

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the shareholders of the Company will be held at The Little Theatre Group, Copernicus Marg, New Delhi-110001 on Wednesday, the 15th September, 2010 at 11.30 a.m. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.
2. To consider, and if thought fit, to declare a dividend.
3. To appoint a director in place of Mr. Ashoke Bir who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors and to fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification the following resolution as a special resolution :

"RESOLVED THAT subject to the provisions of Section 198, 269, 309, 310 and 311 and other applicable provisions of the Companies Act, 1956, and subject to such approvals as may be necessary the Company accords its consent to the re-appointment of Mr. Kumar Srinivasan as Wholetime Director of the Company for a further period of five years with effect from 27th September, 2010 on the existing terms and conditions as mentioned in the explanatory statement annexed herewith.

RESOLVED FURTHER THAT the aforementioned existing remuneration excluding Commission be paid to the Wholetime Director as the minimum remuneration in case of absence of or inadequacy of profits.

RESOLVED FURTHER THAT the Wholetime Director shall discharge such duties as may be assigned to him by the Board or the Chairman from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary the remuneration as specified in the explanatory statement to the extent the Board considers necessary and appropriate provided however that such variations are within the permissible limits laid down in the Companies Act, 1956 or Schedule appended thereto for the time being in force or any statutory modification or re-enactment thereof and/or rules or regulations framed thereunder."

By order of the Board of Directors

Sd/-

Inderdeep Singh
Director

New Delhi
27th July, 2010

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of item no. 5, is annexed thereto and forms an integral part of the notice.

3. The Register of Members shall remain closed from 13th September, 2010 to 15th September, 2010 (both days inclusive).
4. Members are requested to intimate change, if any, in their registered address immediately so as to reach the Company as early as possible.
5. Members/Proxies should bring their attendance slips sent herewith, duly filled in, for attending the meeting.
6. Members are requested to send their queries, if any, in writing, so as to reach the Company's registered office at least 10 days before the date of the meeting so that information can be made available at the meeting.
7. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual report to the meeting.
8. Pursuant to Section 205A(5) of the Companies Act, 1956, all unclaimed/unpaid dividend as at 31st March, 2010 remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government. Members are requested to contact the Company's registered office in respect of unclaimed/unpaid dividends declared for the year ended 31st March, 2003 onwards.

By order of the Board of Directors
Sd/-

New Delhi
27th July, 2010

Inderdeep Singh
Director

Explanatory Statement pursuant to Section 173 of the Companies Act,1956 for the item No. 5:

Mr. Kumar Srinivasan was re-appointed as the Wholetime Director of the Company with the approval of shareholders accorded by resolution dated 29th July, 2005, for a period of five years from 27th September, 2005. On the expiry of the current term, the Board of Directors of the Company at their meeting held on 27th July, 2010 has re-appointed him for a further period of five years on the existing remuneration. The existing remuneration payable to him is within the limits laid down under Schedule XIII appended to the Companies Act, 1956.

The following are the terms and conditions of his re-appointment:-

- i. Salary : Rs.57000/- per month
- ii. Perquisites : In addition to the salary, the following perquisites shall also be provided. The perquisites are classified into three categories A, B, & C as follows :-

Category-A :

1. Housing :

Expenditure by the Company on hiring unfurnished accommodation subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Wholetime Director.

If the Company does not provide accommodation to the Whole-Time Director, house rent allowance will be paid by the Company as above.

If accommodation in a Company-owned house is provided, the Wholetime Director shall pay to the Company by way of rent ten percent of the salary.

2. Medical Reimbursement :

Reimbursement of expenses actually incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

3. Leave Travel Concession :

For self and family, once in a year incurred in accordance with the rules of the Company.

4. Club Fees :

Fees of one club, but this will not include admission and life membership fees.

Category-B :

1. Company's contribution towards provident fund as per the rules of the Company.
2. Gratuity as per the rules of the Company.

Category-C :

1. Provision of Car for use on Company's Business :

Car to be provided at the expenses of the Company for the performance of official duties. But the use of Car for personal purpose will be billed by the Company to the Whole-Time Director.

2. Telephone :

Telephone to be provided at the residence at the expense of Company, but personal long distance calls will be billed by the Company to the Wholetime Director.

3. Others :

In addition to the above, Mr. Kumar Srinivasan will be allowed all such perquisites as may be allowed to other senior officers of the Company from time to time.

