

**43rd Annual Report
2020 - 2021**



Deccan Finance Limited



DECCAN FINANCE LIMITED

Executive Chairman	: Shri. Kailashmull Dugar , B.Com., B.L.
Managing Director	: Shri. Sanjay Bhansali , B.Com.,
Directors	: Shri. Dileep Bhandari , B.A., (Till 31.07.2021) Shri. Abhay S. Mehta , Graduate in Gemology Shri. K.V. Ramana Shetty , B.E., Shri. Hemant Dugar , B.Tech., M.S., Shri. P.S. Balasubramaniam , B.Com., ACA, ACS Shri. Biswadev Banaerjee Indradev , B.com., M.A. (Economics) (w.e.f. 31.07.2021) : Shri. Rajesh Balakrishna Rao , M.B.A (w.e.f. 31.07.2021)
Auditors	: M/s. Chandarana & Sanklecha
Internal Auditors	: M/s. Victoria Mathews & Santhakumar
Bankers	: State Bank of India
Registered Office	: “Padminie Towers”, 3rd Floor, No.20, Pycrofts Garden Road, Nungambakkam, Chennai - 600 006. Email.Id: deccanfinance@gmail.com Website: www.deccanfinance.in
Phone	: Tel : 044 28257575
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 Forty-third Annual General Meeting of the members of DECCAN FINANCE LIMITED will be held on Friday, the 19th November, 2021 at 10.00 a.m. IST at the Registered office of the Company at Padminie Towers, 3rd Floor, No.20, Pycrofts Garden Road, Nungambakkam, Chennai 600006 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2021; 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. HEMANT DUGAR (DIN: 01810638) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri. ABHAY S MEHTA (DIN: 02057831) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Shri. BISWADEV BANERJEE INDRADEV (DIN: 08006844) as Director of the Company.
5. To appoint Shri. RAJESH BALAKRISHNA RAO (DIN: 09086505) as Director of the Company.
6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT Messrs.CHANDARANA & SANKLECHA (FRN: 557S), Chartered Accountant, Chennai, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting for the financial year 2025-26 on a remuneration as may be decided by the Board of Directors with the consent of Auditors”.

SPECIAL BUSINESS:

7. Revision of remuneration payable to Shri. SANJAY BHANSALI (DIN: 01811994) MANAGING DIRECTOR :

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary 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) the remuneration



DECCAN FINANCE LIMITED

payable to Shri. SANJAY BHANSALI (DIN:01811994), be and is hereby revised as under with effect from 1st August 2021.”

(a) Salary: Not exceeding Rs.4,00,000/- 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.4,00,000/- 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 month's 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 Managing Director.

Note: (i) For the purpose of perquisites stated in Category “A” above “Family” means the Spouse, the dependent children and dependent parents of the appointee.”

(ii) Contribution to Provident Fund, Superannuation Fund and Gratuity to the extent allowed under the Income Tax Act, shall not be treated as Perquisites while calculating the Remuneration”

“FURTHER RESOLVED THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri. SANJAY BHANSALI 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 the 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.”



8. Re-appointment of Shri. KAILASHMULL DUGAR (DIN: 00134419) as Executive Chairman having attained the age of above 75 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 Executive Chairman of the Company for a period of three years with effect from 1st April, 2021 on the salary, allowances and perquisites as under:

(a) Salary: Not exceeding Rs. 1,50,000/- 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. 1,50,000/- per annum.

Category A:

(i) Reimbursement of medical expenses of the Executive Chairman and his family, the total cost of which to the Company shall not exceed one month's 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 Executive Chairman.

Note: (i) For the purpose of perquisites stated in Category “A” above “Family” means the Spouse, the dependent children and dependent parents of the appointee. ”

(ii) Contribution to Provident Fund, Superannuation Fund and Gratuity to the extent allowed under the Income Tax Act, shall not be treated as Perquisites while calculating the Remuneration”



“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 the 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.”

BORROWING POWERS

9. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums or moneys from time to time not withstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however that the total amount so borrowed shall not exceed Rs.90 crores (Rupees Ninety Crores Only) over and above the aggregate of the paid up share Capital and Free Reserves of the Company”.

10.To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 or any modification or re-enactment thereof, to mortgaging and/or charging by the Board of Directors of the Company by way of equitable and/or legal mortgage on such immovable and movable properties of the Company, both present and future, together with power to take-over the assets of the Company in certain events, to or in favour of Banks or Financial Institutions by way of first paripasu Charge to secure Loans up to limits of Rs.90 crores granted to the Company together with interest at the agreed rate(s), liquidated damages, front end fees, premia on pre-payment, costs, charges, expenses and all other moneys payable by the Company



under the Loan Agreements, deeds, Hypothecation and other documents executed / to be executed by the Company in respect of such loans.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized and shall always be deemed to have been authorized to finalise with Banks or Financial Institutions the documents for creating the aforesaid mortgages and/or charge and to do all acts, deeds and things as may be necessary for giving effect to the above resolution”.

11. Alteration in the Capital Clause of Memorandum of Association.

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 61(1)(a) and the other applicable provisions of the Companies Act, 2013, an alteration be and is hereby made to the Memorandum of Association of the Company by substituting the present clause number V of the Memorandum by following new clause.

V. The authorised share capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs only) Equity shares of Rs. 10/- (Rs. Ten only) each.”

12. Alteration in the Articles of Association:

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 14 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), an alteration be and is hereby made in the Articles of Association of the Company by replacing the existing sub clause (a) of clause number 4 of the Articles of Association by the following new clause.”

4(a) The Share Capital of the Company shall be such amount as is prescribed in clause V of the Memorandum and as altered from time to time.

“RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

13. Issue of Equity Shares to the persons other than existing Shareholders:

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 Clause (c) of Sub Section 1 of Section 62 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to relevant provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and subject to such requisite valuations, approvals, consents, permissions and/or sanctions of the Registrar of Companies, all other authorities as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions (hereinafter referred to as “Requisite Approvals”), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”), the consent of the Members be and is hereby accorded to the Board to create, offer, issue and allot on a preferential / private placement basis up to the total 36,06,195 (Thirty Six Lakhs Six Thousand One Hundred and Ninety Five only) Equity Shares of Rs 10/- each out of the authorized share capital of the company to such person(s) or class of person(s) on such terms and conditions as the Board may in its absolute discretion decide and that the Board may finalise for all incidental matters associated thereto as it may in its absolute discretion think fit”.

“RESOLVED FURTHER THAT the equity shares so issued and allotted, shall rank pari-passu with the existing equity shares of the Company in all respects including payment of dividend”.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to agree, make and accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit, including, condition(s), modifications(s) and alteration(s) stipulated or required by any relevant authorities or by their bye-laws, rules, regulations or guidelines, and is also hereby authorised to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment, to finalise and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given the approval thereto expressly by the authority of this resolution.”



DECCAN FINANCE LIMITED

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

Place: Chennai
Date : 20.10.2021

SANJAY BHANSALI
Managing Director
DIN: 01811994

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 16.11.2021 at 10 a.m. and will end on 18.11.2021 at 5 p.m.
7. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on 16.11.2021 and ends on 18.11.2021. 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) 12th day of November 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting web site www.evotingindia.com.
 - iii. Click on Shareholders.
 - iv. Now enter your User ID allotted by CDSL, 16 digits beneficiary ID,



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Next enter the Image Verification as displayed and Click on Login.

- v. 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.
- vi. 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).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. 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.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant resolution on which you choose to vote.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xiii. 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.
 - xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - xvi. 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.
 - xvii. 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 e-voting process to conduct e-voting 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.



DECCAN FINANCE LIMITED

The Results of Annual General Meeting shall be declared on 20th November 2021. 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., 19th November 2021

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Explanatory Statement

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

Item No.4:

Shri. Biswadev Banerjee Indradev (DIN:08006844) whose profile is given below was appointed as an additional Director at the meeting of the Board held on 31.07.2021.

His appointment needs to be regularized by passing a resolution at the Annual General Meeting.

Profile of Shri. Biswadev Banerjee Indradev:

Shri. Biswadev Banerjee Indradev (DIN:08006844) aged 46 years & DOB being 23rd June, 1975 is a Commerce graduate and Master degree in Economics.

Experience in specific functional areas:

He has over 22 years of experience in retail finance, automobile sale, recovery process in the Financial Services Sector and he was the COO on TVS Credit Services Limited in his last assignment. Strong people management and organization development skill, with scaling up business ability. Experience in Two-wheeler financing including GE Money, City Financial, ICICI Bank and worked across geography in India (North, East, West and South) all major Metros. Strong exposure in Two-wheeler, consumer Durable, personal loan products. In depth exposure in Commercial Vehicle financing and Passenger Cars and involved and developed Risk and Credit Policies, automated process to deliver customer experience. Exposed in investment Banking at initial years of his career. Recovery and NPA management and managing P&L is his forte.

Item No. 5:

Shri. Rajesh Balakrishna Rao (DIN:09086505) whose profile is given below was appointed as an additional Director at the meeting of the Board held on 31.07.2021.

His appointment needs to be regularized by passing a resolution at the Annual General Meeting.

Profile of Shri. Rajesh Balakrishna Rao

Shri. Rajesh Balakrishna Rao (DIN:09086505) aged 48 years & DOB being 28th August 1973 is a Master degree in Business Administration.



Experience in specific functional areas:

He has over 23 years of experience in sales and distribution, channel management, new product development with diverse product such as Two Wheelers, Inventory funding, Motor Insurance, personal loans, etc., in TVS Credit, TVS Motors, ICICI Bank, GE Capital and Indiabulls and worked across India in different roles across organizations and he was the Business Head (TW & Insurance) in TVS Credit Services Limited in his last assignment.

Item No. 7:

Since Shri. **Sanjay Bhansali (DIN: 01811994)** presently Managing 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 31.07.2021 to revise the remuneration to the level as mentioned in the proposed resolution. The Payment of Remuneration require the approval of the members at their meeting. The board recommend the resolution.

Except Mr. Sanjay Bhansali, Managing Director, no other director is personally interested in the resolution.

Profile of Shri. Sanjay Bhansali

Shri. Sanjay Bhansali son of Late Shri. Mahaveer Chand Bhansali, aged 51 years, is a Commerce graduate and Diploma in Financial Management at Institute of Financial Management and Research. (IFMR)

Special achievement: Recipient of Chief Minister's Anna Police Medal for Service 2019.

Business: Hailing from Business Family of Hire Purchase Financiers in the Business for last 60 years. Had taken up full business responsibility at a young age and ensured steady and good growth.

Post Held:

Area Commander, Chennai North, Tamil Nadu Home Guards: - Tamil Nadu Home Guards is an auxiliary wing of the Police which assists them on different occasions like Night Patrolling, Temple festivals, Special Call-outs and also in times of emergencies like Cyclone, Flood, Earth Quake etc.,.

Committee Member, Finance Companies Association (FCA): - Committee member of the association of all NBFC's of South India which interacts with RBI and represents the issues of NBFC's to the government.



Past Chairman, South India Hire Purchase Association: Has served South India Hire Purchase Association, a leading trade body representing both company and individual financiers. Has represented the interest of entire finance industry with the Government officials, RTO and Police too. It will be relevant to mention that all the giants of finance industry including Shriram Transport Finance, Sundaram Finance, Cholomandalam are amongst its active members. Was also actively involved in organizing a national convention of all the Associations throughout the country at Bangkok successfully.

Past President, Madras Hire Purchase Association: Has been the President of the association which has the largest membership of Individual financiers all over India during the year 2017-18.

