointed as Scrutinizer for evoting process to conduct evoting process in a spare and transparent manner. The Scrutinizer shall within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make his report of the votes cast in favour or against and shall submit to the Chairman of the Meeting.

The Results of Annual General Meeting shall be declared on 01st October 2018. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and the CDSL.

Subject to the receipt of requisite numbers of votes, the resolutions shall be deemed to be passed on the date of the meeting, viz., 29th September, 2018



Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

Item No. 5:

As per the requirement of the Schedule V Part I (c) of the Companies Act, 2013 if a Managing or Whole Time Director has attained the age of 70 years then his appointment/continuation needs to be approved by a special resolution passed by the Company in General Meeting. Mr. KAILASHMULL DUGAR, (DIN: 00134419) has attained the age of 70 years. Keeping in view that Mr. KAILASHMULL DUGAR has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue him as Chairman & Managing Director. Your directors in their meeting held on 23rd March, 2018 have approved his re-appointment as Chairman & Managing Director and recommended the resolution for approval of the Shareholders as a Special Resolution. Except Mr. KAILASHMULL DUGAR no other Director or Key Managerial Personnel of the Company are concerned or interested in the proposed resolution.

Profile of Shri. Kailash Mull Dugar

Shri. Kailash Mull Dugar is a graduate in commerce and a graduate in Law. He has 5 decades of experience in the Financial Sector. He is a Director in Prapus Systems Pvt. Ltd., Proprietor: Kesavardhini Products, Former President: Federation of Indian Hire Purchase Association, Former Chairman: South India Hire Purchase Association, Joint Convener: Jt. Action Committee of Financiers of South India, Former President, Finance Companies Association, Committee Member of Finance Industry Development Council. He is the Director of Confederation of Indian Non-Banking Finance Entities. Past President of Federation of Indian Hire Purchase Association and Andhra Chamber of Commerce.

He is involved in various Social Activities. He Founded Rajasthan Youth Association in 1963, became founder secretary and was responsible for starting Book Bank Project. He is the President of Shri. Jain Medical Relief Society, Past President, Rajasthani Association and Rajasthan Education Foundation Tamilnadu, Past Chairman: Rajasthan Foundation Chennai Chapter - formed by Government of Rajasthan,



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Chairperson: Lotus Blind Welfare Society of India, Past President: Rotary Club of Madras Mid Town, Trustee: Rotary Cancer and Research Foundation.

He achieved various awards including: “Dedicated Service Award” by Rotary Club, “Award of Honour” as President of FIHPA, “Rajasthan Gaurav Award” - by Rajasthan Intellectual Forum, "Rajasthan Ratna Award" by Rajasthan Association at the hands of Her Excellency Smt. Pratibha Patil, the then President of India, “Seva Award” by Lions Club of Meenambakkam. He was invited to deliver lecture on “Minorities” - by Rajiv Gandhi Foundation, New Delhi of which Mrs. Sonia Gandhi is a Chair Person -in 2001

Item No. 6:

Since Shri. Sanjay Bhansali (DIN : 01811994) presently Executive Director, takes all out efforts to scale the business of the Company to a higher level. It was decided by the Board, at their meeting held on 23.03.2018, to re-designate him as MANAGING DIRECTOR, to encourage his commitment towards that direction.

By Order of the Board,
For **DECCAN FINANCE LIMITED**

Place: Chennai
Date : 05.09.2018

(KAILASHMULL DUGAR)
Managing Director
DIN: 00134419

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the Fortieth Annual Report of the Company together with the audited statement of accounts for the year ended 31st March, 2018.

1. STATE OF COMPANY'S AFFAIRS:**(A). Financial summary or highlights:**

(in Rs.)

Particulars	2017-18	2016-17
Total Income	4,75,08,232	4,73,69,993
Total expenditure	2,35,79,578	2,10,84,648
Profit before interest, depreciation and tax	2,39,28,654	2,62,85,345
Finance cost	85,92,211	99,20,903
Depreciation	9,49,593	10,49,393
Profit (Loss) before tax and provisions	1,43,86,850	1,53,15,049
Less: Provisions:		
Provision on Standard Assets	1,01,720	95,360
Provision on NPA	-9,941	-13,00,239
Provision on repossessed stock	—	-5,61,334
Profit (Loss) after provisions & before tax	1,42,95,071	1,70,81,262
Provision for taxation (Net of deferred tax)	47,41,558	49,15,433
Profit (Loss) after tax	95,53,513	1,21,65,829
Balance of Profit from the previous year	3,06,78,269	2,39,46,440
Amount available for appropriation	4,02,31,782	3,61,12,269
Appropriations:		
Transfer to General reserves	30,00,000	30,00,000
Transfer to Statutory reserves	19,11,000	24,34,000
Proposed dividend	—	—
Tax on proposed dividend	—	—
Balance carried to Balance Sheet	3,53,20,782	3,06,78,269



(B). Operations:

The Net stock of hypothecation and secured loans provided by the Company stood at Rs.1,854.34 Lakhs as on 31st March, 2018 as compared to Rs. 1,789.97 Lakhs as on 31st March, 2017. The decline in business is mainly due to reduction in the bank limits.

2. EXTRACT OF ANNUAL RETURN (FORM MGT-9):

The extract of Annual Return pursuant to the provisions of sub-section (3) of section 92 read with sub-rule (1) of rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure-1 and is attached to this report.

3. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Board met six times during the financial year, the details of which are given hereunder. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Quarter	Date of Board Meeting
1st April, 2017 to 30th June, 2017	30.05.2017
1st July, 2017 to 30th September, 2017	19.08.2017
	08.09.2017
1st October, 2017 to 31st December, 2017	22.11.2017
1st January, 2018 to 31st March, 2018	30.01.2018, 23.03.2018

4. DIRECTORS RESPONSIBILITY STATEMENT :

The board of directors has instituted/put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal, statutory auditors.

Pursuant to section 135(5) of the Companies Act, 2013, the board of directors, confirm that:

- (a) In the preparation of the annual accounts , the applicable accounting standards have been followed and that there were no material departures there from;
- (b) They have, in the selection of the accounting policies, consulted the statutory



auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the year ended on that date;

- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended 31 March, 2018; and
- (f) Proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31 March, 2018.

5. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLOSURES MADE BY THE AUDITORS :

The observations made by the auditors in their report and notes to the account referred to in the Auditors Report are self-explanatory. There were no qualifications, reservations or adverse remarks made by the Auditors in their respective reports.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

The Company being a Non-banking Finance Company (NBFC), has in the ordinary course of business made loans or advances or given guarantees or provided securities or made investments in bodies corporate and other persons during the financial year. Your Directors would like to draw your attention to the notes to the financial statements which set out the details of loans and investments made in bodies corporate and other persons.



7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES :

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The Company presents a statement of all related party transactions before the Board Directors of the Company for their approval. During the year, the Company had not entered into any contract/arrangement/transaction which could be considered as material in nature. Your Directors would like to draw your attention to the notes to the financial statements which set out related party disclosures.

8. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES :

The Company has made the following transfers to the reserves during the financial year:

Transfer to General reserves	Rs. 30,00,000
Transfer to Statutory reserves	Rs. 19,11,000
Proposed dividend	—
Tax on proposed dividend	—

9. DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended 31st March, 2018 in lieu of the Buy back of shares by the company and consequent payout from the capital and reserves.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT (01/04/2018 to 05/09/2018):

There were no material changes and commitments affecting the financial position of the Company between the period 1st April, 2018 to 5th September, 2018.



11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 :

Your Company has no activities relating to conservation of energy or technologies absorption. During the year under review, your Company did not have any foreign exchange earnings / outgo.

12. DETAILS OF CHANGE IN NATURE OF BUSINESS, IF ANY :

There was no change in the nature of business of the Company, during the year 2017-18

13. DIRECTORS :

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Company's Articles of Association, Shri. SURENDRA M. MEHTA and Shri. DILEEP BHANDARI are due to retire by rotation and eligible for reappointment, offer themselves to get reelected.

Shri. SURENDRA M MEHTA and Shri. DILEEP BHANDARI are interested in this resolution, respectively.

14. DECLARATION BY INDEPENDENT DIRECTORS :

The Company has received necessary declaration from independent director's under section 149(7) of the Companies Act, 2013.

15. SUBSIDIARY :

The Company does not have any Subsidiary Companies, Associate Companies or joint ventures.

16. FIXED DEPOSITS :

In conformity with the RBI guidelines, the Company had either renewed or refunded matured deposits during the year and had not accepted any fresh deposits. Deposits from the public as on 31st March, 2018 with the Company were Rs.1,22,89,000/- which include 2 deposit amounting to Rs.2,34,000/- not claimed by the depositor on the due date. Steps are



continuously being taken to arrange for repayment of the unclaimed deposit. On and from 1st April 2014, the Company is required to refund the maturing deposit, which is being complied with.

17. MATERIAL ORDERS PASSED BY REGULATORY AUTHORITIES :

There are no significant and material orders passed by the regulators or courts or tribunals during the year, impacting the going concern status and Company's operations in future.

18. RISK MANAGEMENT POLICY :

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk Management is a structured approach to manage uncertainty. Although the Company does not have a formal risk management policy but a formal enterprise-wise approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. Key business risks and their mitigation are also considered in the annual / strategic business plans and in periodic management reviews.

19. DETAILS OF REVISION OF FINANCIAL STATEMENTS :

There was no revision of the financial statements of the Company, during the year 2017-18

20. SHARES AND SHARE CAPITAL :

a. CAPITAL STRUCTURE :

The Authorised Share Capital of your Company is Rs.3,00,00,000/- comprising of 30,00,000 Equity Shares of Rs.10/- each and the Paid-up Share Capital is Rs.1,39,38,050/- comprising of 13,93,805 Equity Shares of Rs.10/- each.

b. BUY-BACK OF SHARES :

The Company has bought back its securities during the year in October, 2017 to the tune of 1,06,195 shares at the rate of Rs.41.10p

c. SWEAT EQUITY :

The Company has not issued any Sweat Equity Shares during the year.



d. BONUS SHARES :

No Bonus Shares were issued during the year.

e. EMPLOYEES STOCK OPTION PLAN :

The Company has not provided any Stock Option Scheme to the employees, during the year.

21. STATUTORY AUDITORS :

M/s. CHANDARANA & SANKLECHA (FRN: 000557S), Chartered Accountants, Chennai has been re-appointed as Auditors of the Company at the 39th Annual General Meeting for a period of 5 years. The Board recommends their continuation for ratification of members at the Annual General Meeting.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company does not have a formal Anti Sexual Harassment policy in place but has adequate measures including checks and corrections in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under the policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18:

No. of Complaints received	: NIL
No. of Complaints disposed off	: NIL



23. LISTING AT STOCK EXCHANGE:

The Company was in Dissemination Board of National Stock Exchange of India Limited (NSE), recently has received a letter confirming that this has been calcified as unlisted.

24. RESERVE BANK OF INDIA REGULATIONS :

Your Company is generally complying with the directions of the Reserve Bank of India regarding prudential norms of accounting, capital adequacy ratio, provisions for bad and doubtful debts and other requirements as per the directions issued from time to time.

25. CORPORATE SOCIAL RESPONSIBILITY :

The provisions of section 135 of the Companies Act, 2013 read with the companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

26. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels. Your Directors would like to thank the banks, consultants, auditors and above all the shareholders and valued Customers for their continued support and patronage.

For and on behalf of the Board,

Place: Chennai
Date : 05.09.2018

(DILEEP BHANDARI)
Executive Director
DIN: 00344054
No. 75, Mahatma Gandhi Road
Nungambakkam,
Chennai – 600 034.

(KAILASHMULL DUGAR)
Managing Director
DIN: 00134419
New No.80, Old No. 61,
Poes Garden,
Chennai – 600 086.



DECCAN FINANCE LIMITED

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U65910 TN1978 PLC007632
- ii) Registration Date : 02.11.1978
- iii) Name of the Company : DECCAN FINANCE LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares / Indian Non - Government Company
- v) Address of the Registered office : New No.4/3, 1st Floor, 1st Cross Street, (Adjacent to Sri Lankan Consulate), Sterling Road, Nungambakkam Chennai -600 034. Ph : 28252729/28285625 Email : deccanfinance@gmail.com
- vi) Whether listed company : NO
Yes / No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/S. Cameo Corporate Services Limited, 'Subramanian Building' V FLOOR, No.1, Club House Road, Chennai - 600 002. E-mail. ID: investor@cameoindia.com Ph.No: 91-44 - 2846 0390 Fax : 91-44 - 2846 0129

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Non-Banking	Section K- Group 649- other Service Financial activities, except insurance and pension funding activities	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% Of Shares Held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL



IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Shareholding Of Promoter And Promoter Group									
1.	INDIAN									
a.	Individuals / Hindu Undivided Family	770048	55400	825448	55.0298	815848	10600	826448	59.2943	4.2645
b.	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	any other									
	Sub - Total (A)(1)	770048	55400	825448	55.0298	815848	10600	826448	59.2943	4.2645
2.	FOREIGN									
a.	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Any Other									
	Sub - Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	770048	55400	825448	55.0298	815848	10600	826448	59.2943	4.2645
B.	Public Shareholding									
1.	INSTITUTIONS									
a.	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	Foreign Institutional Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	Any other									
	Sub - Total (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2.	NON-INSTITUTIONS									
a.	Bodies corporate	850	6500	7350	0.4900	300	6300	6600	0.4735	-0.0164
b.	Individuals - i Individual Shareholders Holding Nominal Share Capital upto Rs. 1 Lakh	81319	463972	545291	36.3527	64444	374452	438896	31.4890	-4.8636
	ii Individual Shareholders Holding Nominal Share Capital in Excess of Rs. 1 Lakh	12000	108811	120811	8.0540	12000	108811	120811	8.6677	0.6136