The notice and the explanatory statement may also be treated as an abstract of the terms of re-appointment and payment of existing remuneration to the Wholetime Director as required under Section 302 of the Companies Act, 1956.

None of the directors except Mr. Kumar Srinivasan is interested in this resolution."

The terms of appointment of Mr. Kumar Srinivasan will be open for inspection during the office hours at the registered office.

New Delhi
27th July, 2010

By order of the Board of Directors
Sd/-
Inderdeep Singh
Director

DIRECTORS' REPORT

The Directors have the pleasure of presenting the Twenty Eighth Annual Report of your Company for the financial year ended 31st March 2010.

Financial Results

The total income during the year under review was Rs 55.0 lacs. The Pre-Tax profit was Rs 15.5 lacs as against a pre-tax profit of Rs 18.1 lacs in the previous year after providing for depreciation of Rs.0.1 lacs. A provision of Rs 2.4 lacs has been made for taxation in the current year.

After adjusting for deferred tax, the net profit was Rs 13.2 lacs. No amount has been transferred to the General Reserve. The book value per share as on 31st March 2010 was Rs.23.4.

Dividend

The Directors recommend for consideration of the shareholders at the ensuing Annual General Meeting payment of Dividend @5% for the year ended on 31st March 2010.

Future Outlook

Unprecedented Government interventions and exceptionally large interest rate cuts by the central banks in advanced and emerging economies have contributed significantly to pull the global economy out of the deepest recession since the World War II.

After a difficult year, the Indian economy has also shown some signs of progress on the recovery path. Exports have begun to expand since the second half of 2009. Recovery in the industrial sector is expected to become stronger on the back of rising domestic and external demand. Tourist arrivals, commercial vehicles production and traffic at major ports have also shown improvement. However, inflation rose dramatically and is taking a long time to come down.

The International Monetary Fund predicts that the Indian economy will grow at 9.5% in 2010. However, the Reserve bank of India has been more conservative in its estimate of 8% growth for the country's economy.

While the indicative projections of growth and inflation for 2010-11 may appear reassuring, there are several concern areas. The pace and shape of global recovery are uncertain. Commodity and energy prices may harden further. An unfavourable monsoon may trigger further food inflation and impose a fiscal burden besides dampening consumer and investment demand.

In its current business segment, the Company can hope to be somewhat insulated from these vagaries and pursue its efforts in building up this segment in the coming years.

Public Deposits

The Company has no public deposits.

Directors

Mr. Ashoke Bir, Director of the Company retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

Directors' Responsibility Statement

The Directors confirm that in preparation of the annual accounts for the year ended 31st March 2010:-

- i. All applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and the same have been applied consistently;
- iii. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account for year ended 31st March 2010.

- iv. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- v. The accounts have been prepared on a going concern basis.

Conservation of Energy and Technology Absorption

i. Conservation of Energy

The Company did not carry out any manufacturing activity during the year under review. The consumption of electricity continues to be minimal.

ii. Technology Absorption

This is not applicable to the Company as it has not purchased or acquired any technology during the year under review

Foreign Exchange Earning & Outgo

During the year under review, there was no foreign exchange outflow or earnings.

Auditors' Observations

The observations made in the Auditors' Report are self-explanatory. As such no further comments under Section 217(3) of the Companies Act, 1956 are required.

Auditors

M/s. Raghu Nath Rai & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished a certificate to the effect that the proposed re-appointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

Particulars of Employees

The Company has not paid any remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence, no information is appended to this Report.

Secretarial Compliance Certificate

Pursuant to Section 383A(1)(a) of the Companies Act, 1956, a Compliance Certificate issued by M/s P. S. Soni & Co., Company Secretaries in Whole-time Practice is annexed hereto and forms part of this report..

Acknowledgement

Lt Gen. I D Verma, a renowned and a highly respected officer of the Indian Army, and a founder Director of the Company passed away on 30th October, 2009. Through his experience, wisdom and personal commitment to the highest standards of integrity, Lt. Gen. I D Verma was constantly involved in guiding the Company since its formative days. The Board of Directors places on record its great appreciation for the untiring efforts put in by him over all these years.

The Directors place on record their appreciation to the Shareholders, Associates, Bankers, Customers, Vendors, Officers and Staff of the Company and seek their continued cooperation and support for the current year.