Item No.8

Profile of Shri. Kailashmull Dugar

Shri. Kailashmull Dugar (DIN: 00134419) 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.

Item No.9 & 10

The Company is in the process of expansion of business in large scale. For up scaling the business to the higher level, more funds are required. Towards this direction, the Company seeks additional funds from Banks and Financial Institutions. The present Borrowing limit is Rs. 25 crores and this needs to be increased to Rs.90 crores as recommended by the Board of Directors.

Section 180 (1) (c) of the Companies Act, 2013 provides that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans



obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a Special resolution.

It is, therefore, necessary that the members pass a Special Resolution under Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013, as set out at Item No: 9 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company. Approval of the members is being sought to borrow money up to Rs.90 crores (Rupees Ninety Crores Only), in excess of the aggregate of the paid-up share capital and free reserves of the Company.

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of directors of a public company shall not, without the consent of the Company in general meeting, sell or otherwise dispose of the whole, or substantially the whole, of the undertaking(s) of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, Mortgaging/charging of the immovable and movable properties of the Company as aforesaid to secure Loans and/or the various Cash Credit facilities may be regarded as disposal of the whole or substantially the whole of the said undertaking(s) of the Company and therefore requires consent of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013. It is, therefore, necessary that the members pass a Special Resolution under Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013, as set out at Item No: 10 of the Notice.

Item No.11

In view of the future plans of expansion of the business, the Company wants to increase its' Authorised Share Capital from the present Rs. 3,00,00,000/- to Rs. 5,00,00,000/-. For this purpose it is necessary to alter the Share Capital clause of the Memorandum of Association of the company by passing a Special Resolution of the members. Hence the enclosed Resolution is being proposed to be passed by you as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested in the said resolution.



Item No.12

In view of resolution passed at item number 11, for alteration of Share Capital clause of Memorandum of Association, it is equally necessary to pass a Special Resolution to alter the Articles of Association to alter the clause number 4(a) of the Share Capital clause suitably to give effect to the altered Share Capital clause of Memorandum of Association of the company. The Articles of Association is sought to be altered in such a way that it may not be required every time to alter the Articles of association to give effect to the alteration of share capital clause of Memorandum of Association. For this purpose, it is necessary to pass a Special resolution of members to alter the Articles of Association suitably. Hence the enclosed Resolution is being proposed to be passed by you as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the said resolution.

Item No.13

After the passing of resolution stated in item number 11 for increase in authorized share capital of the company and in view of the future plans of expansion of the business, the Company may issue the fresh equity shares to the persons who may or may not be the existing members of the company. The shares may be issued from time to time, based on the internal capital requirements of the company. The amount of shares issued may be out of the earlier unissued authorized share capital and present altered authorized share capital totally amounting to Rs. 3,60,61,950 (Rs. Three Crores Sixty Lakhs Sixty One Thousand, Nine Hundred and Fifty only) For this purpose a blanket cover of authority is required from the members by passing a Special Resolution. Hence the enclosed Resolution is being proposed to be passed by you as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested in the said resolution.

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

Place: Chennai
Date : 20.10.2021

SANJAY BHANSALI
Managing Director
DIN: 01811994

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the Forty-third Annual Report of the Company together with the audited statement of accounts for the year ended 31st March, 2021.

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

(in Rs.)

Particulars	2020-21	2019-20
Total Income	5,30,17,644	5,63,51,978
Total expenditure	2,42,08,798	2,49,57,855
Profit before interest, depreciation and tax	2,88,08,846	3,13,94,123
Finance cost	1,76,18,474	1,66,94,554
Depreciation	10,49,467	12,89,843
Profit (Loss) before tax and provisions	1,01,40,905	1,34,09,726
Less: Provisions:		
Provision on Standard Assets	-18,761	1,25,237
Provision on NPA	9,84,722	3,91,308
Provision on repossessed stock	71,005	-1,01,675
Profit (Loss) after provisions & before tax	91,03,939	1,29,94,856
Provision for taxation (Net of deferred tax)	24,34,329	31,41,055
Profit (Loss) after tax	66,69,610	98,53,801
Balance of Profit from the previous year	4,48,29,434	3,99,46,633
Amount available for appropriation	5,14,99,044	4,98,00,434
Appropriations:		
Transfer to General reserves	30,00,000	30,00,000
Transfer to Statutory reserves	13,34,000	19,71,000
Proposed dividend	-	-
Tax on proposed dividend	-	-
Balance carried to Balance Sheet	4,71,65,044	4,48,29,434

(B). Operations:

The Net stock on hypothecation and other loans provided by the Company stood at Rs.3019.80 Lakhs as on 31st March 2021 as compared to Rs. 2,800.88 Lakhs as on 31st March 2020. The increase in business was due to better leveraging during the year under review.



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 the website of the company as per the amendment.

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

The Board met four 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, 2020 to 30th June, 2020	26.06.2020
1st July, 2020 to 30th September, 2020	31.08.2020
1st October, 2020 to 31st December, 2020	26.12.2020
1st January, 2021 to 31st March, 2021	10.03.2021

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 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, 2021 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, 2021; 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, 2021.



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. 13,34,000

9. DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended 31st March, 2021.

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 (01/04/2021 to 20/10/2021):



There were no material changes and commitments affecting the financial position of the Company between the period 1st April, 2021 to 20 October, 2021.

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 2020-21

13. DIRECTORS :

i) 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. Hemant Dugar and Shri. Abhay S Mehta are due to retire by rotation and being eligible for reappointment, offer themselves to get reelected. The commend their re-election.

Shri. HEMANT DUGAR and Shri. ABHAY S MEHTA are interested in the Resolutions respectively.

ii) After the close of the year, the board has appointed Shri. Biswadev Banerjee Indradev and Shri. Rajesh Balakrishna Rao as additional Directors.

The appointments need approval of the members, which are included in the Notice and Explanatory Note.

The Board recommend the appointment.