DECCAN FINANCE LIMITED

c.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Any Other									
	Hindu Undivided Families	750	0	750	0.0500	700	0	700	0.0502	0.0002
	Non Resident Indians	350	0	350	0.0233	350	0	350	0.0251	0.0017
		1100	0	1100	0.0733	1050	0	1050	0.0753	0.0020
	Sub - Total (B)(2)	95269	579283	674552	44.9701	77794	489563	567357	40.7056	-4.2645
	Total Public Shareholding (B) = (B)(1)+(B)(2)	95269	579283	674552	44.9701	77794	489563	567357	40.7056	-4.2645
	Total (A)+(B)	865317	634683	1500000	100.0000	893642	500163	1393805	100.0000	0.0000
C.	Shares Held by Custodians and against which Depository Receipts have been Issued									
	Promoter And Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Custodian (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Grand Total (A)+(B)+(C)	865317	634683	1500000	100.0000	893642	500163	1393805	100.0000	0.0000

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(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year	FOLIO / DP CLIENT ID	PAN	Pledged Shares at		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company				beginning of the Year	end of the Year	
1	DILEEP BHANDARI	166279	11.0852	0.0000	166279	11.9298	0.0000	0.0000	0.0000	0	0
2	HEMANT DUGAR	148000	9.8666	0.0000	148000	10.6184	0.0000	0.0000	0.0000	0	0
3	VIMALA BHANSALI	125860	8.3906	0.0000	125860	9.0239	0.0000	0.0000	0.0000	0	0
4	ADITYA BHANSALI	119885	7.9923	0.0000	119885	8.6012	0.0000	0.0000	0.0000	0	0
5	PRAKASHMAL BHANDARI	84400	5.6266	0.0000	84400	6.0553	0.0000	0.0000	0.0000	0	0
6	HEMANT DUGAR	43031	2.8887	0.0000	86131	6.1795	0.0000	0.0000	3.0922	0	0
	HAVING SAME PAN										
6	HEMANT DUGAR	28100	1.8733	0.0000	0	0.0000	0.0000	-2.0160		0	0
7	MANGALA BHANDARI	22700	1.5133	0.0000	25400	1.8223	0.0000	0.1937		0	0
	HAVING SAME PAN										
7	MANGALA BHANDARI	1700	0.1133	0.0000	0	0.0000	0.0000	-0.1219		0	0
8	PAVITRA DUGAR	20900	1.3933	0.0000	20900	1.4994	0.0000	0.0000		0	0
9	NARESH MMEHTAJ1 : RAKSHA N.MEHTA	15693	1.0462	0.0000	15693	1.1259	0.0000	0.0000		0	0
10	HEMANT DUGAR	15000	1.0000	0.0000	0	0.0000	0.0000	-1.0761		0	0
11	KAILASH MULL DUGAR	12500	0.8333	0.0000	12500	0.8668	0.0000	0.0000		0	0
12	VIMALA BHANSALI	5700	0.3800	0.0000	5700	0.4089	0.0000	0.0000		0	0
13	PRAKASHMULL KAILASHMULL	5000	0.3333	0.0000	5000	0.3587	0.0000	0.0000		0	0
14	RAMANA K V	4000	0.2666	0.0000	4000	0.2689	0.0000	0.0000		0	0
15	POOJA DUGAR	3800	0.2533	0.0000	3800	0.2726	0.0000	0.0000		0	0
16	NARESH M MEHTA	2000	0.1333	0.0000	2000	0.1434	0.0000	0.0000		0	0
17	SURENDRA M MEHTA	400	0.0266	0.0000	400	0.0286	0.0000	0.0000		0	0
18	SANJAY BHANSALI	200	0.0133	0.0000	200	0.0143	0.0000	0.0000		0	0
	HAVING SAME PAN										
18	SANJAY BHANSALI	150	0.0100	0.0000	150	0.0107	0.0000	0.0000		0	0
	HAVING SAME PAN										
18	SANJAY BHANSALI	100	0.0066	0.0000	100	0.0071	0.0000	0.0000		0	0
19	VIMALA BHANSALJTI : MAHAVEERCHAND BHANSALI	50	0.0033	0.0000	50	0.0035	0.0000	0.0000		0	0



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

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO / DP Client ID	PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	DILEEP BHANDARI						
	At the beginning of the year 01-Apr-2017	166279	11.0852	166279	11.0852	'IN30051311930462	AABPB8336K
	At the end of the Year 31-Mar-2018	166279	11.9298	166279	11.9298		
2	HEMANT DUGAR						
	At the beginning of the year 01-Apr-2017	148000	9.8666	148000	9.8666	'IN30108022443443	AABHH3064C
	At the end of the Year 31-Mar-2018	148000	10.6184	148000	10.6184		
3	VIMALA BHANSALI						
	At the beginning of the year 01-Apr-2017	125860	8.3906	125860	8.3906	'IN30045010397159	ACLPV5201H
	At the end of the Year 31-Mar-2018	125860	9.0299	125860	9.0299		
4	ADITYA BHANSALI						
	At the beginning of the year 01-Apr-2017	119885	7.9923	119885	7.9923	'IN30045014226572	BEIPA1948E
	At the end of the Year 31-Mar-2018	119885	8.6012	119885	8.6012		
5	PRAKASHMAL BHANDARI						
	At the beginning of the year 01-Apr-2017	84400	5.6266	84400	5.6266	'IN30051311937689	AABPB8331Q
	At the end of the Year 31-Mar-2018	84400	6.0553	84400	6.0553		
6	HEMANT DUGAR						
	At the beginning of the year 01-Apr-2017	43031	2.8687	43031	2.8687	'IN30108022153807	AADPD7770M
	Demated 05-May-2017	43100	3.0922	86131	6.1795	'H0000014H0000039	
	At the end of the Year 31-Mar-2018	86131	6.1795	86131	6.1795		
7	MANGALA BHANDARI						
	At the beginning of the year 01-Apr-2017	22700	1.5133	22700	1.5133	'IN30051311927968	AAJPB1334M
	Demated 08-Sep-2017	1000	0.0717	23700	1.7003	'00004055	
	Purchase 08-Dec-2017	1700	0.1219	25400	1.8223		
	At the end of the Year 31-Mar-2018	25400	1.8223	25400	1.8223		
8	PAVITRA DUGAR						
	At the beginning of the year 01-Apr-2017	20900	1.3933	20900	1.3933	'IN30108022544690	AADPD7712R
	At the end of the Year 31-Mar-2018	20900	1.4994	20900	1.4994		
9	NARESH M.MEHTA JT1 : RAKSHA N.MEHTA						
	At the beginning of the year 01-Apr-2017	15693	1.0462	15693	1.0462	'IN30243720139607	AAKPM3175E
	At the end of the Year 31-Mar-2018	15693	1.1259	15693	1.1259		
10	KAILASH MULL DUGAR						
	At the beginning of the year 01-Apr-2017	12500	0.8333	12500	0.8333	'IN30108022153794	AADPD7696J
	At the end of the Year 31-Mar-2018	12500	0.8968	12500	0.8968		
11	VIMALA BHANSALI						
	At the beginning of the year 01-Apr-2017	5700	0.3800	5700	0.3800	'V0000256	
	At the end of the Year 31-Mar-2018	5700	0.4089	5700	0.4089		
12	PRAKASHMULL KAILASHMULL						
	At the beginning of the year 01-Apr-2017	5000	0.3333	5000	0.3333	'IN30108022176885	AAAHK1533N
	At the end of the Year 31-Mar-2018	5000	0.3587	5000	0.3587		
13	RAMANA K V						
	At the beginning of the year 01-Apr-2017	4000	0.2666	4000	0.2666	'R0000096	
	At the end of the Year 31-Mar-2018	4000	0.2869	4000	0.2869		
14	POOJA DUGAR						
	At the beginning of the year 01-Apr-2017	3800	0.2533	3800	0.2533	'IN30108022176877	AHLPD4264H
	At the end of the Year 31-Mar-2018	3800	0.2726	3800	0.2726		
15	NARESH M MEHTA						
	At the beginning of the year 01-Apr-2017	2000	0.1333	2000	0.1333	'IN30047640157303	AAAHN2291L
	At the end of the Year 31-Mar-2018	2000	0.1434	2000	0.1434		
16	SURENDRA M MEHTA						
	At the beginning of the year 01-Apr-2017	400	0.0266	400	0.0266	'S00000245	
	At the end of the Year 31-Mar-2018	400	0.0286	400	0.0286		



