

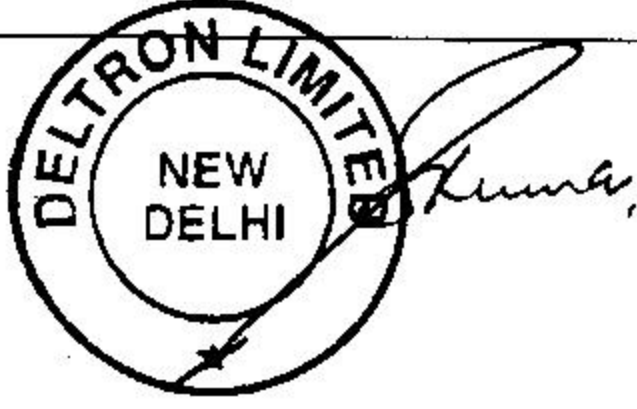


# Deltron Limited

REGD. & HEAD OFFICE : C-120, NARAINA INDUSTRIAL AREA, NEW DELHI -28. INDIA  
Phones : 25796150-53 • FAX: 91-11-25795290 • CABLE : 'PREET' NEW DELHI

## FORM A

### Audited Annual Financial Statements to the Stock Exchanges

1	Name of the Company	DELTRON LIMITED
2	Annual financial statements for the year ended	31 <sup>st</sup> March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observatilon	N.A.
5	To be signed by: Wholetime Director	

**BOARD OF DIRECTORS**

Dr. Gurpreet Singh  
Chairman

Mr. Inderdeep Singh  
Director

Mr. Kumar Srinivasan  
Wholetime Director

Dr. Navin Kumar Kapur  
Director

**AUDITORS**

M/s Raghu Nath Rai & Co.  
9B Mathura Road, Jangpura  
New Delhi - 110 014.

**REGISTERED OFFICE**

C-120, Naraina Industrial Area,  
New Delhi - 110 028.  
Phones : (011) 25796150-53  
Fax : (011) 25795290  
Email : deltron1982@rediffmail.com

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# Deltron Limited

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## NOTICE

**Notice** is hereby given that the Thirty First Annual General Meeting of the shareholders of the Company will be held at The Little Theatre Group, Copernicus Marg, New Delhi 110001 on Saturday, the 21st day of September, 2013 at 11:30 a.m. to transact the following business:-

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 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 dividend.
3. To appoint a Director in place of Mr. Inderdeep Singh, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Statutory Auditors and to fix their remuneration.

By order of the Board  
For Deltron Limited

New Delhi  
8<sup>th</sup> August, 2013

Kumar Srinivasan  
Wholetime Director

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. SUCH PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED. PROXY SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
2. The Register of Members and Transfer Books shall remain closed from 18th September 2013 to 21st September, 2013 (both days inclusive).
3. Members are requested to intimate changes, if any, in their registered address immediately.
4. Members/ Proxies should bring their attendance slips sent herewith, duly filled in, for attending the meeting. Corporate members shall send a duly certified copy of Board resolution authorizing their representative to attend and vote at the Annual General Meeting.
5. 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.
6. Dividend not encashed/ claimed within seven years from the date of declaration will, as per the provisions of Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund (IEPF). Members are requested to contact the Company in respect of the unclaimed/ unpaid dividend declared for the year 2005-06 and onwards.
7. SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 had mandated the companies to use any of the RBI approved electronic mode of payment such as ECS (Local ECS/ Regional ECS / National ECS), NEFT, RTGS etc. for distribution of dividends and other cash benefits to investors. The Circular also mandated the companies to maintain bank details of investors. Therefore the members are requested to submit their NECS mandate (enclosed) duly signed to the Company at its registered office at the earliest. The NECS facility ensures faster credit of dividend into the Bank account of the shareholders and eliminates the risk of loss of dividend warrants in transit and their fraudulent encashment. At the time of each dividend payment through NECS, the Company shall also send to shareholders an intimation (through e-mail/ post) regarding the credit of dividend to their account. In case Company is unable to remit the dividend through NECS for any reason, then the shareholder(s) shall receive a physical draft/ dividend warrant as per current practice. Members are requested to send the physical NECS mandate, duly filled up and signed, to the Company. Business Reply Envelope enclosed herewith.
8. The Ministry of Corporate Affairs (MCA) vide circular no. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively have clarified that a Company would be deemed to have complied with the provisions of Section 53 and 219(1) of the Companies Act, 1956 if documents like Notices, Annual Reports etc. are sent in electronic form to its shareholders. Your Company welcomes the spirit of this green initiative taken by MCA towards facilitating paperless communication with its shareholders while conserving natural resources. We, therefore, invite all our shareholders to contribute to the said initiative by registering their respective E-MAIL ID with the Company by including the same in the NECS Mandate mentioned above. Alternately, shareholders are requested to send the following information through e-mail to the Company at [deltron1982@rediffmail.com](mailto:deltron1982@rediffmail.com) at the earliest giving :-
  - a) Folio No.
  - b) Name of First Registered Holder
  - c) Name of Joint Holder(s)
  - d) Registered AddressThe E-MAIL ID from which above information is sent by shareholder will get registered with the Company. Thereafter, all the communication will be sent to the E-mail ID of the shareholder.
9. 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.