14. DECLARATION BY INDEPENDENT DIRECTORS :

As per the provisions of the companies act, 2013, the company is not required to appoint independent directors on the board.

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 neither accepted any deposit nor has held any deposits during or at the end of the year.

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 2020-21.

20. SHARES AND SHARE CAPITAL :

a. CAPITAL STRUCTURE :

The Authorized 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 :

There was no Buy-back during the year under review.

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 :

Since the period of appointment of M/s. CHANDARANA & SANKLECHA (FRN: 000557S), Chartered Accountants, Chennai as Auditors of the Company expires at the ensuing Annual General Meeting, the Board recommends their reappointment for a period of next 5 years.

22. AUDITORS OBSERVATION IN THE REPORTS:

Auditor's observation in their report is self explanatory.

23. 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 2020-21:

No. of Complaints received : NIL

No. of Complaints disposed off : NIL

24. LISTING AT STOCK EXCHANGE:

The Company is an unlisted company.

25. 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 as applicable to Non-deposit taking or **Not holding public deposits and Non-systemic NBFCs.**

26. 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.

27. ACKNOWLEDGMENTS:

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 : 20.10.2021

SANJAY BHANSAL
Managing Director
DIN: 01811994

KAILASHMULL DUGAR
Executive Chairman
DIN: 00134419



INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s Deccan Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/s Deccan Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2021, the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We do not have any key audit matters that needs to be communicated in our report.



Management's Responsibility for the Standalone 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 standalone 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. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances under section 143(3)(i) of the Act.

We are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in



evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 Companies Act, 2013, we give in the **Annexure "A"** 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**.



DECCAN FINANCE LIMITED

(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 standalone financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been delayed in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as details below.

AMOUNT	DUE DATE	DATE OF PAYMENT
INR 61,511/-	13-09-2020	03-10-2020

For CHANDARANA & SANKLECHA

Chartered Accountants

Firm Regn No : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 20th October, 2021

UDIN : 21027539AAAIU1875



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of M/s Deccan Finance Limited on the accounts of the Company for the year ended 31st March, 2021.

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 has purchased immovable properties. The title of deed of the same is held in the name of the company.
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 the Company.
3. The company has granted secured loans, to other party covered in the register maintained under Section 189 of the Companies Act, 2013 during the year.
 - a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - b. The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
 - c. No amount is overdue.
4. Based on information and explanation 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, goods and service tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to the company.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, goods and 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 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 has raised money by way of debentures during the year and the same were applied for the purpose for which they were raised.
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.



DECCAN FINANCE LIMITED

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 him. 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

Firm Regn No : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 20th October 2021

UDIN : 21027539AAAIU1875



ANNEXURE “B” 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 31st March, 2021)

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 31st March, 2021 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 31st March, 2021 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

Firm Regn No : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 20th October 2021

UDIN : 21027539AAAIU1875



DECCAN FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
		INR	INR
I. ASSETS			
1. Financial Assets			
Cash and cash Equivalents	1	1,13,86,592	1,54,76,217
Bank Balance other than cash and cash equivalents			
Receivables	2	51,83,333	57,22,379
Loans	3	30,19,79,962	28,00,87,575
Investments	4	5,54,370	4,77,300
Other Financial Assets	5	25,06,904	19,573
Total Financial Assets		32,16,11,161	30,17,83,044
2. Non-Financial Assets			
Deferred Tax Assets (net)	6	5,63,823	5,67,152
Property, Plant & Equipment	7	38,06,356	29,94,317
Other Non Financial Assets	8	97,77,820	7,27,820
Total Non-Financial Assets		1,41,47,999	42,89,289
TOTAL ASSETS		33,57,59,160	30,60,72,333
II. LIABILITY AND EQUITY			
3. Financial Liabilities			
Payables	9		
(i) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Others payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		27,12,080	29,83,804
Debt Securities	10	10,44,00,000	6,39,00,000
Borrowings	11		
(a) Long-Term Borrowings		2,09,67,176	2,39,93,809
(b) Short-Term Borrowings		3,02,91,161	4,18,72,287
Deposits	12	1,84,63,461	2,10,48,000
Other Financial Liabilities	13	-	-
Total Financial Liabilities		17,68,33,878	15,37,97,900
4. Non-Financial Liabilities			
Provisions	14	7,79,204	7,97,965
Other Non-Financial Liabilities	15	-	-
Total Non-Financial Liabilities		7,79,204	7,97,965
5. Equity			
Equity Share Capital	16	1,39,38,050	1,39,38,050
Other Equity	17	14,42,08,028	13,75,38,418
Total Equity		15,81,46,078	15,14,76,468
TOTAL EQUITY AND LIABILITY		33,57,59,160	30,60,72,333

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
Firm Regn. No : 000557S

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Executive Chairman
DIN : 00134419
SANJAY BHANSALI
Managing Director
DIN : 01811994

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Place : Chennai
Date : 20.10.2021
UDIN : 21027539AAAAIU1875



DECCAN FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021 (in rupees)

SI	Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I	Revenue from Operations	18	5,19,77,249	5,43,33,039
II	Other Income	19	10,40,395	20,18,939
III	Total Revenue (I +II)		5,30,17,644	5,63,51,978
IV	Expenses:			
	Finance Costs	20	1,76,18,474	1,66,94,554
	Provision for NPA	21	10,36,966	4,14,870
	Employee Benefit Expenses	22	1,12,49,132	1,15,77,749
	Depreciation and Amortization	7	10,49,467	12,89,843
	Other Expenses	23	1,29,59,666	1,33,80,106
	Total Expenses (IV)		4,39,13,705	4,33,57,122
V	Profit after provision and before tax	III-IV	91,03,939	1,29,94,856
VI	Tax expense:			
	- Current Tax		24,31,000	31,63,000
	- Deferred tax		3,329	(21,945)
			24,34,329	31,41,055
VII	Profit for the year	V-VI	66,69,610	98,53,801
VIII	Earning per Equity Share:			
	- Basic & Diluted		4.79	7.07