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S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO / DP Client ID	PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
17	SANJAY BHANSALI						
	At the beginning of the year 01-Apr-2017	200	0.0133	200	0.0133	'00004046	AABPB7900P
	At the end of the Year 31-Mar-2018	200	0.0143	200	0.0143		
	HAVING SAME PAN						
17	SANJAY BHANSALI						
	At the beginning of the year 01-Apr-2017	150	0.0100	150	0.0100	'S0000021	AABPB7900P
	At the end of the Year 31-Mar-2018	150	0.0107	150	0.0107		
	HAVING SAME PAN						
17	SANJAY BHANSALI						
	At the beginning of the year 01-Apr-2017	100	0.0066	100	0.0066	'00004036	AABPB7900P
	At the end of the Year 31-Mar-2018	100	0.0071	100	0.0071		
18	VIMALA BHANSALIJT1 : MAHAVEERCHAND BHANSALI						
	At the beginning of the year 01-Apr-2017	50	0.0033	50	0.0033	'V0000062	
	At the end of the Year 31-Mar-2018	50	0.0035	50	0.0035		

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(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO / DP Client ID	PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	SAVITA H MEHTA JT1 : SULSA S JHAVERI						
	At the beginning of the year 01-Apr-2017	17437	1.1624	17437	1.1624	'S0000066	
	At the end of the Year 31-Mar-2018	17437	1.2510	17437	1.2510		
2	SHETTY G K						
	At the beginning of the year 01-Apr-2017	16000	1.0666	16000	1.0666	'S0000125	
	At the end of the Year 31-Mar-2018	16000	1.1479	16000	1.1479		
3	ABHAY S MEHTA						
	At the beginning of the year 01-Apr-2017	15000	1.0000	15000	1.0000	'00004040	AAKPM4560F
	At the end of the Year 31-Mar-2018	15000	1.0761	15000	1.0761		
4	SAWITA H MEHTAJT1 : SULSA S JHAVERI						
	At the beginning of the year 01-Apr-2017	14437	0.9624	14437	0.9624	'S0000069	
	At the end of the Year 31-Mar-2018	14437	1.0357	14437	1.0357		
5	AMITA BHANSALI						
	At the beginning of the year 01-Apr-2017	12000	0.8000	12000	0.8000	'A0000034	
	At the end of the Year 31-Mar-2018	12000	0.8609	12000	0.8609		
6	RANJAN KUMARPAL MEHTAJT1 : KAUSHAL KUMARPAL MEHTA						
	At the beginning of the year 01-Apr-2017	12000	0.8000	12000	0.8000	'IN30014210423059	AACPM3507C
	At the end of the Year 31-Mar-2018	12000	0.8609	12000	0.8609		
7	PREETA DUGAR						
	At the beginning of the year 01-Apr-2017	12000	0.8000	12000	0.8000	'P0000074	
	At the end of the Year 31-Mar-2018	12000	0.8609	12000	0.8609		
8	MANAK TRUST						
	At the beginning of the year 01-Apr-2017	11250	0.7500	11250	0.7500	'M0000045	
	At the end of the Year 31-Mar-2018	11250	0.8071	11250	0.8071		
9	SURENDRA M MEHTAJT1 : TUSHAR S MEHTA						
	At the beginning of the year 01-Apr-2017	10687	0.7124	10687	0.7124	'S0000247	
	At the end of the Year 31-Mar-2018	10687	0.7667	10687	0.7667		
10	ROHAN T MEHTAJT1 : TUHIN T MEHTA						
	At the beginning of the year 01-Apr-2017	9250	0.6166	9250	0.6166	'R0000348	
	At the end of the Year 31-Mar-2018	9250	0.6636	9250	0.6636		
	NEW TOP 10 AS ON (31-Mar-2018)						

(v) Shareholding of Directors and Key Managerial Personnel:

1	Mr.KAILASH MULL DUGAR	12500	0.8333	12500	0.968	IN301080 22153794	AADPD7696J
2	Mr.SANJAY BHANSALI	450	0.03	450	0.032	S0000021	AABPB7900P
3	Mr.DILEEP BHANDARI	166279	11.0852	166279	11.9298	IN300513 11930462	AABPB8336K
4	Mr.RAMANA K V	4000	0.2666	4000	0.2869	R0000096	ATZPS3443D
5	Mr.SURENDRA M MEHTA	400	0.0266	400	0.0286	S0000245	AAKPM6383N
6	Mr. BALASUBRAMANIAM P S	100	0.0066	100	0.007	00004043	AACPB9356L
7	Ms. EKTA SURANA	NIL	NIL	NIL	NIL	NIL	AMOPS1478C



DECCAN FINANCE LIMITED

V. 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	2,46,53,951	1,30,91,000	4,48,82,000	8,26,26,951
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	88,989	15,25,395	48,18,250	64,32,634
Total (i+ii+iii)	2,47,42,940	1,46,16,395	4,97,00,250	8,90,59,585
Change in indebtedness during the financial year				
Addition	1,87,20,965	4,69,000	NIL	1,91,89,965
Reduction-Principal	NIL	NIL	3,25,93,000	3,25,93,000
Reduction - Accrued Interest	88,989	4,41,702	23,30,065	28,60,756
Net Change	2,46,45,950	30,92,000	3,80,35,565	1,62,63,791
Indebtedness at the end of the financial year				
i) Principal Amount	4,33,74,916	1,35,60,000	1,22,89,000	6,92,23,916
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	10,83,693	24,88,185	35,71,878
Total (i+ii+iii)	4,33,74,916	1,21,43,693	1,47,77,185	7,27,95,794

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Kailshnull Dugar	Mr. Sanjay Bhansali	Mr. Dileep Bhandari	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the income -tax Act, 1961	9,60,000	9,60,000	6,60,000	25,80,000
	(b) Value of perquisites u/s 17(2) income -tax Act, 1961	NIL	NIL	3,00,000	3,00,000
	(c) Profits in lieu of salary under section 17(3) income -tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commision — as % of profit — others, specify	NIL	NIL	NIL	NIL
5	Others, Please specify	NIL	NIL	NIL	NIL
	Total (A)	9,60,000	9,60,000	9,60,000	28,80,000



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B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr.P.Balasubramaniam	Mr. Surendra M Mehta	Smt. Ekta Surana	
1.	Independent Directors				
	- Fee for attending board committee meetings	20,000	NIL	20,000	40,000
	- Commission	NIL	NIL	NIL	NIL
	- Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	20,000	NIL	20,000	40,000
2.	Other Non-Executive Directors				
	- Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	- Commission	NIL	NIL	NIL	NIL
	- Others, please specify	NIL	NIL	NIL	NIL
	Total (2)				
	Total (B)=(1+2)	20,000	NIL	20,000	40,000
	Total Managerial Remuneration	20,000	NIL	20,000	40,000

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s17(2) Income-taxAct, 1961				
	(c) Profits in lieu of salary under section17(3) Income-taxAct, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit- others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.