By order of the Board  
For Deltron Limited

New Delhi  
8<sup>th</sup> August, 2013

Kumar Srinivasan  
Wholetime Director

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# **Deltron Limited**

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## **DIRECTORS' REPORT**

The Directors have the pleasure of presenting the Thirty First Annual Report of your Company for the financial year ended 31st March 2013.

### **Financial Results**

The total income during the year under review was Rs.64.29 lacs. The pre-tax profits were Rs.34.42 lacs after providing for depreciation of Rs.0.11 lacs. A provision of Rs.6.75 lacs has been made for taxation in the current year.

After adjusting for deferred tax, the net profit was Rs.27.89 lacs. No amount has been transferred to General Reserves.

### **Dividend**

The Directors recommend for consideration of the shareholders at the ensuing Annual General Meeting, payment of Dividend @ 5% per equity share for the year ended 31<sup>st</sup> March 2013.

### **Outlook**

The Global economy struggled during the FY 2012-13 as had been anticipated by the majority of experts. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. The global economic growth reduced to 3.2% in 2012 from 3.5% in 2011. Among the Asian economies, China, going through a political transition, experienced considerably slower growth.

Deceleration in industrial output and export weakened India's economic growth significantly. The decline in growth was witnessed in almost all segments of the economy. The Country recorded a decade low GDP growth of 5% in 2012-13, compared to 6.5% in 2011-12. The Index of Industrial Production (IIP) recorded a subdued growth of 1% in 2012-13 as against 2.8% in 2011-12.

The performance of Indian corporate sector has been sluggish. Increasing external commercial borrowing along with un-hedged foreign exchange exposure further increased their vulnerability. Current account deficit has emerged as a major challenge for economic stability. RBI, in its Annual Monetary Policy, has projected the Country's GDP growth rate at 5.7% for the year 2013-14.

During the current financial year, the Company expects pressure on margins in its business to continue and is therefore looking for additional opportunities as they emerge.

### **Public Deposits**

The Company has no public deposits.

### **Directors**

Mr. Inderdeep Singh, Director will retire by rotation and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

### **Directors' Responsibility Statement**

The Directors confirm that in preparation of the annual accounts for the year ended 31<sup>st</sup> March 2013:-

- i. The 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 and 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 March 31<sup>st</sup> 2013.
- iii. 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.
- iv. The accounts have been prepared on a going concern basis.

# **Deltron Limited**

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## **Information relating to Section 217(1)(e) of the Companies Act, 1956 and rules made thereunder.**

- 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;  
The Company has not purchased or acquired any technology during the year under review.
- iii. Research & Development;  
The Company is not involved in any Research & Development activities.
- iv. Foreign Exchange Earning & Outgo;  
During the year under review, there was no foreign exchange expenditures or earnings.

## **Auditors' Observations**

The observations made in 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.