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
Firm Regn. No : 000557S

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Executive Chairman
DIN : 00134419
SANJAY BHANSALI
Managing Director
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BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Place : Chennai
Date : 20.10.2021
UDIN : 21027539AAAAIU1875



DECCAN FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	91,03,939	1,29,94,856
Add :		
Depreciation	10,49,467	12,89,843
Interest Payments	1,76,18,474	1,66,94,554
Asset Discarded	-	31,335
Provision for Non-Performing Assets	<u>10,36,966</u>	<u>4,14,870</u>
	<u>1,97,04,907</u>	<u>1,84,30,602</u>
	2,88,08,846	3,14,25,458
Less:		
Profit on sale of Shares	2,110	2,62,059
Profit on sale of Assets	88,772	-
Diminution in the value of Investments	-	2,07,568
Dividend received	<u>-</u>	<u>12,799</u>
	<u>90,882</u>	<u>4,82,426</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,87,17,964	3,09,43,032
(Increase)/Decrease in Hypothecation Loans	(2,29,48,114)	(2,72,57,060)
(Increase)/Decrease in Other Current Assets	(16,73,074)	1,82,777
(Increase)/Decrease in Non Current Assets	(90,50,000)	17,500
Increase/(Decrease) in Current liabilities	<u>1,02,986</u>	<u>(7,16,392)</u>
	<u>(3,35,68,202)</u>	<u>(2,77,73,175)</u>
	(48,50,238)	31,69,857
Less : Income Tax paid	(27,06,211)	(36,72,625)
Less : Interest Paid	<u>(1,79,93,184)</u>	<u>(1,73,96,721)</u>
	<u>(2,06,99,395)</u>	<u>(2,10,69,346)</u>
NET CASH GENERATED FROM OPERATIONS	(2,55,49,633)	(1,78,99,489)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(Net of sales)	(17,72,734)	(12,02,159)
Purchase of Investments (Net of Sales)	(74,960)	15,71,873
Dividend received	<u>-</u>	<u>12,799</u>
	<u>(18,47,694)</u>	<u>3,82,513</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (Decrease) in Bank Borrowings	(1,63,35,812)	(1,27,33,474)
Increase/ (Decrease) in Secured Loans	4,51,63,294	65,31,346
Increase/ (Decrease) in Unsecured Loans	<u>(55,19,780)</u>	<u>1,92,05,998</u>
	<u>2,33,07,702</u>	<u>1,30,03,870</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(40,89,625)	(45,13,106)
CASH & CASH EQUIVALENTS AT THE BEGINING OF THE YEAR	1,54,76,217	1,99,89,323
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	1,13,86,592	1,54,76,217

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
Firm Regn. No : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Place : Chennai
Date : 20.10.2021
UDIN : 21027539AAAAIU1875

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Executive Chairman
DIN : 00134419

SANJAY BHANSALI
Managing Director
DIN : 01811994



DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st, March, 2021

Note 1. Cash & Cash Equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Cash on Hand	6,98,433	31,534
(ii) Balance with Scheduled Banks		
- in Current Accounts	4,29,263	1,51,08,888
- in Dividend Accounts	2,58,896	3,35,795
(iii) In Fixed Deposits (Maturing within 3 Months)	1,00,00,000	-
Total	1,13,86,592	1,54,76,217

Note 2. Trade Receivables

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Trade Receivables	-	-
(b) Other Receivables		
- Advances	42,45,668	42,45,668
- Income Tax & TDS	3,02,452	27,241
- Goods & Service Tax	1,76,846	3,08,161
- Advance to Staff	4,58,367	11,41,309
Total	51,83,333	57,22,379

Note 3. Loans

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Loans (A)		
a) Loans	37,77,38,418	36,46,96,968
b) Others – Repossed Stocks	24,54,810	27,84,046
	38,01,93,228	36,74,81,014
Less : Advance Interest	7,52,51,186	8,54,87,086
	30,49,42,042	28,19,93,928
Less : Provision for NPA	29,62,080	19,06,353
Total	30,19,79,962	28,00,87,575

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Loans (B)		
a) Secured, Considered Good	35,76,79,918	36,46,96,968
b) Unsecured, Considered Good	2,00,58,500	-
c) Repossed Stocks	24,54,810	27,84,046
	38,01,93,228	36,74,81,014
Less : Advance Interest	7,52,51,186	8,54,87,086
	30,49,42,042	28,19,93,928
Less : Provision for NPA	29,62,080	19,06,353
Total	30,19,79,962	28,00,87,575



DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st, March, 2021

Note 3. Loans

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Loans (C)		
a) Public Sectors	-	-
b) Others	30,49,42,042	28,19,93,928
	30,49,42,042	28,19,93,928
Less : Provision for NPA	29,62,080	19,06,353
Total	30,19,79,962	28,00,87,575

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Loans (D)		
a) Within India	30,49,42,042	28,19,93,928
b) Outside India	-	-
	30,49,42,042	28,19,93,928
Less : Provision for NPA	29,62,080	19,06,353
Total	30,19,79,962	28,00,87,575

Note 4. Investments

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Investment in Equity Shares (Quoted)	5,14,070	4,37,000
(ii) Investment in Government Securities	40,300	40,300
Total	5,54,370	4,77,300

INTENTIONALLY
LEFT
BLANK



DECCAN FINANCE LIMITED

Note 4. Investments

Particulars	Face Value	Quantity		At Cost (in INR)	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
(A) Investment in equity instruments (Fully paid up) Quoted (Non-Trade)					
Arvind Limited	10	10,000	10,000	4,32,000	4,32,000
ICICI Limited	2	455	455	5000	5,000
ICICI Limited-Bonus	2	45	45	-	-
Nazara Technologies Limited	10	70	-	77,070	-
		10,570	10,500	5,14,070	4,37,000
(B) Investment in Govt. Securities (Fully paid up) Non-Trade					
National Savings Certificate	-	-	-	40,300	40,300
				40,300	40,300
				5,54,370	4,77,300
Aggregate amount of quoted investments				5,14,070	4,37,000
Aggregate market value of quoted investments				10,52,191	4,07,725