For and on behalf of the Board of Directors
Sd/-

Gurpreet Singh
Chairman

New Delhi
27th July, 2010

**AUDITORS' REPORT
TO THE MEMBERS**

1. We have audited the attached Balance Sheet of **M/s DELTRON LIMITED** as at 31st March 2010 and the related Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (CARO) (as amended up to date), issued by the Central Govt. of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph (3) above
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of such books.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss account & Balance Sheet comply with the accounting standards referred to in sub section 3(c) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read together with the notes thereon gives the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view;
 - i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
 - ii) in so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
 - iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

For RAGHU NATH RAI & CO.
Chartered Accountants
Firm Regn. No. 000451N
-s/-
PREM PRAKASH
Partner
Memb. No. 7648

New Delhi
27th July, 2010

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our report of even date:

1. (i) The Company has maintained proper records showing full particulars including quantitative details and situation of all Fixed Assets.
 - (ii) The assets have been physically verified by the Management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its Assets. No material discrepancies were noticed on such verification.
 - (iii) In our opinion and according to the information and explanations given to us, during the year the Company has not disposed off any substantial part of fixed assets.
2. (i) The Inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
 - (ii) The procedure of physical verification of stocks followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.

- (iii) On the basis of our examination of stock records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (i) No loans have been granted to companies, firms or other parties listed in the Registers maintained under Section 301 of the Companies Act, 1956.
- (ii) The Company had not taken any loan from the Companies listed in the Register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of goods and other assets and with regard to the sale of goods.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the Company did not enter into any contracts or arrangements referred to in section 301 of the Companies Act, 1956.
6. Clause (vi) of CARO, 2003 is not applicable to the Company as the Company has not accepted deposits from the public.
7. The Company has an internal audit system commensurate with the size and nature of its business.
8. Clause 4 (viii) of CARO is not applicable to the Company as there is no manufacturing activity during the year.
9. (i) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues as applicable to it with the appropriate authorities. Accordingly, no undisputed amounts payable in respect of provident fund, Employees state insurance, Income tax, Wealth tax, Sales tax, Service Tax, Custom Duty and Excise Duty were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (ii) According to the records of the Company, there are no dues of Sales Tax, Income Tax, Service Tax, Custom Duty, Wealth Tax and Excise Duty / Cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as on 31-03-2009. The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.
11. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank.
12. The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to Chit Funds/ Nidhi / Mutual Benefit Funds / Societies are not applicable to the Company.
14. In our opinion the Company is not a dealer or trader in Shares / Securities / Debentures and other investments.
15. The Company has not given any Guarantee for Loans taken by others from Banks / Financial Institutions.
16. The Company has not obtained any Term Loan during the year.
17. On the basis of our overall examination of the Balance Sheet of the Company, In our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investment.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any Debentures during this year or previous years.
20. The Company has not raised any money by way of Public Issue during the year.
21. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For RAGHU NATH RAI & CO.
Chartered Accountants
Firm Regn. No. 000451N

-sd-

PREM PRAKASH
Partner
Memb. No. 7648

Deltron Limited

BALANCE SHEET AS AT 31st March, 2010

	Schedule	Current Year (Rs.)	Previous Year (Rs.)
I. Sources of Funds			
1. Shareholder's Funds			
a) Share Capital	'A'	2,85,00,000	2,85,00,000
b) Reserves & Surplus	'B'	3,81,77,752	3,85,24,050
TOTAL		6,66,77,752	6,70,24,050
II. Application of Funds			
1. Fixed Assets	C'		
a) Gross Block		15,46,771	15,46,771
b) Less : Depreciation		<u>2,26,726</u>	<u>2,16,796</u>
c) Net Block		13,20,045	13,29,975
2. Investments	D'	4,13,66,336	4,79,72,465
3. Current Assets, Loans and Advances	E'		
a) Inventory		2,38,865	7,500
b) Debtors		-	14,083
c) Cash & Bank Balances		2,39,68,181	1,71,71,348
d) Loans & Advances		<u>40,09,575</u>	<u>41,75,400</u>
		<u>2,82,16,621</u>	<u>2,13,68,331</u>
Less : Current Liabilities	F'		
a) Liabilities		17,31,067	13,85,186
b) Provisions		<u>25,49,675</u>	<u>23,10,179</u>
		<u>42,80,742</u>	<u>36,95,365</u>
Net Current Assets		2,39,35,879	1,76,72,966
4. Deferred Tax Assets		55,492	48,644
Accounting Policies	I'		
Notes to Accounts & Additional Information	J'		
TOTAL		6,66,77,752	6,70,24,050