## **Acknowledgement**

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

For and on behalf of the Board of Directors

New Delhi  
28-05-2013

**Inderdeep Singh**  
Director

**Kumar Srinivasan**  
Wholetime Director

# **Deltron Limited**

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## **INDEPENDENT AUDITOR'S REPORT To the Members of M/s DELTRON LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of DELTRON LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

New Delhi  
28-05-2013

**SAMIR JAIN**  
Partner  
Memb. No. 77010

# Deltron Limited

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The Annexure referred to in paragraph 1 of Our Report of even date to the members of M/s Deltron Limited, on the accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

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 its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company. (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
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. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the 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. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss 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 explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is 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. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

As per our report of even date attached  
for RAGHU NATH RAI & CO.  
Chartered Accountants  
Firm Regn. No. 000451N

New Delhi  
28-05-2013

**SAMIR JAIN**  
Partner  
Memb. No. 77010

# Deltron Limited

## BALANCE SHEET AS AT 31ST MARCH, 2013

<u>Particulars</u>	Note	<u>As at 31st March 2013</u> (Rs.)	<u>As at 31st March 2012</u> (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	<b>2,85,00,000</b>	2,85,00,000
(b) Reserves and Surplus	3	<b>4,01,23,037</b>	<u>3,90,00,237</u>
		<b>6,86,23,037</b>	6,75,00,237
<b>2 Non-Current Liabilities</b>			
(a) Long Term Provisions	4	<b>12,71,685</b>	12,08,738
<b>3 Current Liabilities</b>			
(a) Trade Payables	5	<b>1,34,251</b>	2,72,665
(b) Other Current Liabilities	6	<b>8,55,821</b>	8,00,095
(c) Short-Term Provisions	7	<b>41,70,180</b>	<u>34,84,172</u>
		<b>51,60,252</b>	45,56,932
<b>TOTAL</b>		<b><u>7,50,54,974</u></b>	<b><u>7,32,65,907</u></b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	8	<b>3,72,891</b>	<b>3,84,372</b>
(b) Deferred Tax Assets (Net)	9	<b>2,83,246</b>	<b>2,60,861</b>
(c) Long-Term Loans and Advances	10	<b>18,76,289</b>	<u>19,66,289</u>
		<b>25,32,426</b>	26,11,522
<b>2 Current Assets</b>			
(a) Current Investments	11	<b>1,67,71,962</b>	1,38,10,153
(b) Inventories	12	<b>18,000</b>	4,444
(c) Trade Receivables	13	<b>2,47,500</b>	1,92,968
(d) Cash and Cash Equivalents	14	<b>5,04,92,060</b>	5,22,57,490
(e) Short-Term Loans and Advances	15	<b>42,25,458</b>	35,11,585
(f) Other Current Assets	16	<b>7,67,568</b>	<u>8,77,745</u>
		<b>7,25,22,548</b>	<u>7,06,54,385</u>
		<b><u>7,50,54,974</u></b>	<b><u>7,32,65,907</u></b>

See Accompanying Notes to the Financial Statements

As per our report of even date attached  
for RAGHU NATH RAI & CO.  
Chartered Accountants  
Firm Regn. No. 000451N

**SAMIR JAIN**  
Partner  
Memb. No. 77010  
New Delhi  
28-05-2013

Gurpreet Singh  
Chairman

Inderdeep Singh  
Kumar Srinivasan  
Navin Kumar Kapur  
Directors



# Deltron Limited

## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u> <u>31.03.2013</u> <u>(Rs.)</u>	<u>Year Ended</u> <u>31.03.2012</u> <u>(Rs.)</u>
1 Revenue from Operations	17	3,54,090	13,65,174
2 Other Income	18	60,75,640	58,52,177
3 Total Revenue		64,29,730	72,17,351
4 Expenses :			
Purchases of Stock-in-Trade	19	3,13,755	9,85,528
Changes in Inventories of Stock-in-Trade	20	(13,556)	30,666
Employee Benefits expenses	21	17,67,734	17,31,278
Finance costs		35,186	42,257
Depreciation and Amortization expense	8	11,481	11,481
Other expenses	22	8,72,535	6,87,957
Total expenses		29,87,135	34,89,167
5 Profit before exceptional items and Tax		34,42,595	37,28,184
6 Exceptional items		-	-
7 Profit before Tax		34,42,595	37,28,184
8 Tax expense:			
Current Tax		6,75,000	7,25,000
Deferred Tax		(22,385)	(21,274)
9 Profit for the period		27,89,980	30,24,458
10 Earnings per equity share:			
Basic / Diluted (Face Value Rs 10 per Share)	26	0.98	1.06

