

**41st Annual Report
2018 - 2019**



Deccan Finance Limited



DECCAN FINANCE LIMITED

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



DECCAN FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Forty-first Annual General Meeting of the members of DECCAN FINANCE LIMITED will be held on Saturday, the 21st day of September, 2019 at 10.00 a.m. at No.19 (4/3), 1st Floor, 1st Cross Street, (near Srilankan Consulate), Sterling Road, Nungambakkam, Chennai-600 034, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2019; 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. K. V. RAMANA SHETTY (DIN: 01470034) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri. KAILASHMULL DUGAR (DIN: 00134419) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Shri. HEMANT DUGAR (DIN: 01810638) as Director of the Company.
5. To appoint Shri. ABHAY S MEHTA (DIN: 02057831) as Director of the Company.
6. To ratify the continuance and remuneration of Auditor.

SPECIAL BUSINESS:

7. To revise the Remuneration payable to Shri. Kailashmull Dugar (DIN:00134419) as Chairman & Managing Director:

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

Category B:

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

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

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

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

- 8. To revise the Remuneration to Shri. Sanjay Bhansali (DIN: 01811994) as 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



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Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) Shri. SANJAY BHANSALI (DIN: 01811994), be and is hereby paid a 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 Managing Director and his family, the total cost of which to the Company shall not exceed one months' salary in the year or three months' salary in a block of three years.
- (ii) Club Fees: Subject to a maximum of two clubs and this will not include admission and life membership.

Category B:

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

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

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



DECCAN FINANCE LIMITED

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

Place: Chennai
Date : 05.08.2019

(KAILASHMULL DUGAR)
Chairman & Managing Director
DIN: 00134419

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
2. The proxy form, in order to be effective, must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
3. The members are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited, Subramanian Building, V Floor, No.1, Club House Road, Chennai 600 002, Change of Address, if any, at the earliest quoting their registered folio number .
4. Members holding Shares in more than one folio in identical order of names are requested to write to Registrar and Transfer Agents enclosing their Share Certificate to enable us to consolidate their holding in one folio to facilitate better service.
5. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date so as to enable the management to keep the information ready.
6. e-voting will commence on 18.09.2019 at 10 a.m. and will end on 20.09.2019 at 5 p.m.
7. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on 18.09.2019 and ends on 20.09.2019. 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) 14th day of September 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The share holders should log on to the e-voting website www.evotingindia.com.
 - iii. Click on Shareholders.
 - iv. Now Enter your User ID allotted by CDSL, 16 digits beneficiary ID, Next enter the Image Verification as displayed and Click on Login.



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- 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.



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- 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 Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed to helpdesk.evoting@cDSLindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

The Results of Annual General Meeting shall be declared on 23rd September 2019. 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., 21st September, 2019.



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Explanatory Statement

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

Item No.7:

Since the Company marching towards higher volume of business, the involvement and guidance required from Shri. KAILASHMULL DUGAR, (DIN:00134419) Chairman & Managing Director has increased. Consequently, the Board thought it fit to remunerate him suitably and hence increased his remuneration from the existing level to the new level of Rs. 1,50,000/= vide their resolution dated 21.11.2018.

As per the requirement of the Schedule V Part I (c) of the Companies Act, 2013 this increase in remuneration paid by the Company need to be approved by the members in the General meeting.

Except Shri. Kailashmull Dugar and Shri. Hemant Dugar, none of Directors of the Company are concerned or interested in this resolution.

Item No.8:

Since the Company's day to day operations increased due to higher volume of business, the involvement and commitment of Shri.SANJAY BHANSALI, (DIN:01811994) Managing Director, has increased. The Board has increased his remuneration at their meeting held on 21.11.2018 to Rs. 1,50,000/=

As per the requirement of the Schedule V Part I (c) of the Companies Act, 2013 this increase in remuneration paid by the Company need to be approved by the members in the General meeting.

Except Shri. Sanjay Bhansali, none of Directors of the Company are concerned or interested in this resolution.

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

Place: Chennai
Date : 05.08.2019

(KAILASHMULL DUGAR)
Chairman & Managing Director
DIN: 00134419

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the Forty-first Annual Report of the Company together with the audited statement of accounts for the year ended 31st March, 2019.

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

(in Rs.)

| Particulars | 2018-19 | 2017-18 |
|---|--------------------|--------------------|
| Total Income | 5,25,50,578 | 4,75,08,232 |
| Total expenditure | 2,58,78,599 | 2,35,79,578 |
| Profit before interest, depreciation and tax | 2,66,71,979 | 2,39,28,654 |
| Finance cost | 1,15,06,932 | 85,92,211 |
| Depreciation | 14,19,825 | 9,49,593 |
| Profit (Loss) before tax and provisions | 1,37,45,222 | 1,43,86,850 |
| Less: Provisions: | | |
| Provision on Standard Assets | 1,10,462 | -1,01,720 |
| Provision on NPA | -6,07,877 | 9,941 |
| Provision on repossessed stock | — | — |
| Profit (Loss) after provisions & before tax | 1,32,47,807 | 1,42,95,071 |
| Provision for taxation (Net of deferred tax) | 37,14,956 | 47,41,558 |
| Profit (Loss) after tax | 95,32,851 | 95,53,513 |
| Balance of Profit from the previous year | 3,53,20,782 | 3,06,78,269 |
| Amount available for appropriation | 4,48,53,633 | 4,02,31,782 |
| Appropriations: | | |
| Transfer to General reserves | 30,00,000 | 30,00,000 |
| Transfer to Statutory reserves | 19,07,000 | 19,11,000 |
| Proposed dividend | — | — |
| Tax on proposed dividend | — | — |
| Balance carried to Balance Sheet | 3,99,46,633 | 3,53,20,782 |

(B). Operations:

The Net stock of hypothecation and secured loans provided by the Company stood at Rs.2,534.60 Lakhs as on 31st March, 2019 as compared to Rs. 1,854.34 Lakhs as on 31st March, 2018.



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

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

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

The Board met five 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, 2018 to 30th June, 2018 | 28.05.2018 |
| 1st July, 2018 to 30th September, 2018 | 05.09.2018 |
| 1st October, 2018 to 31st December, 2018 | 21.11.2018 |
| 1st January, 2019 to 31st March, 2019 | 10.01.2019 |
| | 14.02.2019 |

4. DIRECTORS RESPONSIBILITY STATEMENT :

The board of directors has instituted/put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal, statutory auditors. Pursuant to section 135(5) of the Companies Act, 2013, the board of directors, confirm that:

- (a) In the preparation of the annual accounts , the applicable accounting standards have been followed and that there were no material departures there from;
- (b) They have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 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, 2019; 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, 2019.

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

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

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

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

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

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

8. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES :

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

| | |
|--------------------------------|---------------|
| Transfer to General reserves | Rs. 30,00,000 |
| Transfer to Statutory reserves | Rs. 19,07,000 |
| Proposed dividend | — |
| Tax on proposed dividend | — |

9. DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended 31st March, 2019.

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 (01/04/2019 to 05/08/2019):

There were no material changes and commitments affecting the financial position of the Company between the period 1st April, 2019 to 5th August, 2019.

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 2018- 19

13. DIRECTORS :

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Company's Articles of Association, Shri. K.V.Ramana Shetty and Shri. Kailashmull Dugar are due to retire by rotation and are eligible for reappointment, offer themselves to get re-elected.

Shri. K.V.RAMANA SHETTY and Shri. KAILASHMULL DUGAR are interested in the resolutions respectively.

Shri. HEMANT DUGAR was originally appointed as an Additional Director by the Board on 21.11.2018.

Shri ABHAY S MEHTA was originally appointed as an Additional Director by the Board on 22.5.2019.

These appointments need to be ratified by the Share holders at their meeting. The Board recommends their appointments at the ensuing Annual General Meeting.

14. DECLARATION BY INDEPENDENT DIRECTORS :

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

15. SUBSIDIARY :

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

16. FIXED DEPOSITS :

In conformity with the RBI guidelines, the Company had refunded all public deposits during the year and had not accepted any fresh deposits.



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 2018-19

20. SHARES AND SHARE CAPITAL :

a. CAPITAL STRUCTURE :

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

b. BUY-BACK OF SHARES :

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 :

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

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

Your Company has always believed in providing a safe and harassment



free work place 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 Work place (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 2018-19:

No. of Complaints received : NIL

No. of Complaints disposed off : NIL

23. LISTING AT STOCK EXCHANGE:

The Company is an unlisted company.

24. RESERVE BANK OF INDIA REGULATIONS :

Your Company is generally complying with the directions of the Reserve Bank of India regarding prudential norms of accounting, capital adequacy ratio, provisions for bad and doubtful debts and other requirements as per the directions issued from time to time as applicable to non-deposit taking or not holding public deposits NBFC.