Note 5. Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Interest Accrued but not due	24,010	-
(ii) Others	24,82,894	19,573
Total	25,06,904	19,573

Note 6. Deferred Tax Assets (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening : Deferred Tax Asset	5,67,152	5,45,207
Deferred Tax Liability	-	-
Add : Current year Deferred Tax	(3,329)	21,945
Total	5,63,823	5,67,152



Note 7 Property, Plant & Equipments

Particulars	Gross Block			Depreciation Block				Net Block	
	As on 01.04.20	Additions	Deletions	As on 31.03.21	As on 01.04.20	For the Year	On Deletions	As on 31.03.21	As on 31.03.20
Land & Building	-	9,16,458	-	9,16,458	-	-	-	9,16,458	-
Plant & Equipments	20,95,194	8,390	-	21,03,584	15,15,224	2,16,386	-	17,31,610	5,79,970
Furniture & Fixtures	2,14,579	-	-	2,14,579	1,53,591	14,115	-	1,67,706	60,988
Vehicles	51,60,389	9,22,497	9,19,203	51,63,683	32,28,249	5,76,300	7,54,975	21,14,109	19,32,140
Computer & Accessories	20,47,362	1,78,389	-	22,25,751	16,26,143	2,42,666	-	18,68,809	4,21,219
TOTAL	95,17,524	20,25,734	9,19,203	1,06,24,055	65,23,207	10,49,467	7,54,975	68,17,699	29,94,317
Previous Year	89,42,060	12,02,159	6,26,695	95,17,524	58,28,724	12,89,843	5,95,360	65,23,207	31,13,336

Note 7 Property, Plant & Equipments

Particulars	Gross Block			Depreciation Block				Net Block	
	As on 01.04.19	Additions	Deletions	As on 31.03.20	As on 01.04.19	For the Year	On Deletions	As on 31.03.20	As on 31.03.19
Plant & Equipments	25,14,748	2,07,141	6,26,695	20,95,194	18,21,993	2,88,591	5,95,360	15,15,224	6,92,755
Furniture & Fixtures	2,02,208	12,371	-	2,14,579	1,36,873	16,718	-	1,53,591	65,335
Vehicles	45,60,389	6,00,000	-	51,60,389	26,12,639	6,15,610	-	32,28,249	19,47,750
Computer & Accessories	16,64,715	3,82,647	-	20,47,362	12,57,219	3,68,924	-	16,26,143	4,07,496
TOTAL	89,42,060	12,02,159	6,26,695	95,17,524	58,28,724	12,89,843	5,95,360	65,23,207	31,13,336
Previous Year	89,58,650	12,60,749	12,77,339	89,42,060	49,14,000	14,19,825	5,05,101	58,28,724	40,44,650

**Note 8. Other Non-Financial Asset**

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Rental Deposits	20,45,000	6,95,000
(ii) Telephone Deposits	32,820	32,820
(iii) Fixed Deposits (maturing after 3 months)	77,00,000	-
Total	97,77,820	7,27,820

Note 9. Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(ii) Others Payable		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises :		
(i) Unmatured Interest on Securitized Assets Portfolio	-	-
(ii) Statutory Payables	4,82,657	4,99,010
(iii) Insurance, Commitment & Contingent Deposits	7,91,955	7,40,097
(iv) Commission Payable	-	-
(v) Interest Accrued but not due		
- Directors & Relatives	9,48,473	13,13,406
- Public	-	-
- Non-Convertible Debenture	-	-
- Inter Corporate Deposit	-	9,777
(vi) Other Payables		
- Unclaimed Dividend	3,33,136	3,18,846
- Other Current Liabilities	1,55,859	1,02,668
Total	27,12,080	29,83,804



DECCAN FINANCE LIMITED

Note 10. Debts

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) 11% Secured, Redeemable Non Convertible Debentures (Long Term) NCD2-II (Secured by hypothecation of assets)	2,39,00,000	2,39,00,000
(ii) 10.5% Secured, Redeemable Non Convertible Debentures (Long Term) NCD3-24 Months (Secured by hypothecation of assets)	1,00,00,000	1,00,00,000
(iii) 11% Secured, Redeemable Non Convertible Debentures (Long Term) NCD3-36 Months (Secured by hypothecation of assets)	3,00,00,000	3,00,00,000
(iv) 10.5% Secured, Redeemable Non-Convertible Debentures (Long Term) NCD4-36 Months (Secured by hypothecation of assets)	4,05,00,000	-
Total	10,44,00,000	6,39,00,000

Note 11. Borrowings (Other Than Debt)

(A) Long Term Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
A. From Banks		
(i) From AU Small Finance Bank (Secured by Assets covered by Hypothecation Loans)	-	30,00,000
(ii) From ICICI Bank (Secured by Vehicle)	5,77,008	1,53,577
B. From Others		
(iii) Sundaram Finance Limited (Secured by Assets covered by Hypothecation Loans)	34,93,677	68,37,481
(iv) From Sri Ram Transport Finance Company Ltd (Secured by hypothecation of loans)	1,68,96,491	1,40,02,751
Total	2,09,67,176	2,39,93,809

(B) Short Term Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
A. From Banks		
(i) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	1,18,26,612	1,67,93,537
(ii) From AU Small Finance Bank (Secured by Assets covered by Hypothecation Loans)	30,00,000	1,20,00,000
(iii) From ICICI Bank (Secured by Vehicle)	3,76,569	1,68,887
B. From Others		
(iv) Sundaram Finance Limited (Secured by Assets covered by Hypothecation Loans)	33,25,080	29,16,517
(v) From Sri Ram Transport Finance Company Ltd (Secured by hypothecation of loans)	1,17,62,900	99,93,346
Total	3,02,91,161	4,18,72,287