As per our report of even date attached for RAGHUNATH RAI & CO.
Chartered Accountants

sd / -
Prem Prakash
Partner
Memb. No. 7648
New Delhi
Dated: 27-07-2010

sd / -
Gurpreet Singh
Chairman

sd / -
Inderdeep Singh
Kumar Srinivasan
Directors

Deltron Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MAR 2010

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
I. Income	55,00,352	48,74,563
II. Expenditure		
Raw materials, finished goods, work in process and stores	16,25,261	4,80,862
Staff Remuneration (inclusive of Directors)		
(a) Salaries & Wages	14,28,690	16,41,754
(b) Contribution to ESI, PF & FPF	1,18,949	1,32,474
(c) Staff Welfare	64,003	67,657
	16,11,642	18,41,885
Power, Fuel & Electricity Charges	740	183
Administrative Expenses		
(a) Rates & Taxes	13,930	15,462
(b) Rent	60,000	60,000
(c) Others	5,09,747	4,85,253
	5,83,677	5,60,715
Interest & Bank Charges	31,393	35,440
Auditor's Remuneration	66,180	66,180
Repairs - Building & Facility	18,000	69,920
Depreciation	9,930	9,930
	39,46,823	30,65,115
Profit / (Loss) before Tax	15,53,529	18,09,448
Less: Provision for Income Tax	2,45,000	1,95,000
Less: Income tax paid for earlier years	-	1,04,258
Less : Provision for Tax- Fringe Benefits	-	5,000
Less : Provision for Deferred tax	-6,848	-6,085
Profit after Tax	13,15,377	15,11,275
Profit Brought Forward From Last Year	1,20,43,523	1,21,99,427
Amount available for Appropriation	1,33,58,900	1,37,10,702
Appropriation		
Proposed Dividend	14,25,000	14,25,000
Dividend Tax	2,36,675	2,42,179
Transferred to Balance Sheet	1,16,97,225	1,20,43,523
	1,33,58,900	1,37,10,702
Earning Per Share - Basic / Diluted (Face value @ Rs 10/-) (Refer Note B-4 of Schedule J)	0.46	0.53

As per our report of even date attached
for RAGHUNATH RAI & CO.
Chartered Accountants

sd / -
Prem Prakash
Partner
Memb. No. 7648
New Delhi
Dated: 27-07-2010

sd / -
Gurpreet Singh
Chairman

sd / -
Inderdeep Singh
Kumar Srinivasan
Directors

Deltron Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs in Thousands)

	<u>2009-10</u>	<u>2008-09</u>
A Cash Flow from Operating Activities		
Net Profit before Tax and Extraordinary items	1,554	1,809
Adjustment for :		
Depreciation	10	10
Interest/ Dividend	(3,545)	(4,332)
Operating Profit before Working Capital Changes	<u>(1,981)</u>	<u>(2,513)</u>
Adjustment for :		
Trade & Other Receivables	14	39
Inventories	(231)	-
Trade Payables	346	90
Cash from Operations	<u>(1,852)</u>	<u>(2,384)</u>
Direct Taxes Paid (Net)	<u>(179)</u>	<u>(125)</u>
Net Cash from operating activities	<u>(2,031)</u>	<u>(2,509)</u>
B Cash Flow from Investing Activities		
Net Inflow on a/c of Fixed Assets	-	-
Change in Loans and Advances	344	1,577
Interest /Dividend Income	3,545	4,332
Change in Investments	6,606	(6,273)
Net Cash used in Investing Activities	<u>10,495</u>	<u>(364)</u>
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	-	-
Dividend (inclusive dividend tax) Paid	(1,667)	(1,667)
Interest Paid	-	-
Net Cash used in Financing Activities	<u>(1,667)</u>	<u>(1,667)</u>
Net Change in Cash and Cash Equivalents (A+B+C)	6,797	(4,540)
Cash & Cash Equivalents as at 1st April (Opening Balance)	17,171	21,711
Cash & Cash Equivalents as at 31st March (Closing Balance)	23,968	17,171
Note : Figures in brackets represent Cash Outflows		