25. CORPORATE SOCIAL RESPONSIBILITY :

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

26. 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 : 05.08.2019

(SANJAY BHANSAL)
Managing Director
DIN: 01811994

(KAILASHMULL DUGAR)
Chairman &
Managing Director
DIN: 00134419



DECCAN FINANCE LIMITED

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U65910 TN1978 PLC007632
- ii) Registration Date : 02.11.1978
- iii) Name of the Company : DECCAN FINANCE LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares / Indian Non - Government Company
- v) Address of the Registered office : New No.4/3, (Old No.19)1st Floor, 1st Cross Street, (Near to Sri Lankan Consulate), Sterling Road, Nungambakkam Chennai -600 034. Ph : 28252729/28285625 Email : deccanfinance@gmail.com
- vi) Whether listed company : NO
Yes / No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/S. Cameo Corporate Services Limited, 'Subramanian Building' V FLOOR, No.1, Club House Road, Chennai - 600 002. E-mail. ID: investor@cameoindia.com Ph.No: 91-44 - 2846 0390 Fax : 91-44 - 2846 0129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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



DECCAN FINANCE LIMITED

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

| | |
|---|-----------------------------|
| Name of the Company | : DECCAN FINANCE LTD |
| Face Value | : Rs.10 /- |
| Paidup Shares as on 01-Apr-2018: 13,93,805 | |
| Paidup Shares as on 31-Mar-2019: 13,93,805 | |

| Category code | Category of Shareholder | No. of shares held at the beginning of the year | | | | No. of shares held at the end of the year | | | | % Change during the year |
|---------------|---|---|--------------|---------------|-------------------|---|--------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. | Shareholding Of Promoter And Promoter Group | | | | | | | | | |
| 1. | INDIAN | | | | | | | | | |
| a. | Individuals / Hindu Undivided Family | 815848 | 10600 | 826448 | 59.2943 | 1051821 | 12850 | 1064671 | 76.3859 | 17.0916 |
| b. | Central Government / State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | Financial Institutions / Banks | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | any other | | | | | | | | | |
| | Sub - Total (A)(1) | 815848 | 10600 | 826448 | 59.2943 | 1051821 | 12850 | 1064671 | 76.3859 | 17.0916 |
| 2. | FOREIGN | | | | | | | | | |
| a. | Individuals (Non-Resident Individuals/Foreign Individuals) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| b. | Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | Institutions | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | Qualified Foreign Investor | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | Any Other | | | | | | | | | |
| | Sub - Total (A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2) | 815848 | 10600 | 826448 | 59.2943 | 1051821 | 12850 | 1064671 | 76.3859 | 17.0916 |
| B. | Public Shareholding | | | | | | | | | |
| 1. | INSTITUTIONS | | | | | | | | | |
| a. | Mutual Funds / UTI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| b. | Financial Institutions / Banks | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| c. | Central Government / State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | Venture Capital Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| e. | Insurance Companies | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| f. | Foreign Institutional Investors | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| g. | Foreign Venture Capital Investors | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |



DECCAN FINANCE LIMITED

(i) Category-wise Share Holding (Continued)

| Category code | Category of Shareholder | No. of shares held at the beginning of the year | | | | No. of shares held at the end of the year | | | | % Change during the year |
|---------------|--|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| h. | Qualified Foreign Investor | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| i. | Any other | | | | | | | | | |
| | Sub - Total (B)(1) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| 2. | NON-INSTITUTIONS | | | | | | | | | |
| a. | Bodies corporate | 300 | 6300 | 6600 | 0.4735 | 300 | 6300 | 6600 | 0.4735 | 0.0000 |
| b. | Individuals - | | | | | | | | | |
| | i Individual Shareholders Holding Nominal Share Capital upto Rs. 1 Lakh | 64444 | 374452 | 438896 | 31.4890 | 68904 | 31669 | 100573 | 7.2157 | -24.2733 |
| | ii Individual Shareholders Holding Nominal Share Capital in Excess of Rs. 1 Lakh | 12000 | 108811 | 120811 | 8.6677 | 112000 | 108811 | 220811 | 15.8423 | 7.1746 |
| c. | Qualified Foreign Investor | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| d. | Any Other | | | | | | | | | |
| | Hindu Undivided Families | 700 | 0 | 700 | 0.0502 | 700 | 0 | 700 | 0.0502 | 0.0000 |
| | Non Resident Indians | 350 | 0 | 350 | 0.0251 | 450 | 0 | 450 | 0.0322 | 0.0071 |
| | Retirement Benefit Scheme | 1050 | 0 | 1050 | 0.0753 | 1150 | 0 | 1150 | 0.0825 | 0.0071 |
| | Sub - Total (B)(2) | 77794 | 489563 | 567357 | 40.7056 | 182354 | 146780 | 329134 | 23.6139 | -17.0916 |
| | Total Public Shareholding (B) = (B)(1)+(B)(2) | 77794 | 489563 | 567357 | 40.7056 | 182354 | 146780 | 329134 | 23.6139 | -17.0916 |
| | Total (A)+(B) | 893642 | 500163 | 1393805 | 100.0000 | 1234175 | 159630 | 1393805 | 100.0000 | 0 |
| C. | Shares Held by Custodians and against which Depository Receipts have been Issued | | | | | | | | | |
| | Promoter And Promoter Group | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | Public | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | Total Custodian (C) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| | Grand Total (A)+(B)+(C) | 893642 | 500163 | 1393805 | 100.0000 | 1234175 | 159630 | 1393805 | 100.0000 | 0.0000 |

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DECCAN FINANCE LIMITED

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Shareholding at the end of the year | | % change in shareholding during the year | FOLIO / DP CLIENT ID | PAN | Pledged Shares at | | | |
|---------|--------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|--|----------------------|------------|-----------------------|-----------------|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | | | beginning of the Year | end of the Year | | |
| 1 | DILEEP BHANDARI | 166279 | 11.9298 | 0.0000 | 0.0000 | -11.9155 | INS0051311930462 | AABPB8336K | 0 | 0 | | |
| 2 | HEMANT DUGAR (HUF) | 148000 | 10.6184 | 0.0000 | 184000 | 13.2012 | 0.0000 | 2.5828 | INS0108022443443 | AAABH3064C | 0 | 0 |
| 3 | VIMALA BHANSALI | 125860 | 9.0299 | 0.0000 | 180660 | 12.9616 | 0.0000 | 3.9316 | INS0045010397159 | ACLPV5201H | 0 | 0 |
| 4 | ADITYA BHANSALI | 119885 | 8.6012 | 0.0000 | 105164 | 7.5451 | 0.0000 | -1.0561 | INS0045014226572 | BEIPA 9448E | 0 | 0 |
| 5 | HEMANT DUGAR | 86131 | 6.1795 | 0.0000 | 136131 | 9.7668 | 0.0000 | 3.5873 | INS0108022153907 | AADPD7770M | 0 | 0 |
| 6 | PRAKASHMAL BHANDARI | 84400 | 6.0553 | 0.0000 | 0 | 0.0000 | 0.0000 | -6.0553 | INS00051311937688 | AABPB8331Q | 0 | 0 |
| 7 | IMANGALA BHANDARI | 25400 | 1.8223 | 0.0000 | 0 | 0.0000 | 0.0000 | -1.8223 | INS00051319279688 | AAJPB1334M | 0 | 0 |
| 8 | PAVITRA DUGAR | 20900 | 1.4994 | 0.0000 | 20900 | 1.4994 | 0.0000 | 0.0000 | INS0108022544690 | AADPD7712R | 0 | 0 |
| 9 | NARESH M MEHTA, JT1 : PAKSHA N MEHTA | 15693 | 1.1259 | 0.0000 | 15693 | 1.1259 | 0.0000 | 0.0000 | INS0243720139607 | AAKPM3175E | 0 | 0 |
| 10 | KAILASH MULL DUGAR | 12500 | 0.8968 | 0.0000 | 14350 | 1.0296 | 0.0000 | 0.0669 | INS0108022153794 | AADPD7696J | 0 | 0 |
| 11 | VIMALA BHANSALI | 5700 | 0.4089 | 0.0000 | 5700 | 0.4089 | 0.0000 | 0.0000 | V00000256 | | 0 | 0 |
| 12 | PRAKASHMULL KAILASHMULL | 5000 | 0.3587 | 0.0000 | 5000 | 0.3587 | 0.0000 | 0.0000 | INS0108022176885 | AAAHK1533N | 0 | 0 |
| 13 | RAMANA K V | 4000 | 0.2869 | 0.0000 | 4000 | 0.2869 | 0.0000 | 0.0000 | R00000096 | | 0 | 0 |
| 14 | POOJA DUGAR | 3800 | 0.2726 | 0.0000 | 58800 | 4.2186 | 0.0000 | 3.9460 | INS0108022176877 | AHLPD4264H | 0 | 0 |
| 15 | NARESH M MEHTA | 2000 | 0.1434 | 0.0000 | 2000 | 0.1434 | 0.0000 | 0.0000 | INS0047640157303 | AAAHN2291L | 0 | 0 |
| 16 | SURENDRA M MEHTA | 10687 | 0.7668 | 0.0000 | 10687 | 0.7668 | 0.0000 | 0.0000 | S00000245 | | 0 | 0 |
| 17 | SANJAY BHANSALI | 200 | 0.0143 | 0.0000 | 200 | 0.0143 | 0.0000 | 0.0000 | 00004046 | AABPB7900P | 0 | 0 |
| | HAVING SAME PAN | | | | | | | | | | | |
| | SANJAY BHANSALI | 1400 | 0.0010 | 0.0000 | 1400 | 0.0010 | 0.0000 | 0.0000 | S00000021 | AABPB7900P | 0 | 0 |
| | HAVING SAME PAN | | | | | | | | | | | |
| 18 | ABHAY S MEHTA | 15000 | 0.0108 | 0 | 15000 | 0.0108 | 0 | 0 | 00004040 | | | |
| 19 | AMIT CHANDRAKANT VAISHNAV | 1200 | 0.0009 | 0 | 1200 | 0.0009 | 0 | 0 | A00000031 | | | |
| 20 | AMIT VAISHNAV | 3000 | 0.0022 | 0 | 3000 | 0.0022 | 0 | 0 | A00000033 | | | |
| 21 | AMITA BHANSALI | 12000 | 0.0086 | 0 | 12000 | 0.0086 | 0 | 0 | A00000034 | | | |
| 22 | BABY AKILA | 2000 | 0.0014 | 0 | 2000 | 0.0014 | 0 | 0 | B00000004 | | | |
| 23 | DUGAR R M | 1375 | 0.0010 | 0 | 1375 | 0.0010 | 0 | 0 | D00000042 | | | |
| 24 | GOPALAKRISHNA SHETTY | 5000 | 0.0036 | 0 | 5000 | 0.0036 | 0 | 0 | G00000033 | | | |
| 25 | SHETTY BUILDERS (P) LTD G K | 5400 | 0.0039 | 0 | 5400 | 0.0039 | 0 | 0 | G00000092 | | | |
| 26 | SMITA DUGAR | 7400 | 0.0053 | 0 | 7400 | 0.0053 | 0 | 0 | IN301080 | | | |