DECCAN FINANCE LIMITED

Note 12 Deposits

Particulars	As at 31st March, 2021	As at 31st March, 2020
A . Long Term Deposits		
(a) From Public	-	-
(b) From Banks	-	-
(c) From Others		
(i) Directors (Maturing between 1 to 3 years)	44,000	-
(ii) Relatives of Directors (Maturing between 1 to 3 years)	6,76,000	6,16,000
	7,20,000	6,16,000
B . Short Term Deposits		
(a) From Public	-	-
(b) From Banks	-	-
(c) From Others		
(i) - Directors	7,461	31,000
(ii) - Relatives of Directors	7,36,000	49,01,000
(iii) Inter Corporate Deposit	1,70,00,000	1,55,00,000
	1,77,43,461	2,04,32,000
Total	1,84,63,461	2,10,48,000

Note 13 Other Financial Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Liabilities	-	-
Total	-	-

Note 14 Provisions

Particulars	As at 31st March, 2021	As at 31st March, 20120
(i) Provision for Taxation	-	-
(ii) Provision for Contingent Liability	7,09,629	6,63,167
(iii) Provision for SMA Stock	-	65,223
(vi) Provision for Diminution in value of Investments	69,575	69,575
Total	7,79,204	7,97,965

Note 15 Other Non-Financial Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Liabilities	-	-
Total	-	-



DECCAN FINANCE LIMITED

Note 16 Equity Share Capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
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 CAPITAL		
13,93,805 Equity Shares of Rs.10/- each Fully paid up	1,39,38,050	1,39,38,050
Total	1,39,38,050	1,39,38,050

(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, 2021	As at 31st March, 2020
Equity Shares at the beginning of the year	13,93,805	13,93,805
Add : Fresh Issue	—	—
Less : Buyback of Shares	—	—
Equity shares at the end of the year	13,93,805	13,93,805

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

S.No	Name of the Share Holder	No. of Shares as on 31.03.2021	% of Shares as at 31.03.2021	No. of Shares as on 31.03.2020	% of Shares as at 31.03.2020
1	Hemant Dugar (HUF)	1,84,000	13.20%	1,84,000	13.20%
2	Hemant Dugar	1,45,381	10.43%	1,45,381	10.43%
3	Vimala Bhansali	1,88,760	13.54%	1,88,760	13.54%
4	Aditya Bhansali	1,29,307	9.28%	1,14,414	8.21%
5	Gyan Chand Jain	1,00,000	7.17%	1,00,000	7.17%



Note 17 Other Equity

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Capital Reserve	10,000	10,000
	10,000	10,000
(ii) Statutory Reserve		
Balance brought forward from previous year	3,21,83,049	3,02,12,049
Add : Transfer from Profit & Loss Account	13,34,000	19,71,000
	3,35,17,049	3,21,83,049
(iii) General Reserve		
Balance brought forward from previous year	5,94,53,985	5,64,53,985
Add : Transfer from Profit & Loss Account	30,00,000	30,00,000
Less : Buyback of Shares	-	-
Less : Capital Redemption Reserve	-	-
	6,24,53,985	5,94,53,985
(iv) Capital Redemption Reserve	10,61,950	10,61,950
	10,61,950	10,61,950
(iv) Profit & Loss Account		
Balance brought forward from previous year	4,48,29,434	3,99,46,633
Add: Profit for the year	66,69,610	98,53,801
Less: Appropriations		
- Transferred to Statutory Reserve	13,34,000	19,71,000
- Transferred to General Reserve	30,00,000	30,00,000
- Proposed Dividend		-
- Tax on Dividend		-
	4,71,65,044	4,48,29,434
Total	14,42,08,028	13,75,38,418

Note 18. Revenue from Operations

Particulars	As at 31st March, 2021	As at 31st March, 2020
Income From Financing Activities:		
(i) Interest on Loans	5,10,82,544	5,28,81,793
(ii) Interest on Govt Securities	-	10,477
(iii) Interest on Bank Deposits	25,323	97,399
(iv) Interest on Salary Advance	15,759	-
(v) Documentation Charges	8,53,623	13,43,370
Total	5,19,77,249	5,43,33,039



DECCAN FINANCE LIMITED

Note 19. Other Income

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Bad debts recovered	9,15,000	8,32,500
(ii) Profit on Sale of Shares	2,110	2,62,059
(iii) Profit on sale of Assets	88,772	-
(iv) Dividends Receipts	-	12,799
(v) Commission receipts	31,257	8,761
(vi) Miscellaneous Income	3,256	6,95,252
(vii) Diminution in the value of Investment reversed	-	2,07,568
Total	10,40,395	20,18,939

Note 20. Finance Costs

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Interest - Banks	21,53,448	43,28,423
- Deposits	4,67,606	10,79,321
- Corporate Bodies	77,52,207	63,76,197
(ii) Interest Non-Covetable Debentures	72,45,213	48,77,198
(iii) Brokerage on Deposits	-	33,415
Total	1,76,18,474	1,66,94,554

Note 21 Provisions For NPA & Standard Asstes

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Provision on SMA	(65,223)	65,223
(ii) Provision on Standard Assets	46,462	60,014
(iii) Provision on Non-performing Assets	9,84,722	3,91,308
(iv) Provision on Repossessed Stock	71,005	(1,01,675)
Total	10,36,966	4,14,870

Note 22. Employee Benefits Expense

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Salaries, Bonus, PF & ESIC	70,42,676	76,77,018
(ii) Directors Remuneration	34,20,000	36,00,000
(iii) Leave En-cashment	-	1,21,079
(iv) Staff Welfare	3,49,789	1,55,072
(v) Gratuity	4,36,667	24,580
Total	1,12,49,132	1,15,77,749