As per our report of even date attached
for RAGHUNATH RAI & CO.
Chartered Accountants

sd / -
Prem Prakash
Partner
Memb. No 7648
New Delhi
Dated: 27-07-2010

sd / -
Gurpreet Singh
Chairman

sd / -
Inderdeep Singh
Kumar Srinivasan
Directors

Deltron Limited

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
Schedule 'A'		
SHARE CAPITAL		
Authorised :		
75,00,000 Equity Shares of Rs 10/- each (Previous year - 75,00,000 equity shares of Rs 10/- each)	7,50,00,000	7,50,00,000
25,00,000 Preference Shares of Rs 10/- each (Previous year - 25,00,000 Preference shares of Rs 10/- each)	2,50,00,000	2,50,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued, Subscribed & Fully Paid up		
28,50,000 Equity Shares of Rs 10/- each (Previous year - 28,50,000 equity shares of Rs 10/- each)	2,85,00,000	2,85,00,000
As per Balance Sheet	<u>2,85,00,000</u>	<u>2,85,00,000</u>
Schedule `B'		
RESERVES & SURPLUS		
a. General Reserve	1,89,60,527	1,89,60,527
b. Share Premium Account	<u>75,20,000</u>	<u>75,20,000</u>
	2,64,80,527	2,64,80,527
c. Profit & Loss Account	<u>1,16,97,225</u>	<u>1,20,43,523</u>
As per Balance Sheet	<u>3,81,77,752</u>	<u>3,85,24,050</u>

Deltron Limited

Schedule 'C'

FIXED ASSETS

(Amount in Rupees)

PARTICULARS	COST			DEPRECIATION				WRITTEN DOWN VALUE	
	AS ON 31.03.2009	ADDITIONS	AS ON 31.03.2010	UPTO 31.03.2009	FOR THE Period	ADJ.	UPTO 31.03.2010	AS ON 31.03.2010	AS ON 31.03.2009
Capital Advances	9,37,598		9,37,598					9,37,598	9,37,598
Building	6,09,173		6,09,173	2,16,796	9,930		2,26,726	3,82,447	3,92,377
As at 31.3.2010	15,46,771	-	15,46,771	2,16,796	9,930	-	2,26,726	13,20,045	13,29,975
As at 31.03.2009	15,46,771	-	15,46,771	2,06,866	9,930	-	2,16,796	13,29,975	13,39,905

Deltron Limited

Schedule 'D' INVESTMENT - UN-QUOTED <u>CURRENT (at lower of cost or fair value)</u>	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
Non Trade		
HDFC CASH MGMT TREASURY ADVANTAGE FUND 125,119.489 (PY- NIL) units of Rs 10 each	25,00,000	
DSP BLACKROCK FRF 168,947.457 (PY- NIL) units of Rs 10 each	25,00,000	
RELIANCE REGULAR SAVING FUND- DEBT PLAN 79,991.681 (PY- NIL) units of Rs 10 each	10,00,000	
UTI LIQUID SHORT TERM PLAN-GP 127,221.607 (PY- NIL) units of Rs 10 each	20,00,000	
PRINCIPAL INCOME FUND -ST PLAN 154,716.374 (PY- NIL) units of Rs 10 each	25,00,000	
TATA FLOATER FUND 182,098.945 (PY- NIL) units of Rs 10 each	25,00,000	
HDFC HIGH INTEREST FUND-STP 278,433.747 (PY- NIL) units of Rs 10 each	48,99,042	
HDFC SHORT TERM PLAN 141,509.968 (PY- NIL) units of Rs 10 each	25,00,000	
KOTAK BOND-SHORT TERM 144,056.218 (PY- NIL) units of Rs 10 each	24,67,294	
RELIANCE ST FUND 143,778.971 (PY- NIL) units of Rs 10 each	25,00,000	
TEMPLETON INDIA STI PLAN 4,814.561 (PY- NIL) units of Rs 1000 each	85,00,000	
IDFC ARBITRAGE PLUS FUND 469,514.4282 (PY- 469,514.4282) units of Rs 10 each	50,00,000	50,00,000
DWS TREASURY FUND CASH REGULAR PLAN 244,762.091 (PY- NIL) units of Rs 10 each	25,00,000	
Grindlays Floating Rate Fund - ST Growth NIL (PY - 35,267.037) units of Rs 10 each	-	4,29,217
DWS Money Plus Advantage Fund - Growth NIL (PY -425,508.296) units of Rs 10 each	-	43,43,248
DWS Money Plus Fund - Growth NIL (PY -475,252.852) units of Rs 10 each	-	55,00,000
DWS Liquid Plus Fund NIL (PY- 545,847.8851) units of Rs 10 each	-	77,00,000
DSP BLACKROCK BOND FUND NIL (PY - 82,812.717) units of Rs 10 each	-	25,00,000
HDFC High Interest Fund NIL (PY- 160,992.227) units of Rs 10 each	-	50,00,000
KOTAK BOND FUND NIL (PY -96,109.118) units of Rs 10 each	-	25,00,000
RELIANCE INCOME FUND NIL (PY- 164,199.334) units of Rs 10 each	-	50,00,000
IDFC SUPER SAVER INCOME FUND NIL (PY- 219,518.573) units of Rs 10 each	-	50,00,000
BIRLA INCOME PLUS NIL (PY - 118,423.359) units of Rs 10 each	-	50,00,000
Total	4,13,66,336	4,79,72,465
Aggregate Value of Unquoted Investments	4,13,66,336	4,79,72,465