DECCAN FINANCE LIMITED

(ii) Shareholding of Promoters (Continued)

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year | FOLIO / DP CLIENT ID | PAN | Pledged Shares at beginning of the Year | end of the Year |
|---------|---------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|----------------------|-----|---|-----------------|
| | | No. of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | No. of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | | | | | |
| 27 | MANAK TRUST | 11250 | 0.0081 | 0 | 11250 | 0.0081 | 0 | M0000045 | | | | |
| 28 | PADMAVATHI S NAIK | 1500 | 0.0011 | 0 | 1500 | 0.0011 | 0 | P0000010 | | | | |
| 29 | PAVITHRA DUGAR | 1500 | 0.0011 | 0 | 1500 | 0.0011 | 0 | P0000034 | | | | |
| 30 | PREETA DUGAR | 12000 | 0.0086 | 0 | 12000 | 0.0086 | 0 | P0000074 | | | | |
| 31 | ROHAN T MEHTA | 9250 | 0.0066 | 0 | 9250 | 0.0066 | 0 | R0000348 | | | | |
| 32 | SAVITA H MEHTA | 17437 | 0.0125 | 0 | 17437 | 0.0125 | 0 | S0000068 | | | | |
| 33 | SAVITA H MEHTA | 4375 | 0.0031 | 0 | 4375 | 0.0031 | 0 | S0000067 | | | | |
| 34 | SAWITA H MEHTA | 14437 | 0.0104 | 0 | 14437 | 0.0104 | 0 | S0000089 | | | | |
| 35 | SAWITA H MEHTA | 4375 | 0.0031 | 0 | 4375 | 0.0031 | 0 | S0000070 | | | | |
| 36 | SHETTY G K | 16000 | 0.0115 | 0 | 16000 | 0.0115 | 0 | S0000125 | | | | |
| 37 | SMITA DUGAR | 5000 | 0.0036 | 0 | 5000 | 0.0036 | 0 | S0000148 | | | | |
| 38 | SULSA S JHAVERI | 2500 | 0.0018 | 0 | 2500 | 0.0018 | 0 | S0000213 | | | | |
| 39 | SMITA VENKATESH | 2100 | 0.0015 | 0 | 2100 | 0.0015 | 0 | S0000235 | | | | |
| 40 | SURENDRA M MEHTA (BAPALAL & CO) | 2937 | 0.0021 | 0 | 2937 | 0.0021 | 0 | S0000248 | | | | |
| 41 | SURENDRA M MEHTA (CATHEDRAL) | 6600 | 0.0047 | 0 | 6600 | 0.0047 | 0 | S0000249 | | | | |
| 42 | SURESH B MEHTA (CATHEDRAL) | 1500 | 0.0011 | 0 | 1500 | 0.0011 | 0 | S0000253 | | | | |
| 43 | SURESH B MEHTA (WALLACE GARDEN) | 2400 | 0.0017 | 0 | 2400 | 0.0017 | 0 | S0000254 | | | | |
| 44 | SHANTHA DEVI K | 5000 | 0.0036 | 0 | 5000 | 0.0036 | 0 | S0000509 | | | | |
| 45 | SHETTY GK (H U F) | 6000 | 0.0043 | 0 | 6000 | 0.0043 | 0 | S9000125 | | | | |
| 46 | TRISHALA A VAISHNAV | 2200 | 0.0016 | 0 | 2200 | 0.0016 | 0 | T0000023 | | | | |
| 47 | TRISHALA A VAISHNAV | 3800 | 0.0027 | 0 | 3800 | 0.0027 | 0 | T0000025 | | | | |
| 48 | TUSHAAR S MEHTA | 2400 | 0.0017 | 0 | 2400 | 0.0017 | 0 | T0000046 | | | | |
| 49 | TUSHAAR MEHTA | 5225 | 0.0037 | 0 | 5225 | 0.0037 | 0 | T0000061 | | | | |
| 50 | TUHN T MEHTA | 9250 | 0.0066 | 0 | 9250 | 0.0066 | 0 | T0000065 | | | | |
| 51 | VARSHA S MEHTA | 2400 | 0.0017 | 0 | 2400 | 0.0017 | 0 | V0000012 | | | | |
| 52 | VJAYALAKSHMI HARIPRASAD | 3000 | 0.0022 | 0 | 3000 | 0.0022 | 0 | V0000059 | | | | |
| 53 | VINAYAK SHETTY | 5000 | 0.0036 | 0 | 5000 | 0.0036 | 0 | V0000082 | | | | |
| 54 | VINITA DUGAR | 7975 | 0.0057 | 0 | 7975 | 0.0057 | 0 | V0000083 | | | | |
| 55 | GYAN CHAND JAIN | 0 | 0 | 0 | 100000 | 0.0717 | 0 | IN300450 | | | | |