DECCAN FINANCE LIMITED

Note 23 Other Expenses

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advertisement Expenses	6,223	30,095
Audit Fees	1,66,750	1,36,500
Asset Discarded	-	31,335
Bad Debts	47,56,652	37,16,808
Bank Charges	2,64,281	3,28,558
Books & Periodicals	-	5,504
Brokerage & Commission	14,24,490	25,70,024
Business Promotion Expenses	51,084	57,882
Computer Maintenance	3,59,191	1,28,189
Consultant Fees	6,49,800	5,04,262
Conveyance Charges	76,030	76,330
Directors' Sitting Fees	55,000	60,000
Donations	57,500	66,000
Electricity Charges	91,246	1,80,679
Filing Fees	6,430	4,760
Guarantee Commission	2,00,000	2,00,000
General Expenses	3,800	71,885
Insurance Charges	2,30,580	2,07,744
Internal Audit Fees	4,56,000	5,60,000
Legal Fees & Expenses	3,27,311	9,18,640
Loss On Sale Of Govt Bonds	-	200
Membership & subscription	1,34,382	1,04,003
Miscellaneous Expenses	21,757	74,015
Office Repairs & Maintenance	1,48,855	3,05,840
Postage And Telegram	38,261	51,826
Printing And Stationery	1,52,352	1,50,477
Professional Charges	5,73,494	5,24,926
Rates, Taxes and Fees	9,23,290	2,09,746
Rent	9,30,000	8,50,000
Share Expenses	13,268	5,895
Service Charges	-	1,750
Telephone Charges	1,29,766	1,37,457
Travelling Expenses	75,480	1,60,137
Vehicle Repairs & Maintenance	6,36,393	9,48,639
Total	1,29,59,666	1,33,80,106



Note 24. Additional Notes for the year ended 31st March 2021

(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) 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.

**(Viii) 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.

(ix) 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.

(x) Contingent Liabilities and Contingent Assets

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

(xi) 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.

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Profit after taxation	66,69,610	98,53,801
(b) Weighted number of Equity Shares	13,93,805	13,93,805
(c) Earnings per Share	4.79	7.07

(xii) Segment Reporting

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

(xiii) 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



DECCAN FINANCE LIMITED

together with interest paid/ payable as required under the said Act have not been given.

Paticulars	Year ended 31.03.2021	Year ended 31.03.2020
2 Auditor's Remuneration		
For Statutory Audit	1,50,000	1,20,000
For Certification Charges	16,750	16,500
	1,66,750	1,36,500
3 Deferred Tax Assets		
on Depreciation	5,63,823	5,67,152
	5,63,823	5,67,152

4. Related Party Disclosure

A. Key Managerial Personnel Name

Kailashmull Dugar

Sanjay Bhansali

Dileep Bhandari

K.V Ramana Shetty

P.S Balasubramaniam

Hemant Dugar

Abhay S Mehta

Relationship

Executive Chairman

Managing Director

Director

Director

Director

Director

Director

B. Relatives of Key Management personnel

Aditya Bhansali

Nishka Dugar

Sanjay Bhansali

Aashna Jhaver

Linayah

Rohil Bhandari

Akshya A Mehta

Manjul

Shantha Devi.K

Amitha Bhansali

Meenal Bhandari

Shreya

G.K.S Techoology Park
Private Limited

Neel Dugar

Smita Dugar

Vimala Bhansali

Hema Chordia

Nikhil Bhansali

Vinayak Shetty

Himal Sighvee

Preeta Sales
Corporation

Vinita Bhansali

Pooja Dugar

Preeta Jhaver

Prapus Systems Pvt Ltd



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C. Details of transactions with related parties

Description	Managerial Remuneration & Sitting Fees	Interest	Others	Deposits, including accrued interest, as on 31.03.2021	NCD, Loan, ICD
Directors	34,75,000 (36,60,000)	40,390 (65,190)	- (2,00,000)	56,285 (42,779)	2,50,000 (2,50,000)
Relatives of directors	5,95,000 (5,40,000)	19,20,320 (16,14,884)	6,44,800 (2,03,000)	23,55,649 (68,18,627)	1,25,50,000 (1,04,50,000)

Figures in bracket represents for previous year.

Description	Loan Receivable	Interest Income
Directors	-	-
Relatives of directors	8,48,625 (6,70,292)	43,333 (1,01,251)

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
Firm Regn. No : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Place : Chennai
Date : 20.10.2021
UDIN : 21027539AAAAIU1875

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Executive Chairman
DIN : 00134419

SANJAY BHANSALI
Managing Director
DIN : 01811994



DECCAN FINANCE LIMITED

Schedule to the Balance Sheet of a Non-Banking Financial Company as at 31.03.2021 (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	1044	NIL
Unsecured (other than falling within the meaning of public deposit*)	NIL	NIL
b) Deferred Credits	NIL	NIL
c) Term Loans	394	NIL
d) Inter-corporate loans and borrowing	170	NIL
e) Commercial Paper	NIL	NIL
f) Public Deposits *	NIL	NIL
g) Other Loans (specify nature)		
Cash credit limit from Bank's	118	NIL
h) Directors & Relatives Deposit	15	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	NIL	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		NIL
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		25
b) Loans other than (a) above (NET)		2995



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	NIL	NIL	NIL
TOTAL		NIL	NIL	NIL

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	11	5
	Total	11	5

8. Other Information

S.No.	Particulars	Amount
1.	Gross Non-Performing Assets	
	a) Related parties	NIL
	b) Other than related parties	186
2.	Net Non-Performing Assets	
	a) Related parties	NIL
	b) Other than related parties	159
3.	Assets acquired in satisfaction of debt	NIL



**INTENTIONALLY
LEFT
BLANK**

From

To

Deccan Finance Ltd.
Padminee Towers, 3rd Floor,
No.20, Pycrofts Garden Road,
Nungambakkam,
Chennai-600 006.

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

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Padminee Towers, 3rd Floor,
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