See Accompanying Notes to the Financial Statements

As per our report of even date attached  
for RAGHU NATH RAI & CO.  
Chartered Accountants  
Firm Regn. No. 000451N

**SAMIR JAIN**  
Partner  
Memb. No. 77010  
New Delhi  
28-05-2013

Gurpreet Singh  
Chairman

Inderdeep Singh  
Kumar Srinivasan  
Navin Kumar Kapur  
Directors

# Deltron Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>2012-13</u> (Rs.)	<u>2011-12</u> (Rs.)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Exceptional items and Tax	34,42,595	37,28,184
Adjustment for :		
Depreciation	11,481	11,481
Investment, Rental and Interest Income	(60,75,640)	(58,52,177)
Operating Profit before Working Capital Changes	<u>(26,21,564)</u>	<u>(21,12,512)</u>
Adjustment for :		
Inventories	(13,556)	30,666
Trade & Other Receivables	(54,532)	(93,550)
Trade and other Payables	(19,741)	2,72,388
Cash from Operations	<u>(27,09,393)</u>	<u>(19,03,008)</u>
Direct Taxes Paid (Net)	<u>(6,94,204)</u>	<u>(6,73,086)</u>
Net Cash from operating activities	<u>(34,03,597)</u>	<u>(25,76,094)</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	-	-
Change in Loans and Advances	1,80,508	(5,94,531)
Interest /Dividend Income	60,75,640	58,52,177
Change in Investments	<u>(29,61,809)</u>	<u>98,89,847</u>
Net Cash used in Investing Activities	<u>32,94,339</u>	<u>1,51,47,493</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	-	-
Dividend (inclusive dividend tax) Paid	(16,56,172)	(16,56,172)
Interest Paid	-	-
Net Cash used in Financing Activities	<u>(16,56,172)</u>	<u>(16,56,172)</u>
Net Change in Cash and Cash Equivalents (A+B+C)	<u>(17,65,430)</u>	<u>1,09,15,227</u>
Cash & Cash Equivalents as at 1st April (Opening Balance)	5,22,57,490	4,13,42,263
Cash & Cash Equivalents as at 31st March (Closing Balance)	5,04,92,060	5,22,57,490

Note : Figures in brackets represent Cash Outflows  
See Accompanying Notes to the Financial Statements

As per our report of even date attached  
for RAGHU NATH RAI & CO.  
Chartered Accountants  
Firm Regn. No. 000451N

**SAMIR JAIN**  
Partner  
Memb. No. 77010  
New Delhi  
28-05-2013

Gurpreet Singh  
Chairman

Inderdeep Singh  
Kumar Srinivasan  
Navin Kumar Kapur  
Directors

# Deltron Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### Note No

#### 1. Significant Accounting Policies

##### a) 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.

##### b) Sales :

Sales comprises of sale of goods and services, net of trade discounts and returns. Sale is accounted for after clearance of goods or rendering of services.

##### c) 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 done every year using the Projected Unit Credit Method. Leave encashment is not applicable.

##### d) 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.

##### e) Fixed Assets :

Fixed Assets are capitalized at cost inclusive of expenses.

##### f) 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.

##### g) 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.

i) Finished Goods, Stock-in-Trade and Work-in-Process are valued at cost or market value whichever is lower.