DECCAN FINANCE LIMITED

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

| S. No. | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | FOLIO / DP Client ID | PAN |
|--------|--|---|----------------------------------|---|----------------------------------|----------------------|------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | |
| 1 | DILEEP BHANDARI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 166279 | 11.9298 | 166279 | 11.9298 | 'IN30051311930462 | AABPB8336K |
| | Demated 27-Jul-2018 | 200 | 0.0143 | 166479 | 11.9442 | '00004062 | |
| | Sale 31-Aug-2018 | -117700 | 8.4445 | 48779 | 3.4997 | | |
| | Sale 07-Sep-2018 | -48579 | 3.4853 | 200 | 0.0143 | | |
| | At the end of the Year 30-Mar-2019 | 200 | 0.0143 | 200 | 0.0143 | | |
| 2 | HEMANT DUGAR (HUF) | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 148000 | 10.6184 | 148000 | 10.6184 | 'IN30108022443443 | AABHH3064C |
| | Purchase 31-Aug-2018 | 31000 | 2.2241 | 179000 | 12.8425 | | |
| | Demated 22-Feb-2019 | 5000 | 0.3587 | 184000 | 13.2012 | '00004066 | |
| | At the end of the Year 30-Mar-2019 | 184000 | 13.2012 | 184000 | 13.2012 | | |
| 3 | VIMALA BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 125860 | 9.0299 | 125860 | 9.0299 | 'IN30045010397159 | ACLPV5201H |
| | Purchase 31-Aug-2018 | 27400 | 1.9658 | 153260 | 10.9957 | | |
| | Purchase 07-Sep-2018 | 27400 | 1.9658 | 180660 | 12.9616 | | |
| | At the end of the Year 30-Mar-2019 | 180660 | 12.9616 | 180660 | 12.9616 | | |
| 4 | ADITYA BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 119885 | 8.6012 | 119885 | 8.6012 | 'IN30045014226572 | BEIPA1948E |
| | Purchase 31-Aug-2018 | 36700 | 2.6330 | 156585 | 11.2343 | | |
| | Sale 07-Sep-2018 | -51421 | 3.6892 | 105164 | 7.5451 | | |
| | At the end of the Year 30-Mar-2019 | 105164 | 7.5451 | 105164 | 7.5451 | | |
| 5 | HEMANT DUGAR | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 86131 | 6.1795 | 86131 | 6.1795 | 'IN30108022153807 | AADPD7770M |
| | Purchase 31-Aug-2018 | 50000 | 3.5873 | 136131 | 9.7668 | | |
| | At the end of the Year 30-Mar-2019 | 136131 | 9.7668 | 136131 | 9.7668 | | |
| 6 | PRAKASHMAL BHANDARI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 84400 | 6.0553 | 84400 | 6.0553 | 'IN30051311937689 | AABPB8331Q |
| | Sale 11-May-2018 | -84400 | 6.0553 | 0 | 0.0000 | | |
| | At the end of the Year 30-Mar-2019 | 0 | 0.0000 | 0 | 0.0000 | | |
| 7 | MANGALA BHANDARI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 25400 | 1.8223 | 25400 | 1.8223 | 'IN30051311927968 | AAJPB1334M |
| | Sale 11-May-2018 | -25400 | 1.8223 | 0 | 0.0000 | | |
| | At the end of the Year 30-Mar-2019 | 0 | 0.0000 | 0 | 0.0000 | | |
| 8 | PAVITRA DUGAR | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 20900 | 1.4994 | 20900 | 1.4994 | 'IN30108022544690 | AADPD7712R |
| | At the end of the Year 30-Mar-2019 | 20900 | 1.4994 | 20900 | 1.4994 | | |
| 9 | NARESH M.MEHTAJTI : RAKSHA N.MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 15693 | 1.1259 | 15693 | 1.1259 | 'IN30243720139607 | AAKPM3175E |
| | At the end of the Year 30-Mar-2019 | 15693 | 1.1259 | 15693 | 1.1259 | | |
| 10 | KAILASH MULL DUGAR | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 12500 | 0.8968 | 12500 | 0.8968 | 'IN30108022153794 | AADPD7696J |
| | Purchase 05-Sep-2018 | 1000 | 0.0717 | 13500 | 0.9685 | | |
| | Purchase 28-Dec-2018 | 750 | 0.0538 | 14250 | 1.0224 | | |
| | Purchase 18-Jan-2019 | 100 | 0.0071 | 14350 | 1.0295 | | |
| | At the end of the Year 30-Mar-2019 | 13350 | 0.9578 | 14350 | 1.0295 | | |
| 11 | VIMALA BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 5700 | 0.4089 | 5700 | 0.4089 | 'V0000256 | |
| | At the end of the Year 30-Mar-2019 | 5700 | 0.4089 | 5700 | 0.4089 | | |
| 12 | PRAKASHMULL KAILASHMULL | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 5000 | 0.3587 | 5000 | 0.3587 | 'IN30108022176885 | AAAHK1533N |
| | At the end of the Year 30-Mar-2019 | 5000 | 0.3587 | 5000 | 0.3587 | | |



DECCAN FINANCE LIMITED

(iii) Change in Promoters' Shareholding (Continued)

| S. No. | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | FOLIO / DP Client ID | PAN |
|--------|--|---|----------------------------------|---|----------------------------------|----------------------|------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | |
| 13 | RAMANA K V | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 4000 | 0.2869 | 4000 | 0.2869 | 'R0000096 | |
| | At the end of the Year 30-Mar-2019 | 4000 | 0.2869 | 4000 | 0.2869 | | |
| 14 | POOJA DUGAR | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 3800 | 0.2726 | 3800 | 0.2726 | 'IN30108022176877 | AHLPD4264H |
| | Purchase 31-Aug-2018 | 55000 | 3.9460 | 58800 | 4.2186 | | |
| | At the end of the Year 30-Mar-2019 | 58800 | 4.2186 | 58800 | 4.2186 | | |
| 15 | NARESH M MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 2000 | 0.1434 | 2000 | 0.1434 | 'IN30047640157303 | AAAHN2291L |
| | At the end of the Year 30-Mar-2019 | 2000 | 0.1434 | 2000 | 0.1434 | | |
| 16 | SURENDRA M MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 10687 | 0.77 | 10687 | 0.77 | 'S0000245 | |
| | At the end of the Year 30-Mar-2019 | 10687 | 0.77 | 10687 | 0.77 | | |
| 17 | SANJAY BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 1450 | 0.1040 | 1450 | 0.1040 | '00004046 | AABPB7900P |
| | At the end of the Year 30-Mar-2019 | 1450 | 0.1040 | 1450 | 0.1040 | | |
| | HAVING SAME PAN | | | | | | |
| | SANJAY BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 150 | 0.0107 | 150 | 0.0107 | 'S0000021 | AABPB7900P |
| | At the end of the Year 30-Mar-2019 | 150 | 0.0107 | 150 | 0.0107 | | |
| 18 | GYAN CHAND JAIN | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 0 | 0.0000 | 0 | 0.0000 | 'IN30045010397302 | AABPJ8520D |
| | Purchase 07-Sep-2018 | 100000 | 7.1746 | 100000 | 7.1746 | | |
| | At the end of the Year 30-Mar-2019 | 100000 | 7.1746 | 100000 | 7.1746 | | |
| | | | | | | | |
| | | | | | | | |
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DECCAN FINANCE LIMITED

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

| S. No. | Name of the Share holder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | FOLIO / DP Client ID | PAN |
|--------|--|---|----------------------------------|---|----------------------------------|----------------------|------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | |
| 1 | SAVITA H MEHTA JT1: SULSA S JHAVERI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 17437 | 1.2510 | 17437 | 1.2510 | 'S0000066 | |
| | At the end of the Year 30-Mar-2019 | 17437 | 1.2510 | 17437 | 1.2510 | | |
| 2 | SHETTY G K | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 16000 | 1.1479 | 16000 | 1.1479 | 'S0000125 | |
| | At the end of the Year 30-Mar-2019 | 16000 | 1.1479 | 16000 | 1.1479 | | |
| 3 | ABHAY S MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 15000 | 1.0761 | 15000 | 1.0761 | '00004040 | AAKPM4560F |
| | At the end of the Year 30-Mar-2019 | 15000 | 1.0761 | 15000 | 1.0761 | | |
| 4 | SAWITA H MEHTA JT1: SULSA S JHAVERI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 14437 | 1.0357 | 14437 | 1.0357 | 'S0000069 | |
| | At the end of the Year 30-Mar-2019 | 14437 | 1.0357 | 14437 | 1.0357 | | |
| 5 | AMITA BHANSALI | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 12000 | 0.8609 | 12000 | 0.8609 | 'A0000034 | |
| | At the end of the Year 30-Mar-2019 | 12000 | 0.8609 | 12000 | 0.8609 | | |
| 6 | PREETA DUGAR | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 12000 | 0.8609 | 12000 | 0.8609 | 'P0000074 | |
| | At the end of the Year 30-Mar-2019 | 12000 | 0.8609 | 12000 | 0.8609 | | |
| 7 | MANAK TRUST | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 11250 | 0.8071 | 11250 | 0.8071 | 'M0000045 | |
| | At the end of the Year 30-Mar-2019 | 11250 | 0.8071 | 11250 | 0.8071 | | |
| 8 | SURENDRA M MEHTA JT1: TUSHAR S MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 10687 | 0.7667 | 10687 | 0.7667 | 'S0000247 | |
| | At the end of the Year 30-Mar-2019 | 10687 | 0.7667 | 10687 | 0.7667 | | |
| 9 | ROHAN T MEHTA JT1 : TUHIN T MEHTA | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 9250 | 0.6636 | 9250 | 0.6636 | 'R0000348 | |
| | At the end of the Year 30-Mar-2019 | 9250 | 0.6636 | 9250 | 0.6636 | | |
| | NEW TOP 10 AS ON (30-Mar-2019) | | | | | | |
| 10 | GYAN CHAND JAIN | | | | | | |
| | At the beginning of the year 01-Apr-2018 | 0 | 0.0000 | 0 | 0.0000 | 'IN30045010397302 | AABPJ8520D |
| | Purchase 07-Sep-2018 | 100000 | 7.1746 | 100000 | 7.1746 | | |
| | At the end of the Year 30-Mar-2019 | 100000 | 7.1746 | 100000 | 7.1746 | | |