INDEPENDENT AUDITOR'S REPORT

To the Members of

Deccan Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Deccan Finance Limited ("the company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of 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, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's 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 thereunder.

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 disclosures in the financial statements. The procedures



selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers 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 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:

- a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2018;
- b) in the case of the Statement of Profit and Loss Account, of the profit of the company for the year ended on that date and
- c) in the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the



DECCAN FINANCE LIMITED

Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018, 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, we give our separate Report in “Annexure 2”.
- g) With respect to the other matters to be included in the Auditor's 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 derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For **CHANDARANA & SANKLECHA**

Chartered Accountants

FRN : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No. 027539

Chennai

05.09.2018



ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of Deccan Finance Limited on the accounts of the company for the year ended 31st March, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
 - c. The Company does not have any immovable properties.
2. The Company is a Non-Banking Financial Company (NBFC) engaged in the business of Financing. Hence, paragraph 3 (ii) of the Order is not applicable to it.
3. The Company has not granted any loan, secured or unsecured, to other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. Based on the information and explanations given to us, the Company has not granted/made loans, investments, guarantee and security within the provision of Section 185 and 186 of the Companies Act.
5. The Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013. In respect of the activities carried on by the company
7. (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanation given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, goods & service tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no



DECCAN FINANCE LIMITED

dues of income tax, service tax, sales tax, customs duty and excise duty or value added tax outstanding on account of any disputes.

8. According to the information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to financial institutions, banks, governments or dues to debenture holders.
9. To the best of our knowledge and belief and according to the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer.
10. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid the managerial remuneration in accordance with the requisite approvals mandated by the Provision of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the company.
13. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into non-cash transaction with directors or persons connected with them. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the company had already obtained the required registration from RBI.

For **CHANDARANA & SANKLECHA**

Chartered Accountants

FRN : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No. 027539

Chennai
05.09.2018



ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Deccan Finance Limited on the financial statements for the year ended March 31, 2018)

Report on the Internal Financial Controls over Financial Reporting under clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of Deccan Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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"). 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 Companies Act, 2013.

Auditors' Responsibility

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.

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.

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

A company'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. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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 March 31, 2018, 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 **CHANDARANA & SANKLECHA**

Chartered Accountants

FRN : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No. 027539

Chennai
05.09.2018



DECCAN FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
		Rs.	Rs.
I. EQUITY & LIABILITIES			
Shareholder's Funds			
(a) Share Capital	1	1,39,38,050	1,50,00,000
(b) Reserves and Surplus	2	11,81,51,766	11,19,00,919
(c) Money received against share warrants		—	—
Share Application money pending allotment		—	—
Non-Current Liabilities			
(a) Long-Term Borrowings	3	4,05,86,748	4,21,58,000
(b) Deferred Tax Liabilities		—	—
(c) Other Long Term Liabilities		—	—
(d) Long-Term Provisions	4	19,99,601	19,07,822
Current Liabilities			
(a) Short-Term Borrowings	5	2,86,37,168	4,04,68,951
(b) Trade Payables		—	—
(c) Other Current Liabilities	6	50,83,798	68,11,225
(d) Short-Term Provisions	7	10,20,000	8,65,016
TOTAL		20,94,17,131	21,91,11,933
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	40,44,650	25,99,311
(b) Non-Current Investments	9	63,11,238	95,04,020
(c) Deferred Tax Assets (net)		4,00,163	4,41,721
(d) Long Term Loans & Advances		—	—
(e) Other Non-Current Assets	10	7,45,320	95,320
Current Assets			
(a) Cash and cash equivalents	11	36,34,167	2,28,68,988
(b) Short-Term Loans & Advances	12	19,35,70,447	18,08,00,675
(c) Other Current Assets	13	7,11,146	28,01,898
TOTAL		20,94,17,131	21,91,11,933

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S
BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.09.2018

For and on behalf of the Board of Directors
KAILASHMULL DUGAR **SANJAY BHANSALI**
Managing Director Executive Director
(DIN : 00134419) (DIN : 01811994)
DILEEP BHANDARI
Executive Director
(DIN : 00344054)



DECCAN FINANCE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (in rupees)

Particulars		Note	As at 31st March, 2018	As at 31st March, 2017
I	Revenue from Operations	14	4,62,20,608	4,71,41,285
II	Other Income	15	12,87,624	2,28,708
III	Total Revenue (I +II)		4,75,08,232	4,73,69,993
IV	Expenses:			
	a. Employee Benefits Expense	16	91,40,939	92,13,775
	b. Finance Costs	17	85,92,211	99,20,903
	c. Depreciation and Amortization	8	9,49,593	10,49,393
	d. Other Expenses	18	1,44,38,639	1,18,70,873
	Total Expenses (IV)		3,31,21,382	3,20,54,944
V	Profit before provision	III-IV	1,43,86,850	1,53,15,049
	Provision on NPA		(9,941)	(13,00,239)
	Provision on Repossessed Stock		—	(5,61,334)
	Provision on Standard Assets		1,01,720	95,360
VI	Total Provisions		91,779	(17,66,213)
VII	Profit before tax		1,42,95,071	1,70,81,262
VIII	Tax expense:			
	- Current Tax		47,00,000	50,00,000
	- Deferred tax		41,558	(84,567)
IX	Profit for the year	V-VI	95,53,513	1,21,65,829
X	Earning per Equity Share:			
	- Basic & Diluted		6.54	8.11

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S
BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.09.2018

For and on behalf of the Board of Directors
KAILASHMULL DUGAR **SANJAY BHANSALI**
Managing Director Executive Director
(DIN : 00134419) (DIN : 01811994)
DILEEP BHANDARI
Executive Director
(DIN : 00344054)



DECCAN FINANCE LIMITED

NOTES ON ACCOUNTS:

Notes on Financial Statements for the year ended 31st, March, 2018

1. Share Capital

Particulars	As at 31st March, 2018	As at 31st March, 2017
AUTHORISED CAPITAL		
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000
ISSUED, SUBSCRIBED & PAID UP		
13,93,805 Equity Shares of Rs.10/- each Fully paid up (Previous year - 15,00,000 shares of Rs.10/ each)	1,39,38,050	1,50,00,000
Total	1,39,38,050	1,50,00,000

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Equity shares	As at 31st March, 2018	As at 31st March, 2017
Equity Shares at the beginning of the year	15,00,000	15,00,000
Add : Fresh Issue	—	—
Less : Buyback of Shares	1,06,195	—
Equity shares at the end of the year	13,93,805	15,00,000

(ii) Details of share holding 5% or more shares:

S.No	Name of the Share Holder	No. of Shares as on 31.03.2018	% of Shares as at 31.03.2018	No. of Shares as on 31.03.2017	% of Shares as at 31.03.2017
1	Hemant Dugar	2,34,131	16.80%	1,48,000	9.87%
2	Dileep Bhandari	1,66,279	11.93%	1,66,279	11.09%
3	Vimala Bhansali	1,25,860	9.03%	1,25,860	8.39%
4	Aditya Bhansali	1,19,885	8.60%	—	0.00%
5	Hemlatha Bhansali	—	0.00%	1,19,885	7.99%
6	Prakashmal Bhandari	84,400	6.06%	84,400	5.63%

2. Reserves & Surplus

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Capital Reserve		
	10,000	10,000
	10,000	10,000
(ii) Statutory Reserve :		
Balance brought forward from previous year	2,63,94,049	2,39,60,050
Add : Transfer from Profit & Loss Account	19,11,000	24,34,000
	2,83,05,049	2,63,94,050



DECCAN FINANCE LIMITED

Particulars	As at 31st March, 2018	As at 31st March, 2017
(iii) General Reserve		
Balance brought forward from previous year	5,48,18,600	5,18,18,600
Add : Transfer from Profit & Loss Account	30,00,000	30,00,000
Less : Buy-back Share	-33,02,665	—
Less : Capital Redemption Reserve	-10,61,950	—
	5,34,53,985	5,48,18,600
(iv) Capital Redemption Reserve	10,61,950	—
	10,61,950	—
(v) Profit & Loss Account		
Balance brought forward from previous year	3,06,78,269	2,39,46,440
Add: Profit for the year	95,53,513	1,21,65,829
Less: Appropriations		—
Transferred to Statutory Reserve	19,11,000	24,34,000
Transferred to General Reserve	30,00,000	30,00,000
Proposed Dividend	—	—
Tax on Dividend	—	—
	3,53,20,782	3,06,78,269
Total	11,81,51,766	11,19,00,919

3. Long Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Deposits - Public (Unsecured) (Maturing between 1 to 3 years)	—	1,22,30,000
(ii) Deposits - Directors (Maturing between 1 to 3 years)	31,000	45,000
(iii) Deposits - Relatives of Directors (Maturing between 1 to 3 years)	77,49,000	73,83,000
(iv) 11% Secured, Redeemable Non Convertible Debentures (Secured by Hypothecation of assets)	2,00,00,000	2,00,00,000
(v) Inter corporate Deposits	—	25,00,000
(vi) From Shriram Transport Finance Company Ltd (Secured by Hypothecation Loans)	1,28,06,748	—
Total	4,05,86,748	4,21,58,000

4. Long Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Provision on Standard Assets	7,13,615	6,11,895
(ii) Provision on Non performing Assets	7,40,763	7,50,704
(iii) Provision for Repossessed stock	2,68,080	2,68,080
(iv) Provision for Diminution in value of Investments	2,77,143	2,77,143
Total	19,99,601	19,07,822



DECCAN FINANCE LIMITED

5. Short Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured		
(i) From Banks secured by Assets covered by Hypothecation Loans	79,25,940	46,53,951
(ii) From Shriram Transport Finance Company Ltd Secured by Hypothecation Loans	26,42,228	—
Unsecured		
(i) Deposits - Directors	45,000	33,000
(ii) Deposits - Relatives of Directors	32,35,000	31,30,000
(iii) Deposits - Public	1,22,89,000	3,26,52,000
(iv) Inter corporate deposits	25,00,000	—
Total	2,86,37,168	4,04,68,951

6. Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) TDS Payable	18,814	1,79,470
(ii) Insurance, Commitment & Contingent Deposits	80,400	1,09,400
(iii) Commission Payable	9,748	—
(iv) Interest Accrued but not due		
- Directors & Relatives	10,83,693	15,25,395
- Public	24,88,185	48,18,250
- NCD	—	88,989
(vi) Other Payables		
Other current liabilities	14,02,958	89,721
Total	50,83,798	68,11,225

7. Short Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Provision for Taxation	10,20,000	8,65,016
Total	10,20,000	8,65,016



DECCAN FINANCE LIMITED

8. FIXED ASSETS

Particulars	Gross Block			Depreciation Block				Net Block	
	As on 01.04.17	Additions	Deletions	As on 31.03.18	As on 01.04.17	For the Year	On Deletions	As on 31.03.18	As on 31.03.17
Plant & Equipments	15,74,735	7,81,096	—	23,55,831	13,65,108	90,195	—	14,55,303	2,09,627
Furniture & Fixtures	1,34,456	—	—	1,34,456	1,25,151	1,100	—	1,26,251	9,305
Vehicles	47,97,419	25,00,231	20,72,094	52,25,556	25,74,385	7,61,263	11,03,905	22,31,743	22,23,034
Computer & Accessories	11,61,016	81,791	—	12,42,807	10,03,668	97,035	—	11,00,703	1,57,348
TOTAL	76,67,626	33,63,118	20,72,094	89,58,650	50,68,312	9,49,593	11,03,905	49,14,000	25,99,314
Previous Year	75,16,990	2,52,046	1,01,410	76,67,626	40,87,350	10,49,393	68,428	50,68,315	34,29,640



DECCAN FINANCE LIMITED

9. Non -Current Investments (Long Term Investments)

Particulars	Face Value	Quantity		Cost (in INR)	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(A) Investment in equity instruments (Fully paid up) Quoted (Non-Trade)					
ICICI Limited	10	183	183	5,000	5,000
NHPC Limited	10	16,399	16,399	5,90,364	5,90,364
				5,95,364	5,95,364
(B) Investment in Govt. Securities (Fully paid up) Non-Trade					
7.94%, Govt of India Loan	100	1,000	1,000	1,04,007	1,04,007
8.35%, Govt of India Loan 2022	100	—	1,500	—	1,60,905
8.26%, Govt of India OIL BONDS	100	5,000	25,000	5,06,883	25,38,760
National Savings Certificate	—	—	—	40,300	40,300
8.75%, Tamilnadu State Loan 2022	100	10,000	10,000	10,03,722	10,03,722
8.26%, Govt of India 2027	100	—	—	—	—
8.80%, Tamilnadu State Loan 2022	100	5,000	5,000	5,23,350	5,23,350
8.50%, Tamilnadu State Loan 2021	100	—	10,000	—	10,00,000
8.90%, Tamilnadu State Loan 2022	100	35,000	35,000	35,37,612	35,37,612
				57,15,874	89,08,656
				63,11,238	95,04,020
Aggregate amount of quoted investments				5,95,364	5,95,364
Aggregate market value of quoted investments				5,04,380	4,38,505

Summary

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Investment in Equity Shares (Quoted)	5,95,364	5,95,364
(ii) Investment in Government Securities	57,15,874	89,08,656
Total	63,11,238	95,04,020

10. Other Non -Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Rental Deposits	7,15,000	65,000
(ii) Telephone Deposits	30,320	30,320
Total	7,45,320	95,320



DECCAN FINANCE LIMITED

11. Cash & Cash Equivalents

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Cash on Hand	6,06,251	3,83,099
(ii) Balance with Scheduled Banks - in Current Accounts	30,27,917	59,85,889
(iii) In Fixed Deposits (Maturing within 12 months)	—	1,65,00,000
Total	36,34,167	2,28,68,988