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

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

##### h) 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.

### SHAREHOLDERS FUNDS

	<u>As at 31st March 2013</u>	<u>As at 31st March 2012</u>
	(Rs.)	(Rs.)
<b>2 SHARE CAPITAL</b>		
a) Authorised		
75,00,000 (P.Y. 75,00,000) Equity Shares of Rs 10/- each	<b>7,50,00,000</b>	7,50,00,000
25,00,000 (P.Y. 25,00,000) Preference Shares of Rs 10/- each	<b>2,50,00,000</b>	2,50,00,000
	<b>10,00,00,000</b>	10,00,00,000
b) Issued, Subscribed & Fully Paid up		
28,50,000 (P.Y. 28,50,000) Equity Shares of Rs 10/- each	<b>2,85,00,000</b>	2,85,00,000
	<b>2,85,00,000</b>	2,85,00,000
c) Details of Shareholders holding more than 5% of Shares	<b>Nos of Shares</b>	<b>Nos of Shares</b>
Continental Device India Ltd	<b>3,92,693</b>	3,92,693
d) The Company has issued one class of shares i.e., equity shares which enjoy similar rights in respect of voting, payment of dividend and repayment of capital.		
	<b>Nos of Shares</b>	<b>Nos of Shares</b>
e) Reconciliation of number of shares outstanding	<b>28,50,000</b>	28,50,000
Shares at the beginning of the year	<b>28,50,000</b>	28,50,000
Shares at the end of the year		

# Deltron Limited

	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>3 RESERVES &amp; SURPLUS</b>		
General Reserve	<b>1,89,60,527</b>	1,89,60,527
Share Premium Account	<b>75,20,000</b>	75,20,000
Profit & Loss Account :		
Opening Balance	<b>1,25,19,710</b>	<b>1,11,51,424</b>
Add: Profit for the Year	<b>27,89,980</b>	<b>30,24,458</b>
Less: Proposed Dividend	<b>14,25,000</b>	<b>14,25,000</b>
Less: Tax on Proposed Dividend	<b>2,42,180</b>	<b>2,31,172</b>
	<b>1,36,42,510</b>	1,25,19,710
	<b>4,01,23,037</b>	<b>3,90,00,237</b>
<b><u>NON CURRENT LIABILITIES</u></b>		
<b>4 LONG TERM PROVISIONS</b>		
Provision for Employee Benefits	<b>12,71,685</b>	12,08,738
	<b>12,71,685</b>	12,08,738
<b><u>CURRENT LIABILITIES</u></b>		
<b>5 TRADE PAYABLE</b>		
Trade payable - others	<b>1,34,251</b>	2,72,665
	<b>1,34,251</b>	2,72,665
Total dues of Micro & Small enterprises outstanding for more than the stipulated period is NIL		
<b>6 OTHER CURRENT LIABILITIES</b>		
Unpaid Dividend	<b>5,17,526</b>	4,46,501
Income Received in Advance	<b>18,638</b>	18,638
Others- Security Deposit	<b>1,06,500</b>	1,06,500
- Employee	<b>1,08,830</b>	1,00,038
- Statutory Dues	<b>23,876</b>	36,133
- Expenses	<b>80,451</b>	92,285
	<b>3,19,657</b>	3,85,167
	<b>8,55,821</b>	8,00,095
<b>7 SHORT TERM PROVISION</b>		
Proposed Dividend	<b>14,25,000</b>	14,25,000
Dividend Tax	<b>2,42,180</b>	2,31,172
Provision for Income Tax	<b>25,03,000</b>	18,28,000
	<b>41,70,180</b>	34,84,172

## 8 **FIXED ASSETS**

### **TANGIBLE ASSETS**

(Amount in Rs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.03.2012	Addition	Deduction /ADJ.	AS AT 31.03.2013	AS AT 31.03.2012	FOR THE YEAR	ADJ.	AS AT 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
Building	6,09,173	-	-	6,09,173	2,46,586	9,930	-	2,56,516	3,52,657	3,62,587
Furniture	24,500	-	-	24,500	2,715	1,551	-	4,266	20,234	21,785
<b>Total</b>	<b>6,33,673</b>	-	-	<b>6,33,673</b>	<b>2,49,301</b>	<b>11,481</b>	-	<b>2,60,782</b>	<b>3,72,891</b>	<b>3,84,372</b>
Previous year	6,33,673	-	-	6,33,673	2,37,820	11,481	-	2,49,301	3,84,372	3,95,853