(v) Shareholding of Directors and Key Managerial Personnel:

| | | | | | | | |
|---|-------------------------|--------|---------|--------|--------|-------------------|------------|
| 1 | Mr. KAILASH MULL DUGAR | 12500 | 0.8968 | 14350 | 1.0296 | IN301080 22153794 | AADPD7696J |
| 2 | Mr. SANJAY BHANSALI | 450 | 0.0323 | 1600 | 0.1148 | S0000021 | AABPB7900P |
| 3 | Mr. DILEEP BHANDARI | 166279 | 11.9299 | 200 | 0.0143 | IN300513 11930462 | AABPB8336K |
| 4 | Mr. RAMANA K V | 4000 | 0.2870 | 4000 | 0.2870 | R0000096 | ATZPS3443D |
| 5 | Mr. SURENDRA M MEHTA | 400 | 0.0287 | 400 | 0.0287 | S0000245 | AAKPM6383N |
| 6 | Mr. BALASUBRAMANIAM P S | 100 | 0.0071 | 100 | 0.0071 | 4043 | AACPB9356L |
| 7 | Ms. EKTA SURANA | 100 | 0.0071 | 100 | 0.0071 | E0000016 | AMOPS1478C |
| 8 | Mr. HEMANT DUGAR | NA | NA | 136131 | 9.7669 | IN301080 22153807 | AADPD7770M |



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|---------------------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 4,33,74,916 | 1,35,60,000 | 1,22,89,000 | 6,92,23,916 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | 10,83,693 | 24,88,185 | 35,71,878 |
| Total (i+ii+iii) | 4,33,74,916 | 1,46,43,693 | 1,47,77,185 | 7,27,95,794 |
| Change in indebtedness during the financial year | | | | |
| Principal Amount | 8,28,39,310 | -19,64,000 | -1,22,89,000 | 6,85,86,310 |
| Interest due but not paid | NIL | NIL | NIL | NIL |
| Interest accrued but not due | 65,738 | 9,41,657 | -24,88,185 | -14,80,790 |
| Total | 8,29,05,048 | -10,22,343 | -1,47,77,185 | 6,71,05,520 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 12,62,14,226 | 1,15,96,000 | NIL | 13,78,10,226 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | 65,738 | 20,25,350 | NIL | 20,91,088 |
| Total (i+ii+iii) | 12,62,79,964 | 1,36,21,350 | NIL | 13,99,01,314 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| S. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|--------|--|-------------------------|---------------------|---------------------|------------------|
| | | Mr. Kailshnull Dugar | Mr. Sanjay Bhansali | Mr. Dileep Bhandari | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the income -tax Act, 1961 | 11,70,000 | 11,70,000 | 3,30,000 | 26,70,000 |
| | (b) Value of perquisites u/s 17(2) income -tax Act, 1961 | NIL | NIL | 1,50,000 | 1,50,000 |
| | (c) Profits in lieu of salary under section 17(3) income -tax Act, 1961 | NIL | NIL | NIL | NIL |
| 2 | Stock option | NIL | NIL | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL | NIL | NIL |
| 4 | Commision — as % of profit — others, specify | NIL | NIL | NIL | NIL |
| 5 | Others, Please specify | NIL | NIL | NIL | NIL |
| | Total (A) | 11,70,000 | 11,70,000 | 4,80,000 | 28,20,000 |



DECCAN FINANCE LIMITED

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | | Total Amount |
|---------|--|------------------------|----------------------|------------------------|------------------|---------------------|---------------|
| | | Mr.P.Bala subramaniyam | Mr. Surendra M Mehta | Mr. K.V. Ramana Shetty | Mr. Hemant Dugar | Mr. Dileep Bhandari | |
| 1. | Independent Directors | | | | | | |
| | - Fee for attending board committee meetings | 10,000 | 10,000 | 5,000 | 5,000 | 10,000 | 40,000 |
| | - Commission | NIL | NIL | NIL | NIL | NIL | NIL |
| | - Others, please specify | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total (1) | 10,000 | 10,000 | 5,000 | 5,000 | 10,000 | 40,000 |
| 2. | Other Non-Executive Directors | | | | | | |
| | - Fee for attending board committee meetings | NIL | NIL | NIL | NIL | NIL | NIL |
| | - Commission | NIL | NIL | NIL | NIL | NIL | NIL |
| | - Others, please specify | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total (2) | | | | | | |
| | Total (B)=(1+2) | 10,000 | 10,000 | 5,000 | 5,000 | 10,000 | 40,000 |
| | Total Managerial Remuneration | 10,000 | 10,000 | 5,000 | 5,000 | 10,000 | 40,000 |

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

| S. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|--------|---|--------------------------|-------------------|------------|------------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | |
| 2. | Stock Option | NIL | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL | NIL |
| 4. | Commission - as % of profit- others, specify... | NIL | NIL | NIL | NIL |
| 5. | Others, please specify | NIL | NIL | NIL | NIL |
| | Total (A) | NIL | NIL | NIL | NIL |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2019.



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, 2019, and 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, 2019, and profit/loss, 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 stand-alone 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.



DECCAN FINANCE LIMITED

(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, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 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"**.

(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 no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For CHANDARANA & SANKLECHA

Chartered Accountants

Firm Regn No : 000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 5th August 2019

UDIN : 19027539AAAAJU5554



ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of **M/s Deccan Finance Limited** on the accounts of the Company for the year ended 31st March, 2019. On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. During the year, the fixed assets of the company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
 - c. The company does not have any immovable properties.
2. The Company is a Non-Banking Financial Company (NBFC) engaged in the business of Financing. Hence, paragraph 3 (ii) of the Order is not applicable to the Company.
3. The company has not granted any loan, secured or unsecured, to other party covered in the register maintained under Section 189 of the Companies Act, 2013.
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 did not raise any money by way of initial public offer or further public offer.
10. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid the managerial remuneration in accordance with the requisite approvals mandated by the Provision of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the company.
13. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



DECCAN FINANCE LIMITED

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 : 5th August 2019
UDIN : 19027539AAAAJU5554



ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Deccan Finance Limited on the financial statements for the year ended 31st March, 2019)

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, 2019 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



DECCAN FINANCE LIMITED

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, 2019, 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 : 5th August 2019

UDIN : 19027539AAAAJU5554



DECCAN FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

| Particulars | Note | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------|------------------------|------------------------|
| | | Rs. | Rs. |
| I. EQUITY & LIABILITIES | | | |
| Shareholder's Funds | | | |
| (a) Share Capital | 1 | 1,39,38,050 | 1,39,38,050 |
| (b) Reserves and Surplus | 2 | 12,76,84,617 | 11,81,51,766 |
| (c) Money received against share warrants | | — | — |
| Share Application money pending allotment | | — | — |
| Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 3 | 7,28,51,433 | 4,05,86,748 |
| (b) Deferred Tax Liabilities (Net) | | — | — |
| (c) Other Long Term Liabilities | | — | — |
| (d) Long-Term Provisions | 4 | — | — |
| Current Liabilities | | | |
| (a) Short-Term Borrowings | 5 | 6,49,58,793 | 2,86,37,168 |
| (b) Trade Payables | | — | — |
| (c) Other Current Liabilities | 6 | 44,02,363 | 50,83,798 |
| (d) Short-Term Provisions | 7 | 29,91,234 | 30,19,601 |
| TOTAL | | 28,68,26,490 | 20,94,17,131 |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | - | - | - |
| (i) Tangible Assets | 8 | 31,13,336 | 40,44,650 |
| (b) Non-Current Investments | 9 | 17,87,114 | 63,11,238 |
| (c) Deferred Tax Assets (net) | | 5,45,207 | 4,00,163 |
| (d) Long Term Loans & Advances | | — | — |
| (e) Other Non-Current Assets | 10 | 7,45,320 | 7,45,320 |
| Current Assets | | | |
| (a) Current Investments | | — | — |
| (b) Inventories | | — | — |
| (c) Trade Receivables | | — | — |
| (d) Cash and cash equivalents | 11 | 1,99,89,323 | 36,34,167 |
| (e) Short-Term Loans & Advances | 12 | 25,93,60,196 | 19,35,70,447 |
| (f) Other Current Assets | 13 | 12,85,994 | 7,11,146 |
| TOTAL | | 28,68,26,490 | 20,94,17,131 |

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.08.2019
UDIN : 19027539AAAAJU5554

For and on behalf of the Board of Directors
KAILASHMULL DUGAR **SANJAY BHANSALI**
Chairman & Managing Director Managing Director
(DIN : 00134419) (DIN : 01811994)