12. Short Terms Loans and Advances

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Loans:		
a) Secured, Considered Good	18,54,34,141	17,89,96,688
b) Unsecured, Considered Bad	—	—
(ii) Advance	42,25,668	—
(iii) Income Tax	3,43,904	—
(iv) GST	2,95,112	—
(v) Staff Advance	17,32,331	13,84,239
(vi) Sundry Advances	15,27,797	4,19,748
(vii) PF Receivable	108	—
(viii) TDS Receivable	11,386	—
Total	19,35,70,447	18,08,00,675

13. Other Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Repossed Stocks	7,11,146	27,88,689
(ii) Interest Accrued but not Due	—	13,209
Total	7,11,146	28,01,898

14. Revenue from Operations

Particulars	As at 31.03.2018	As at 31.03.2017
Income From Financing Activities:		
- Interest on Loans	4,54,03,043	4,58,45,860
- Interest on Govt Securities	7,03,609	12,95,425
- Interest on Bank Deposits	1,13,956	—
Total	4,62,20,608	4,71,41,285



DECCAN FINANCE LIMITED

15. Other Income

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Miscellaneous Income	3,084	14,603
(ii) Bad debts recovery	12,09,100	1,61,000
(iii) Profit on Sale of Assets	50,311	12,081
(iv) Dividend Receipts	25,129	41,024
Total	12,87,624	2,28,708

16. Employee Benefits Expense

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Salaries, Bonus, PF & ESIC	55,46,037	57,39,655
(ii) Leave Encashment	1,33,919	1,11,050
(iii) Staff Welfare	2,73,683	3,56,115
(iv) Other allowances	6,914	15,058
(v) Gratuity	3,00,386	1,11,897
(vi) Directors Remuneration	28,80,000	28,80,000
Total	91,40,939	92,13,775

17. Finance Costs

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Interest - Banks	4,84,105	6,15,820
- Deposits	45,81,038	90,79,911
- Corporate Bodies	12,88,188	81,148
(ii) Interest Non Covetable Debentures	22,00,000	91,674
(iii) Brokerage on Deposits	38,880	52,350
Total	85,92,211	99,20,903

INTENTIONALLY
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DECCAN FINANCE LIMITED

18. Other Expenses

Particulars	As at 31.03.2018	As at 31.03.2017
Advertisement Expenses	20,200	6,249
Audit Fees	88,500	88,550
Bad Debts	70,99,245	42,00,002
Bank Charges	1,43,108	36,009
Books & Periodicals	8,514	11,634
Brokerage & Commission	17,36,033	24,72,623
Business Promotion Expenses	12,190	24,810
Computer Maintenance	49,214	1,67,525
Consultant Fees	1,79,200	—
Conveyance Charges	58,492	75,035
Directors' Sitting Fees	40,000	34,000
Donations	54,000	1,89,500
Documentation Charges	5,500	—
Electricity Charges	2,52,346	2,61,346
Entertainment Expenses	1,04,465	63,636
Filing Fees	1,71,913	1,06,310
Guarantee Commission	2,00,000	4,00,000
General Expenses	5,95,086	92,399
Insurance Charges	2,73,449	2,84,526
Internal Audit Fees	5,16,862	4,75,300
Legal Fees & Expenses	62,810	79,240
Loss on Sale of Assets	—	563
Management & Training Expenses	25,000	—
Miscellaneous Expenses	67,935	—
Office Repairs & Maintenance	3,17,578	5,65,305
Postage And Telegram	1,35,217	88,127
Printing And Stationery	1,95,282	1,66,942
Professional & Consultation Charges	2,80,642	2,15,800
Rates, Taxes And Fees	57,160	64,640
Rebates & Discount	—	2,355
Rent	4,87,700	4,50,000
Subscription	1,27,020	65,637
Telephone Charges	1,86,136	2,53,845
Travelling Expenses	63,984	78,102
Vehicle Repairs & Maintenance	8,23,858	8,50,863
Total	1,44,38,639	1,18,70,873



Note 19. Additional Notes for the year ended 31st March 2018

(All amounts are in Indian rupees unless otherwise stated)

1 Significant accounting policies

(i) Basis of Accounting

The financial statements have been prepared to comply, in all material respects, with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs, if any, in bringing the assets to its working condition for its intended use.

(iv) Depreciation

Depreciation is provided for on Written Down Value method in the manner prescribed under Schedule II of the Companies Act, 2013. In respect of addition of assets, depreciation has been provided on Pro-rata basis.

(v) Revenue recognition

- (i) The company accounts for all incomes and expenditures on accrual basis except otherwise stated.
- (ii) The company has followed the prudential norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.
- (iii) Interest on overdue loans are accounted for on receipt basis.

(vi) Investments

Long term investments are stated at cost unless there is a permanent reduction in the value of the investments.

(vii) Securitised Assets

In respect of securitised assets, the Unmatured interest charges which the company is entitled to retain from the interest to be collected from the borrowers over and above the specified amount to be passed on to the acquirers is recorded over the remaining life of the assets sold.



(viii) Employee Benefits

Regular contributions are being made towards the Provident fund and the same has been charged to revenue. The company has provided for employees gratuity, pension or any other benefits of similar nature on estimated basis.

(ix) Taxation

Provision for taxation comprises of the current tax provision, and the net change in the deferred tax asset or liability during the year. Provision for deferred tax is made on the timing differences arising between the taxable income and accounting income computed using the tax rates and laws that has been enacted or substantively enacted as of the balance sheet date.

(x) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(xi) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognized in the financial statements.

(xii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Earnings per share, both basic and diluted, are calculated in accordance with the Accounting Standard - 20 issued by the Institute of Chartered Accountants of India.

Paticulars	Year ended 31.03.2018	Year ended 31.03.2017
(a) Profit after taxation	95,53,513	1,21,65,829
(b) Weighted number of Equity Shares	14,60,177	15,00,000
(c) Earnings per Share	6.54	8.11

(xiii) Segment Reporting

The company operates in a single segment i.e financing activities and hence does not call for segment wise disclosure of assets, liabilities, revenues or expenses as prescribed under Accounting Standard 17 on " Segment Reporting ", issued by the Institute of Chartered Accountants of India.



(xiv) Disclosure requirement regarding Micro, Small & Medium Scale Enterprises

The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure, if any, relating to amount unpaid at the year end together with interest paid/ payable as required under the said Act have not been given.

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
2 Auditor's Remuneration		
For Statutory Audit	88,500	86,250
For Certification Charges		2,300
	88,500	88,550
3 Deferred Tax Assets		
On Depreciation	4,00,163	4,41,721
	4,00,163	4,41,721

4. Related Party Disclosure

A. Key Managerial Personnel Name

Relationship

Kailashmull Dugar	Managing Director
Sanjay Bhansali	Executive Director
Dileep Bhandari	Executive Director
Surendra M Mehta	Director
K.V Ramana Shetty	Director
P.S Balasubramaniam	Independent Director
Ekta Surana	Independent Women Director

B. Relatives of Key Management personnels

Prapus Systems Pvt Ltd	Vinita Bhansali	Hind Finance
Himal Bhandari	Aashna Jhaver	Linayah
Aditya Bhansali	Amitha Bhansali	Mangala Bhandari
Savitha Mehta	Hema Chordia	Manjul
Pooja Chordia	Shreya	Meenal Bhandari
Shantha Devi.K	Renuka Sundaramoorthy	Vinayak Shetty



DECCAN FINANCE LIMITED

C. Details of transactions with related parties

Description	Managerial Remuneration & Sitting Fees	Interest	Rent & Others	Deposits, including accrued interest, as on 31.03.2018
Directors	28,80,000 (28,80,000)	9,479 (10,556)	— (4,00,000)	94,928 (99,948)
Relatives of directors	— (0.00)	14,50,791 (12,46,506)	3,32,000 (4,05,600)	1,20,48,765 (1,20,16,447)

Figures in bracket represents for previous year.