Deltron Limited

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
Schedule `E'		
CURRENT ASSETS, LOANS AND ADVANCES		
a. Inventory		
(At cost or market value, which is lower. As valued and certified by the management)		
Finished Goods	2,38,865	7,500
b. Sundry Debtors		
(Less than six months)	-	14,083
c. Cash & Bank Balances		
Cash in Hand	2,153	2,153
With Scheduled Banks in		
Current Accounts	8,75,384	3,91,440
Dividend Accounts	2,59,353	2,96,384
Fixed Deposits	2,28,31,291	1,64,81,371
	<u>2,39,68,181</u>	<u>1,71,71,348</u>
d. Loans & Advances		
(Unsecured but Considered Good)		
Advances recoverable in cash or in kind or for value to be received	15,88,871	19,33,428
Advance Tax	24,20,704	22,41,972
	<u>40,09,575</u>	<u>41,75,400</u>
As per Balance Sheet	<u>2,82,16,621</u>	<u>2,13,68,331</u>
Schedule `F'		
CURRENT LIABILITIES & PROVISIONS		
a. Current Liabilities		
Sundry Creditors	8,69,699	4,71,813
Other Liabilities	6,02,015	6,16,989
Unpaid Dividend	2,59,353	2,96,384
	<u>17,31,067</u>	<u>13,85,186</u>
b. Provisions		
Provision for Dividend	14,25,000	14,25,000
Dividend Tax	2,36,675	2,42,179
	<u>16,61,675</u>	<u>16,67,179</u>
c. Income Tax		
As per last Balance Sheet	6,43,000	4,43,000
Provision for the Year	2,45,000	2,00,000
	<u>8,88,000</u>	<u>6,43,000</u>
As per Balance Sheet	<u>42,80,742</u>	<u>36,95,365</u>

Deltron Limited

	<u>Current Year</u> (Rs.)	<u>Previous Year</u> (Rs.)
Schedule `G'		
INCOME		
a. Sales	19,54,397	5,42,504
b. Interest on FDR / Capital Bond	15,36,292	24,61,840
c. Rent Received	67,200	1,76,000
d. Capital Gain (Mutual Funds)	19,41,063	10,79,058
e. Dividend Received	-	6,15,161
f. Others	1,400	-
As per Profit & Loss Account	<u>55,00,352</u>	<u>48,74,563</u>
Schedule `H'		
MATERIALS CONSUMED		
Opening Stock :		
Finished Goods	<u>7,500</u>	<u>7,500</u>
	7,500	7,500
Add : Purchases (Net)	<u>18,56,626</u>	<u>4,80,862</u>
	18,64,126	4,88,362
Less :- Closing Stock		
Finished Goods	2,38,865	7,500
As per Profit & Loss Account	<u>16,25,261</u>	<u>4,80,862</u>

SCHEDULE 'I'

ACCOUNTING POLICIES

1) **System of Accounting :**

The Company adopts the accrual basis in the preparation of the accounts and the same conform to the prevalent mandatory accounting standards.

2) **Sales :**

Sales comprise sale of goods and services, net of trade discounts and returns and are accounted after clearance.

3) **Employee Benefits :**

Company's contribution paid/ payable during the year to provident fund and Employee State Insurance Corporation are recognized in the profit and Loss Account.

Provision for gratuity has been made on the basis of actuarial valuation. Leave encashment is not applicable.

4) **Investments :**

All Long term investments are carried at cost less provision, if any, for decline in other than temporary value of such investments. Current Investments are valued at the lower of cost or fair value.