DECCAN FINANCE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (in rupees)

| Particulars | | Note | As at 31st March, 2019 | As at 31st March, 2018 |
|-------------|----------------------------------|----------|------------------------|------------------------|
| I | Revenue from Operations | 14 | 5,09,92,625 | 4,62,20,608 |
| II | Other Income | 15 | 15,57,953 | 12,87,624 |
| III | Total Revenue (I +II) | | 5,25,50,578 | 4,75,08,232 |
| IV | Expenses: | | | |
| | a. Employee Benefits Expense | 16 | 1,10,81,997 | 91,40,939 |
| | b. Finance Costs | 17 | 1,15,06,932 | 85,92,211 |
| | c. Depreciation and Amortization | 8 | 14,19,825 | 9,49,593 |
| | d. Other Expenses | 18 | 1,47,96,602 | 1,44,38,639 |
| | Total Expenses (IV) | | 3,88,05,356 | 3,31,21,382 |
| V | Profit before provision | III-IV | 1,37,45,222 | 1,43,86,850 |
| | Provision on NPA | | 6,07,877 | (9,941) |
| | Provision on Repossessed Stock | | — | — |
| | Provision on Standard Assets | | (1,10,462) | 1,01,720 |
| VI | Total Provisions | | 4,97,415 | 91,779 |
| VII | Profit before tax | V-VI | 1,32,47,807 | 1,42,95,071 |
| VIII | Tax expense: | | | |
| | - Current Tax | | 38,60,000 | 47,00,000 |
| | - Deferred tax | | (1,45,044) | 41,558 |
| | | | 37,14,956 | 47,41,558 |
| IX | Profit for the year | VII-VIII | 95,32,851 | 95,53,513 |
| X | Earning per Equity Share | | | |
| | - Basic & Diluted | | 6.84 | 6.54 |

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.08.2019
UDIN : 19027539AAAAJU5554

For and on behalf of the Board of Directors
KAILASHMULL DUGAR **SANJAY BHANSALI**
Chairman & Managing Director Managing Director
(DIN : 00134419) (DIN : 01811994)



DECCAN FINANCE LIMITED

NOTES ON ACCOUNTS:

Notes on Financial Statements for the year ended 31st, March, 2019

1. Share Capital

(in Rupees)

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| AUTHORISED CAPITAL | | |
| 30,00,000 Equity Shares of Rs. 10/- each | 3,00,00,000 | 3,00,00,000 |
| | 3,00,00,000 | 3,00,00,000 |
| ISSUED, SUBSCRIBED & PAID UP | | |
| 13,93,805 Equity Shares of Rs.10/- each Fully paid up | 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, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| Equity Shares at the beginning of the year | 13,93,805 | 15,00,000 |
| Add : Fresh Issue | — | — |
| Less : Buyback of Shares | — | 1,06,195 |
| 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 31.03.2019 | % of Shares as at 31.03.2019 | No. of Shares as on 31.03.2018 | % of Shares as at 31.03.2018 |
|------|--------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|
| 1 | Hemant Dugar (HUF) | 1,84,000 | 13.20% | 1,48,000 | 10.62% |
| 2 | Hemant Dugar | 1,36,131 | 9.77% | 86,131 | 6.18% |
| 3 | Dileep Bhandari | — | — | 1,66,279 | 11.93% |
| 4 | Vimala Bhansali | 1,80,660 | 12.96% | 1,25,860 | 9.03% |
| 5 | Aditya Bhansali | 1,05,164 | 7.55% | 1,19,885 | 8.60% |
| 6 | Prakash Bhandari | — | — | 84,400 | 6.06% |
| 7 | Gyan Chand Jain | 1,00,000 | 7.17% | — | — |

2. Reserves & Surplus

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| (i) Capital Reserve | | |
| | 10,000 | 10,000 |
| | 10,000 | 10,000 |
| (ii) Statutory Reserve : | | |
| Balance brought forward from previous year | 2,83,05,049 | 2,63,94,049 |
| Add : Transfer from Profit & Loss Account | 19,07,000 | 19,11,000 |
| | 3,02,12,049 | 2,83,05,049 |



DECCAN FINANCE LIMITED

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| (iii) General Reserve | | |
| Balance brought forward from previous year | 5,34,53,985 | 5,48,18,600 |
| Add : Transfer from Profit & Loss Account | 30,00,000 | 30,00,000 |
| Less : Buyback of Shares | — | -33,02,665 |
| Less : Capital Redemption Reserve | — | -10,61,950 |
| | 5,64,53,985 | 5,34,53,985 |
| (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 | 3,53,20,782 | 3,06,78,269 |
| Add: Profit for the year | 95,32,851 | 95,53,513 |
| Less: Appropriations | | |
| - Transferred to Statutory Reserve | 19,07,000 | 19,11,000 |
| - Transferred to General Reserve | 30,00,000 | 30,00,000 |
| - Proposed Dividend | — | — |
| - Tax on Dividend | — | — |
| | 3,99,46,633 | 3,53,20,782 |
| Total | 12,76,84,617 | 11,81,51,766 |

3. Long Term Borrowings

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| A. From Banks | | |
| (i) From AU Small Finance Banks (Secured by Assets covered by Hypothecation Loans) | 1,50,00,000 | — |
| (ii) From ICICI Banks (Secured by Vehicle) | 3,22,464 | — |
| B. From Others | | |
| (i) Deposits – Directors (Maturing between 1 to 3 years) | 31,000 | 31,000 |
| (ii) Deposits - Relatives of Directors (Maturing between 1 to 3 years) | 38,30,000 | 77,49,000 |
| (iii) 11% Secured, Redeemable Non Convertible Debentures | 2,39,00,000 | 2,00,00,000 |
| (iv) From Sriram Transport Finance Company Ltd (Secured by hypothecation of assets) | 2,97,67,969 | 1,28,06,748 |
| Total | 7,28,51,433 | 4,05,86,748 |



DECCAN FINANCE LIMITED

4. Long Term Provisions

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| (i) Provision on Standard Assets | — | — |
| (ii) Provision on Non performing Assets | — | — |
| Total | — | — |

5. Short Term Borrowings

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| Secured | | |
| (i) From State Bank of India (secured by Assets covered by Hypothecation Loans) | 1,73,73,527 | 79,25,940 |
| (ii) From AU Small Finance Bank (secured by Assets covered by Hypothecation Loans) | 1,20,00,000 | — |
| (iii) From ICICI Banks (Secured By Vehicle) | 1,53,484 | — |
| (iv) From Sriram Transport Finance Company Limited (Secured by hypothecation Loans) | 76,96,782 | 26,42,228 |
| (v) 11% Secured Redeemable Non Convertible Debentures (Secured hypothecation of assets) | 2,00,00,000 | — |
| Unsecured | | |
| (i) Deposits - Directors | — | 45,000 |
| (ii) Deposits - Relatives of Directors | 52,35,000 | 32,35,000 |
| (iii) Deposits - Public | — | 1,22,89,000 |
| (iv) Inter Corporate Deposits | 25,00,000 | 25,00,000 |
| Total | 6,49,58,793 | 2,86,37,168 |

6. Other Current Liabilities

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| (i) Statutory Payable | 1,69,841 | 18,814 |
| (ii) Insurance, Commitment & Contingent Deposits | 7,67,752 | 80,400 |
| (iii) Commission Payable | — | 9,748 |
| (iv) Interest Accrued but not due | | |
| - Directors & Relatives | 20,25,350 | 17,21,796 |
| - Public | — | 18,50,082 |
| - Non Convertible Debentures | 65,738 | — |
| (vi) Other Payables | | |
| - Unclaimed Dividend | 7,48,308 | — |
| Other current liabilities | 6,25,374 | 14,02,958 |
| Total | 44,02,363 | 50,83,798 |



7. Short Term Provisions

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|-------------------------------|-------------------------------|
| (i) Provision for Taxation | 4,94,218 | 10,20,000 |
| (ii) Provision on Standard Assets | 6,03,153 | 7,13,615 |
| (iii) Provision on Non performing Assets | 13,48,640 | 7,40,763 |
| (iv) Provision for repossessed Stock | 2,68,080 | 2,68,080 |
| (v) Provision for Diminution in value of Investments | 2,77,143 | 2,77,143 |
| Total | 29,91,234 | 30,19,601 |