- The balances of debtors and creditors are subject to confirmation.
- Previous year figures have been regrouped/re-arranged wherever necessary.

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S
BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.09.2018

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Managing Director
(DIN : 00134419)
DILEEP BHANDARI
Executive Director
(DIN : 00344054)
SANJAY BHANSALI
Executive Director
(DIN : 01811994)



DECCAN FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31.03.2018	As at 31.03.2017
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,42,95,071	1,70,81,262
Add :		
Depreciation	9,49,593	10,49,393
Interest Payments	85,92,211	99,20,903
Loss on sale of Fixed Assets/ Impairment Loss	—	563
Provision for Standard Assets	1,01,720	95,360
	<u>96,43,524</u>	<u>1,10,66,219</u>
	2,39,38,595	2,81,47,481
Less:		
Profit on sale of Fixed Assets	50,314	12,081
Interest/Dividend received	25,129	41,024
Reversal of provision for non performing assets	9,941	13,00,239
Reversal of provision for repossessed assets	—	5,61,334
	<u>85,384</u>	<u>19,14,678</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,38,53,211	2,62,32,803
(Increase)/Decrease in Hypothecation Loans	(1,24,25,868)	1,81,20,365
(Increase)/Decrease in Other Current Assets/ Loans & Advances	20,90,752	(1,42,959)
(Increase)/Decrease in Non Current Assets	(6,50,000)	—
Increase/(Decrease) in Current liabilities	<u>11,33,329</u>	<u>(9,33,415)</u>
	<u>(98,51,787)</u>	<u>1,70,43,991</u>
	1,40,01,424	4,32,76,794
Less : Income Tax paid	48,88,920	40,29,075
Less : Interest Paid	<u>1,14,52,967</u>	<u>1,02,52,468</u>
	<u>1,63,41,887</u>	<u>1,42,81,543</u>
NET CASH GENERATED FROM OPERATIONS	(23,40,463)	2,89,95,251



DECCAN FINANCE LIMITED

(B) CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets(Net of sales)	(23,44,618)	(2,07,546)	
Purchase of Shares (Own)	(43,64,615)	—	
Purchase of Investments (Net of Sales)	31,92,782	72,36,118	
Interest/Dividend received	25,129	41,024	
	<u>(34,91,323)</u>	<u>70,69,596</u>	

(C) CASH FLOW FROM FINANCING ACTIVITIES

Increase/ (Decrease) in Bank Borrowings	32,71,989	46,45,970	
Increase/ (Decrease) in Secured Loans	1,54,48,976	—	
Increase/ (Decrease) in Unsecured Loans	(3,21,24,000)	(1,77,04,000)	
Dividend paid (including Dividend Tax)	—	(21,66,438)	
	<u>(1,34,03,035)</u>	<u>(1,52,24,468)</u>	
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,92,34,821)		2,08,40,379
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,28,68,988		20,28,609
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	36,34,167		2,28,68,988

as per our report of even date attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S
BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.09.2018

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Managing Director
(DIN : 00134419)
DILEEP BHANDARI
Executive Director
(DIN : 00344054)
SANJAY BHANSALI
Executive Director
(DIN : 01811994)



DECCAN FINANCE LIMITED

Schedule to the Balance Sheet of a Non-Banking Financial Company as at 31.03.2018
(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

Particulars	(Rs.in Lakhs)	
	Amount Outstanding	Amount Overdue
Liabilities side :		
1. Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:		
a) Debentures : Secured	200	NIL
Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
b) Deferred Credits	NIL	NIL
c) Term Loans	NIL	NIL
d) Inter-corporate loans and borrowing	179	NIL
e) Commercial Paper	NIL	NIL
f) Public Deposits*	148	0
g) Other Loans (specify nature)		
Cash credit limits from Banks	79	NIL
h) Directors Deposit	121	NIL
2. Break-up of (1)(f) above(Outstanding public deposits Inclusive of interest accrued thereon but not paid :		
a) In the form of Unsecured debentures	NIL	NIL
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	NIL	NIL
c) Other public deposits	148	NIL
Assets Side :		Amount Outstanding
3. Break-up of Loans and Advances including bills receivables other than those included in (4)below :		
a) Secured		NIL
b) Unsecured		81
4. Break up of Leased Assets and stock on hire and Hypothecation loans counting towards EL/HP Activities:		
i) Lease assets including lease rentals under sundry debtors :		
a) Financial lease (NET)		NIL
b) Operating lease		NIL
(ii) Stock on hire including hire charges under sundry debtors:		
a) Assets on hire (NET)		NIL
b) Repossessed Assets		NIL
(iii)Hypothecation loans counting towards EL/HP activities:		
a) Loans where assets have been repossessed		7
b) Loans other than (a) above (NET)		1854



DECCAN FINANCE LIMITED

6. Borrower group-wise classification of all leased assets, stock- on- hire and loans and advance

S.No.	Category	Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties **			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	NIL	NIL
2.	Other than related parties	1854	NIL	1854
TOTAL		1854	NIL	1854

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

S.No.	Category	Market Value Break up or Fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties **		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	NIL	NIL
	(c) Other related parties	NIL	NIL
2.	Other than related parties	62	63
	Total	62	63

** as per Accounting Standard ICAI (Please see note 3)

8. Other Information

S.No.	Particulars	Amount
1.	Gross Non-Performing Assets	
	a) Related parties	NIL
	b) Other than related parties	105
2.	Net Non-Performing Assets	
	a) Related parties	NIL
	b) Other than related parties	70
3.	Assets acquired in satisfaction of debt	NIL

From

To

Deccan Finance Ltd.
Old No. 19, New No: 4/3, 1st Floor, 1st Cross Street,
(Near Sri lankan consulate),
Sterling Road, Nungambakkam,
Chennai-600 034.

Sir,

Kindly update my details as furnished below:

1. Folio No. :
 2. No. of Shares :
 3. Change in address, if any :
(proof to be attached)

 4. PAN No. :
 5. Bank details
Name and address of my Bankers :
Branch details :
Type of A/c and A/c No. :
IFS Code :
 6. Email id :
 7. Phone No. :
 8. I consent to receive the Annual Report by email.
- Signature of the Member :

Place :

Date :

Note : Shareholders are requested to DEMAT the shares, if they are in physical form.
Please send the form duly filled in and signed to the Company or to the Registrar .

Book-Post

If Undelivered please return to :
Deccan Finance Limited
Old No. 19, New No. 4/3, 1st Floor,
1st Cross Street, (Near SriLankan Consulate),
Sterling Road, Nungambakkam,
Chennai - 600 034. Ph : 28252729