5) **Fixed Assets :**

Fixed Assets are capitalized at cost inclusive of expenses.

6) **Depreciation :**

Depreciation is provided on straight line method at the rates prescribed by Schedule XIV to the Companies Act, 1956, as amended on the original cost of the fixed assets. Depreciation on additions made during the year has been provided on pro-rata basis from the date of purchase. Similarly, for assets sold during the year, depreciation has been provided on pro-rata basis upto the date on which asset was sold.

7) **Inventory :**

Cost of inventory have been computed to include all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

a) Finished Goods and Work-in-Process are valued at cost or market value whichever is lower.

b) Raw Material and other stocks are valued at cost or market price, whichever is lower.

c) Slow Moving and Dead Stock are valued at net realisable / scrap value.

8) **Taxation:**

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

SCHEDULE 'J'

NOTES FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

A 1) Previous year's figures have been regrouped wherever considered necessary.

2) Details of Remuneration to the Whole Time Director:

	<u>2009-10</u>	<u>2008-09</u>
	(Rs.)	(Rs.)
a) Salaries	6,84,000	6,84,000
b) Contribution to Provident Fund	82,080	82,080
c) Perquisite value of other benefit	63,600	57,000
d) House Rent Allowance	4,10,400	4,10,400
Total	<u>12,40,080</u>	<u>12,33,480</u>

- 3) Other Administrative Expenses include Director Fees of Rs. 34,000/- (Previous Year – Rs.28,000/-)
 4) Capital Advance - payment made to HSIDC for purchase of land, the possession of which has not been given to the Company as the HSIDC is in dispute over the title of the said land with the Defence Authorities.

B 1) Additional information as required under Schedule VI to the Companies Act, 1956, is as follows and is based upon the information considered as sufficient by the management to give these in the manner as given in the accounts and notes:

	(Rs.)		
a) Details of Raw Material and Stores consumed	NIL (NIL)		
Operational Supplies and Miscellaneous Stores	NIL (NIL)		
b) Finished Goods Stock			
Opening	0.08 Lacs (0.08 Lacs)		
Closing	2.39 Lacs (0.08 Lacs)		
c) Value of Imports (CIF) accounted for during the year			
Raw Material, Components and Spares	NIL (NIL)		
Capital Goods	NIL (NIL)		
d) Expenditure in Foreign Currency	NIL (NIL)		
e) Earning in Foreign Exchange	NIL (NIL)		
f) Sales	<u>(Rs)</u>		
Trading Items	19,54,397 (5,42,504)		
g) Purchases			
Trading Items	<u>(Rs)</u> 18,56,626 (4,80,862)		
		<u>2009-10</u>	<u>2008-09</u>
		(Rs.)	(Rs.)
h) Expenditure on Research and Development	NIL	NIL	NIL
i) Payment to Auditors			
- Audit Fee	66,180	66,180	66,180
-Other Services	11,030	11,030	11,030

2) Amount, due to Small Scale Vendors over 30days –Nil, Borrowing costs capitalized during the year –Nil. Net loss due to foreign exchange fluctuation –Rs. – NIL- (Rs. NIL)

3) Segment reporting is not applicable to the Company.

- 4) Earning per share is calculated as per accounting standard 20 issued by the Institute of Chartered Accountants of India. The calculation are as follows:-

	<u>2009-10</u> (Rs.)	<u>2008-09</u> (Rs.)
Net Profit / (Loss) after tax attributable to shareholders	13,15,377	15,11,275
Weighted average no. of Equity Shares Outstanding during the year	28,50,000	28,50,000
Nominal Value of share	10	10
Earning per share (Basic/Diluted)	0.46	0.53

- 5) Deferred Tax Asset / (Liability) of Rs. 55,492/- .is arising on a/c of:

	<u>2009-10</u> Rs.	<u>2008-09</u> Rs.
a) Depreciation	(1,18,176)	(1,21,245)
b) Retirement Benefit	1,73,668	1,69,889
Net	<u>55,492</u>	<u>48,644</u>

- 6) Related party Disclosures

- a) Information about Related Party

<u>S.No</u>	<u>Related Party</u>	<u>Relationship</u>
1	Dr.Gurpreet Singh	Promoter
2	Mr. Inderdeep Singh	Promoter
3	Continental Device India Limited	Promoter
4	Delta Electronics Private Limited	Promoter

- b) Key management personnel

1	Mr.Kumar Srinivasan	Whole Time Director
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- c) Transaction with related parties and their relatives :- (in Rs.)