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DECCAN FINANCE LIMITED

8. FIXED ASSETS

| Particulars | Gross Block | | | Depreciation Block | | | | Net Block | |
|------------------------|-------------------|-----------|-----------|--------------------|-------------------|-----------------|-----------------|-------------------|----------------------|
| | As on 01.04.18 | Additions | Deletions | As on 31.03.19 | As on 01.04.18 | For the Year | On Deletions | As on 31.03.19 | As on 31.03.18 |
| Plant & Equipments | 23,55,831 | 1,58,917 | — | 25,14,748 | 14,55,303 | 3,66,690 | — | 18,21,993 | 9,00,528 |
| Furniture & Fixtures | 1,34,456 | 67,752 | — | 2,02,208 | 1,26,251 | 10,622 | — | 1,36,873 | 8,205 |
| Vehicles | 52,25,556 | 6,12,172 | 12,77,339 | 45,60,389 | 22,31,743 | 8,85,997 | 5,05,101 | 26,12,639 | 29,93,813 |
| Computer & Accessories | 12,42,807 | 4,21,908 | — | 16,64,715 | 11,00,703 | 1,56,516 | — | 12,57,219 | 1,42,104 |
| TOTAL | 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 |
| Previous Year | 76,67,626 | 33,63,118 | 20,72,094 | 89,58,650 | 50,68,312 | 9,49,593 | 11,03,905 | 49,14,000 | 25,99,314 |



DECCAN FINANCE LIMITED

9. Non -Current Investments (Long Term Investments)

| Particulars | Face Value | Quantity | | Cost (in INR) | |
|---|------------|------------------------|------------------------|------------------------|------------------------|
| | | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2019 | As at 31st March, 2018 |
| (A) Investment in equity instruments (Fully paid up) | | | | | |
| Quoted (Non-Trade) | | | | | |
| Bharati Airtel Limited | 5 | 1,000 | — | 45,000 | — |
| ICICI Limited | 10 | 183 | 183 | 5000 | 5,000 |
| NHPC Limited | 10 | 16,399 | 16,399 | 5,90,364 | 5,90,364 |
| | | | | 6,40,364 | 5,95,364 |
| (B) Investment in Govt. Securities (Fully paid up) | | | | | |
| Non-Trade | | | | | |
| 7.94%, Govt of India Loan | 100 | — | 1,000 | — | 1,04,007 |
| 8.26%, Govt of India OIL BONDS | 100 | — | 5,000 | — | 5,06,883 |
| National Savings Certificate | — | — | — | 40,300 | 40,300 |
| 8.75%, Tamilnadu State Loan 2022 | 100 | — | 10,000 | — | 10,03,722 |
| 8.80%, Tamilnadu State Loan 2022 | 100 | — | 5,000 | — | 5,23,350 |
| 8.90%, Tamilnadu State Loan 2022 | 100 | 11,000 | 35,000 | 11,06,450 | 35,37,612 |
| | | | | 11,46,750 | 57,15,874 |
| | | | | | |
| | | | | 17,87,114 | 63,11,238 |
| Aggregate amount of quoted investments | | | | 6,40,364 | 5,95,364 |
| Aggregate market value of quoted investments | | | | 10,75,245 | 5,04,380 |

Summary

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| (i) Investment in Equity Shares (Quoted) | 6,40,364 | 5,95,364 |
| (ii) Investment in Government Securities | 11,46,750 | 57,15,874 |
| Total | 17,87,114 | 63,11,238 |

10. Other Non -Current Assets

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|-------------------------|------------------------|------------------------|
| (i) Rental Deposits | 7,15,000 | 7,15,000 |
| (ii) Telephone Deposits | 30,320 | 30,320 |
| Total | 7,45,320 | 7,45,320 |



DECCAN FINANCE LIMITED

11. Cash & Cash Equivalents

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|--|--------------------|------------------|
| (i) Cash on Hand | 2,99,138 | 6,06,251 |
| (ii) Balance with Scheduled Banks | | |
| - in Current Accounts | 39,22,680 | 30,04,942 |
| - in Dividend Accounts | 7,67,505 | 22,974 |
| (iii) In Fixed Deposits (Maturing within 3 months) | 1,50,00,000 | — |
| Total | 1,99,89,323 | 36,34,167 |

12. Short Terms Loans and Advances

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|-----------------------------|---------------------|---------------------|
| (i) Loans: | | |
| a) Secured, Considered Good | 25,34,59,761 | 18,54,34,141 |
| (ii) Advances | 45,10,286 | 57,53,465 |
| (iii) Income Tax & TDS | 11,834 | 3,55,290 |
| (iv) GST | — | 2,95,112 |
| (v) Staff Advance | 13,78,315 | 17,32,331 |
| (vii) PF Receivable | — | 108 |
| Total | 25,93,60,196 | 19,35,70,447 |

13. Other Current Assets

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|-----------------------------------|------------------|------------------|
| (i) Repossed Stocks | 12,77,107 | 7,11,146 |
| (ii) Interest Accrued but not Due | 8,887 | — |
| Total | 12,85,994 | 7,11,146 |

14. Revenue from Operations

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|-----------------------------------|--------------------|--------------------|
| Income From Financing Activities: | | |
| - Interest on Loans | 5,07,87,936 | 4,54,03,043 |
| - Interest on Govt Securities | 1,98,093 | 7,03,609 |
| - Interest on Bank Deposits | 6,596 | 1,13,956 |
| Total | 5,09,92,625 | 4,62,20,608 |



DECCAN FINANCE LIMITED

15. Other Income

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|--|------------------|------------------|
| (i) Bad debts recovered | 15,07,260 | 12,09,100 |
| (ii) Profit on Sale of Assets | — | 50,311 |
| (iii) Profit on sale of Govt. Securities | 5,300 | — |
| (iv) Dividends Receipts | 21,985 | 25,129 |
| (v) Commission Receipts | 23,408 | — |
| (vi) Miscellaneous Income | — | 3084 |
| Total | 15,57,953 | 12,87,624 |

16. Employee Benefits Expense

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|--------------------------------|--------------------|------------------|
| (i) Salaries, Bonus, PF & ESIC | 74,00,452 | 55,52,951 |
| (ii) Directors Remuneration | 28,20,000 | 28,80,000 |
| (iii) Leave Encashment | 2,08,702 | 1,33,919 |
| (iv) Staff Welfare | 97,351 | 2,73,683 |
| (v) Gratuity | 5,55,492 | 3,00,386 |
| Total | 1,10,81,997 | 91,40,939 |

17. Finance Costs

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|--|--------------------|------------------|
| (i) Interest - Banks | 23,31,562 | 4,84,105 |
| - Deposits | 21,57,863 | 45,81,038 |
| - Corporate Bodies | 47,41,809 | 12,88,188 |
| (ii) Interest Non Covetable Debentures | 22,65,738 | 22,00,000 |
| (iii) Brokerage on Deposits | 9,960 | 38,880 |
| Total | 1,15,06,932 | 85,92,211 |

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DECCAN FINANCE LIMITED

18. Other Expenses

| Particulars | As at 31.03.2019 | As at 31.03.2018 |
|-------------------------------------|--------------------|--------------------|
| Advertisement Expenses | 2,30,233 | 20,200 |
| Audit Fees | 1,05,500 | 88,500 |
| Bad Debts | 53,82,671 | 70,99,245 |
| Bank Charges | 1,02,377 | 1,43,108 |
| Books & Periodicals | 5,280 | 8,514 |
| Brokerage & Commission | 27,91,053 | 17,36,033 |
| Business Promotion Expenses | 19,963 | 12,190 |
| Computer Maintenance | 33,737 | 49,214 |
| Consultant Fees | 1,28,000 | 1,79,200 |
| Conveyance Charges | 61,429 | 58,492 |
| Directors' Sitting Fees | 40,000 | 40,000 |
| Donations | 2,40,000 | 54,000 |
| Documentation Charges | — | 5,500 |
| Electricity Charges | 2,31,982 | 2,52,346 |
| Entertainment Expenses | 65,697 | 1,04,465 |
| Filing Fees | 1,15,410 | 1,71,913 |
| Guarantee Commission | 2,00,000 | 2,00,000 |
| General Expenses | 3,74,711 | 5,95,086 |
| Insurance Charges | 3,34,369 | 2,73,449 |
| Internal Audit Fees | 5,20,000 | 5,16,862 |
| Legal Fees & Expenses | 2,11,591 | 62,810 |
| Loss On Sale Of Assets | 12,238 | — |
| Management & Training Expenses | 5,000 | 25,000 |
| Membership & Subscription | 1,84,301 | 1,27,020 |
| Miscellaneous Expenses | 92,921 | 67,935 |
| Office Repairs & Maintenance | 2,44,340 | 3,17,578 |
| Postage And Telegram | 95,685 | 1,35,217 |
| Printing And Stationery | 1,69,000 | 1,95,282 |
| Professional & Consultation Charges | 1,82,193 | 2,80,642 |
| Rates, Taxes And Fees | 5,99,325 | 57,160 |
| Rebates & Discount | 12,308 | — |
| Rent | 8,59,803 | 4,87,700 |
| Telephone Charges | 1,34,918 | 1,86,136 |
| Travelling Expenses | 1,18,106 | 63,984 |
| Vehicle Repairs & Maintenance | 8,92,461 | 8,23,858 |
| Total | 1,47,96,602 | 1,44,38,639 |



Note 19. Additional Notes for the year ended 31st March 2019

(All amounts are in Indian rupees unless otherwise stated)

1 Significant accounting policies

(i) Basis of Accounting

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

(ii) Use of estimates

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

(iii) Fixed Assets

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

(iv) Depreciation

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

(v) Revenue recognition

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

(vi) Investments

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

(vii) Securitised Assets

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



(viii) Employee Benefits

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

(ix) Taxation

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

(x) Provisions

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

(xi) Contingent Liabilities and Contingent Assets

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

(xii) Earnings per share

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

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

| Paticulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
|--------------------------------------|------------------------------|------------------------------|
| (a) Profit after taxation | 95,32,851 | 95,53,513 |
| (b) Weighted number of Equity Shares | 13,93,805 | 14,60,177 |
| (c) Earnings per Share | 6.84 | 6.54 |

(xiii) Segment Reporting

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



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

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

| Paticulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
|---------------------------------|------------------------------|------------------------------|
| 2 Auditor's Remuneration | | |
| For Statutory Audit | 1,00,000 | 88,500 |
| For Certification Charges | 5,500 | — |
| | 1,05,500 | 88,500 |
| 3 Deferred Tax Assets | | |
| On Depreciation | 5,45,207 | 4,00,163 |
| | 5,45,207 | 4,00,163 |

4. Related Party Disclosure

A. Key Managerial Personnel Name

Relationship

| | |
|--|------------------------------|
| Kailashmull Dugar | Chairman & Managing Director |
| Sanjay Bhansali | Managing Director |
| Dileep Bhandari | Director |
| Surendra M Mehta (Expires on 08.02.2019) | Director |
| K.V Ramana Shetty | Director |
| P.S Balasubramaniam | Independent Director |
| Ekta Surana | Independent Director |
| Hemant Dugar (Appointed on 21.11.2018) | Director |
| Abhay S Mehta (Appointed on 22.05.2019) | Director |

B. Relatives of Key Management personnel

| | | |
|------------------------|-----------------|----------------------|
| Prapus Systems Pvt Ltd | Vinita Bhansali | Pradeep Bhandari HUF |
| Himal Sighvee | Aashna Jhaver | Linayah |
| Aditya Bhansali | Amitha Bhansali | Mangala Bhandari |
| Savitha Mehta | Hema Chordia | Manjul |
| Pooja Chordia | Shreya | Meenal Bhandari |
| Shantha Devi.K | Neel Dugar | Vinayak Shetty |



DECCAN FINANCE LIMITED

C. Details of transactions with related parties

| Description | Managerial Remuneration & Sitting Fees | Interest | Rent & Others | Deposits, including accrued interest, as on 31.03.2019 |
|------------------------|--|--------------------------|------------------------|--|
| Directors | 28,60,000 (28,80,000) | 30,945 (9,479) | 2,00,000 — | 62,659 (99,948) |
| Relatives of directors | 3,60,000 (0.00) | 14,13,968 (66,52,000) | 2,71,460 (3,32,000) | 1,10,58,691 (1,20,48,765) |

Figures in bracket represents for previous year.

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

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.08.2019
UDIN : 19027539AAAAJU5554

For and on behalf of the Board of Directors
KAILASHMULL DUGAR **SANJAY BHANSALI**
Chairman & Managing Director Managing Director
(DIN : 00134419) (DIN : 01811994)



DECCAN FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

| | As at 31.03.2019 | | As at 31.03.2018 | |
|--|------------------|----------------------|--------------------|------------------|
| | Rs. | | Rs. | |
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before tax | | 1,32,47,807 | | 1,42,95,071 |
| Add : | | | | |
| Depreciation | 14,19,825 | — | 9,49,593 | — |
| Interest Payments | 1,15,06,932 | — | 85,92,211 | — |
| Loss on sale of Fixed Assets | 12,238 | — | — | — |
| Revasal of provision for non performing assets | 6,07,877 | — | — | — |
| Provision for Standard Assets | — | — | 1,01,720 | — |
| | | <u>1,35,46,872</u> | <u>—</u> | <u>96,43,524</u> |
| | | 2,67,94,679 | | 2,39,38,595 |
| Less: | | | | |
| Profit on sale of Fixed Assets | — | — | 50,314 | — |
| Profit on sale of Govt. Bonds | 5,300 | — | — | — |
| Dividend received | 21,985 | — | 25,129 | — |
| Reversal of provision for non performing assets | — | — | 9,941 | — |
| Provision for Standard assets | 1,10,462 | — | — | — |
| | | <u>1,37,747</u> | <u>—</u> | <u>85,384</u> |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | | 2,66,56,932 | | 2,38,53,211 |
| (Increase)/Decrease in Hypothecation Loans | (6,61,33,205) | | (1,24,25,868) | |
| (Increase)/Decrease in Other Current Assets / Loans & Advances | (5,74,848) | | 20,90,752 | |
| (Increase)/Decrease in Non Current Assets | — | | (6,50,000) | |
| Increase/(Decrease) in Current liabilities | 7,99,355 | | 11,33,329 | |
| | | <u>(6,59,08,698)</u> | <u>(98,51,787)</u> | |
| | | (3,92,51,766) | | 1,40,01,424 |
| Less : Income Tax paid | 40,42,326 | | 48,88,920 | |
| Less : Interest Paid | 1,29,87,722 | | 1,14,52,967 | |
| | | <u>1,70,30,048</u> | <u>1,63,41,887</u> | |
| NET CASH GENERATED FROM OPERATIONS | | (5,62,81,814) | | (23,40,463) |



DECCAN FINANCE LIMITED

(B) CASH FLOW FROM INVESTING ACTIVITIES

| | | |
|--|------------------|--------------------|
| Purchase of Fixed Assets(Net of sales) | (5,00,749) | (23,44,618) |
| Purchase of Shares | — | (43,64,615) |
| Purchase of Investments (Net of Sales) | 45,29,424 | 31,92,782 |
| Dividend received | 21,985 | 25,129 |
| | <u>40,50,660</u> | <u>(34,91,323)</u> |

(C) CASH FLOW FROM FINANCING ACTIVITIES

| | | |
|---|----------------------|----------------------|
| Increase/ (Decrease) in Bank Borrowings | 3,69,23,535 | 32,71,989 |
| Increase/ (Decrease) in Secured Loans | 4,59,15,775 | 1,54,48,976 |
| Increase/ (Decrease) in Unsecured Loans | <u>(1,42,53,000)</u> | <u>(3,21,24,000)</u> |
| Dividend paid (including Dividend Tax) | — | — |
| | <u>6,85,86,310</u> | <u>(1,34,03,035)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | 1,63,55,156 | (1,92,34,821) |
| CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 36,34,167 | 2,28,68,988 |
| CASH & CASH EQUIVALENTS AT THE END OF THE YEAR | 1,99,89,323 | 36,34,167 |

In terms of our report attached
For **CHANDARANA & SANKLECHA**
Chartered Accountants
FRN : 000557S

BHARAT RAJ SANKLECHA
Proprietor, Membership No : 027539
Chennai
05.08.2019
UDIN : 19027539AAAAJU5554

For and on behalf of the Board of Directors
KAILASHMULL DUGAR
Chairman & Managing Director
(DIN : 00134419)

SANJAY BHANSALI
Managing Director
(DIN : 01811994)



DECCAN FINANCE LIMITED

Schedule to the Balance Sheet of a Non-Banking Financial Company as at 31.03.2019
(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 | 440 | NIL |
| Unsecured (other than falling within the meaning of public deposit*) | NIL | NIL |
| b) Deferred Credits | NIL | NIL |
| c) Term Loans | 275 | NIL |
| d) Inter-corporate loans and borrowing | 400 | NIL |
| e) Commercial Paper | NIL | NIL |
| f) Public Deposits * | NIL | NIL |
| g) Other Loans (specify nature) | | |
| Cash credit limit from Bank s | 174 | NIL |
| h) Directors Deposit | 111 | 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 | | 59 |
| 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 | | 13 |
| b) Loans other than (a) above (NET) | | 2535 |



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 | 2516 | NIL | 2516 |
| TOTAL | | 2516 | NIL | 2516 |

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 | 22 | 18 |
| | Total | 22 | 18 |

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

8. Other Information

| S.No. | Particulars | Amount |
|-------|--|--------|
| 1. | Gross Non-Performing Assets | |
| | a) Related parties | NIL |
| | b) Other than related parties | 122 |
| 2. | Net Non-Performing Assets | |
| | a) Related parties | NIL |
| | b) Other than related parties | 109 |
| 3. | Assets acquired in satisfaction of debt | NIL |

From

To

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

Sir,

Kindly update my details as furnished below:

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

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

Place :

Date :

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

Book-Post

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