Nature Of Transaction	Referred in (a) as above		Referred in (b) as above	
	2009-10	2008-09	2009-10	2008-09
Remuneration			12,40,080	12,33,480
Rent	60,000	60,000		
Out Standings:-				
Receivable	NIL	NIL		
Payable				
Deposits outstanding	NIL	NIL		

- 7) The company has provided for Gratuity as per the Accounting Standard 15 (revised 2005). On the basis of Actuarial Valuation done as of 31st March 2010, provision has been created in the books for additional gratuity liability of Rs 0.12 lacs for the year.

Information regarding various benefits provided to employees:

- i) Under defined contribution Plans
- Provident Fund
 - Employee State Insurance Corporation.
- ii) Under Defined Benefit plan
- Gratuity

Disclosure relating to Defined Benefit Plan in accordance with the AS 15 (revised 2005) on the basis of Actuarial valuation done as at 31-3-10 is as under:

(in Rs.)

	Gratuity Unfunded	
	2009-10	2008-09
Discount Rate (per annum)	7.5%	8%
Future Salary Increases	5.5%	5.5%
Expected rate of return on Plan Assets	-	-
In Service Mortality	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Retirement Age	58 years	58 years
Withdrawal Rate		
- Upto 30 years	3%	3%
- Upto 44 years	2%	2%
- Above 44 years	1%	1%
1. Expense Recognised in Profit and Loss A/c		
Current Service cost	21,297	21,653
Interest Cost	41,235	43,203
Net actuarial (gain)/ loss	(50,302)	(55,094)
Total Expense	12,230	9,762
2. Net asset /(liability) recognized in the Balance Sheet		
Present value of Defined benefit obligation	5,62,032	5,49,802
Fair value of plan assets.	-	-
Funded status { surplus / (deficit) }	(5,62,032)	(5,49,802)
Net asset / (liability) as on 31-3-10	(5,62,032)	(5,49,802)
3. Change in present value of obligation during the year		
Present value of obligation at the beginning of the year	5,49,802	5,40,040
Interest cost	41,235	43,203
Current service cost	21,297	21,653
Benefits paid	-	-
Actuarial (gain) / losses on obligation	(50,302)	(55,094)
Present value of obligation at the end of the year	5,62,032	5,49,802

- 8) Previous year's figures have been given in brackets..
9) Schedule 'A' to 'J' form the integral part of the Balance Sheet and have been authenticated.

As per our report of even date attached
For RAGHU NATH RAI & CO.

Chartered Accountants

sd / -

Prem Prakash
Memb. No. 7648
Partner
New Delhi
Dated: 27-07-2010

sd / -

Gurpreet Singh
Chairman

sd / -

Inderdeep Singh
Kumar Srinivasan
Directors

DELTRON LIMITED

C. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	Registration Details					
	Registration No.	:	013838	State Code	:	55
	Balance Sheet Date	:	31.03.2010			
II	Capital raised during the year (Amount in Rs.)					
	Public Issue	:	Nil	Preferential Issue	:	Nil
III	Position of Mobilisation and Deployment of Funds (Amount in Rs.)					
	Total Liabilities	:	6,66,77,752	Total Assets	:	6,66,77,752
	Sources of Funds					
	Paid-up Capital	:	2,85,00,000	Reserves & Surplus	:	3,81,77,752
	Secured Loans	:	Nil	Unsecured Loans	:	Nil
	Application of Funds					
	Net Fixed Assets	:	13,20,045	Investments	:	4,13,66,336
	Net Current Assets	:	2,39,35,879	Misc. Expenditure	:	Nil
	Deferred Tax	:	55,492			
IV	Performance of Company (Amount in Rs.)					
	Turnover	:	55,00,352	Total Expenditure	:	39,46,823
	Profit before Tax	:	15,53,529	Profit after Tax	:	13,15,377
	Earning per Share in Rs. for the year 2009-10	:	0.46	Dividend Rate (%)	:	5%

As per our report of even date attached
for RAGHUNATH RAI & CO.

Chartered Accountants

sd / -

Prem Prakash
Memb. No. 7648
Partner
New Delhi
Dated: 27-07-2010

sd / -

Gurpreet Singh
Chairman

sd /-

Inderdeep Singh
Kumar Srinivasan
Directors