# Deltron Limited

	<u>As at 31st March 2013</u> (Rs.)	<u>As at 31st March 2012</u> (Rs.)
<b><u>NON CURRENT ASSETS</u></b>		
9	<b>DEFERRED TAX ASSETS</b>	
	(a) Deferred Tax Assets	
	Provision for Employee Benefit	3,92,951      3,73,500
	(b) Deferred Tax Liabilities	
	Fixed Assets	<u>1,09,705</u> <u>1,12,639</u>
	Deferred Tax Asset (Net)	<u>2,83,246</u> <u>2,60,861</u>
10	<b>LONG TERM LOANS &amp; ADVANCES</b>	
	(Unsecured considered good)	
	Capital Advances	9,37,598      9,37,598
	Security Deposit	2,11,285      2,11,285
	Other Loans & Advances	7,27,406      8,17,406
		<u>18,76,289</u> <u>19,66,289</u>
11	<b><u>CURRENT INVESTMENT - (UN-QUOTED)</u></b>	
	(Non Trade - at lower of cost or fair value)	
	<b>INVESTMENT IN MUTUAL FUNDS</b>	
	- <b>RELIANCE ST FUND</b>	18,71,962      53,10,153
	106,547.936 (PY- 302,426.322 ) units of Rs 10 each	
	- <b>DWS TREASURY FUND</b>	40,00,000      40,00,000
	36,443.149 (PY- 36,443.149) units of Rs 100 each	
	- <b>KOTAK FLOATER LONG TERM -GP</b>	34,00,000      -
	188161.332 (PY- NIL) units of Rs 10 each	
	- <b>PRINCIPAL INCOME FUND -ST PLAN</b>	25,00,000      25,00,000
	154,716.374 (PY- 154,716.374) units of Rs 10 each	
	- <b>UTI LIQUID SHORT TERM PLAN</b>	20,00,000      20,00,000
	127,221.607 (PY- 127,221.607) units of Rs 10 each	
	- <b>HDFC HIGH INTEREST FUND - ST PLAN</b>	30,00,000      -
	134,021.309 (PY- NIL) units of Rs 10 each	
	<b>Total</b>	<u>1,67,71,962</u> <u>1,38,10,153</u>
	<b>Aggregate Value of Unquoted Investments</b>	<u>1,67,71,962</u> <u>1,38,10,153</u>
<b><u>CURRENT ASSETS</u></b>		
12	<b>INVENTORIES</b>	
	Stock-in-Trade	18,000      4,444
		<u>18,000</u> <u>4,444</u>
13	<b>TRADE RECEIVABLE</b>	
	Unsecured considered good	
	Others - less than six months	2,47,500      1,92,968
		<u>2,47,500</u> <u>1,92,968</u>

# Deltron Limited

	As at 31st March 2013 <u>(Rs.)</u>	As at 31st March 2012 <u>(Rs.)</u>
<b>14 CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	4,800	598
Balances with Banks in:		
- Current Account	2,23,963	1,64,439
- Fixed Deposits*	4,97,42,721	5,16,45,952
Other Bank Balances :		
- Unpaid Dividend Account	5,20,576	4,46,501
	<u>5,04,92,060</u>	<u>5,22,57,490</u>
*Fixed Deposit includes deposits for periods exceeding three months and deposit of Rs 14 lacs (Previous year NIL) with maturity of more than 12 months		
<b>15 SHORT TERM LOAN AND ADVANCES</b>		
(Unsecured considered good)		
Advance Income tax	41,75,384	34,81,180
Advances to :		
- Employee	1,100	775
- Others	48,974	29,630
	<u>42,25,458</u>	<u>35,11,585</u>
<b>16 OTHER CURRENT ASSETS</b>		
(Unsecured considered good)		
Claims Recoverable	4,638	4,638
Interest accrued on Fixed Deposits	7,62,930	8,73,107
	<u>7,67,568</u>	<u>8,77,745</u>
<b>17 REVENUE FROM OPERATIONS</b>		
Sale of Electronic Products	3,38,140	13,39,878
Others	15,950	25,296
	<u>3,54,090</u>	<u>13,65,174</u>
<b>18 OTHER INCOME</b>		
Interest Income	51,90,175	48,31,997
Rental Income	2,23,656	2,21,436
Gain on sale of Investments (Net)	6,61,809	7,98,744
	<u>60,75,640</u>	<u>58,52,177</u>
<b>19 PURCHASE OF STOCK IN TRADE</b>		
Electronic Products	3,07,884	9,79,663
Others	5,871	5,865
	<u>3,13,755</u>	<u>9,85,528</u>
<b>19.1 CIF VALUE OF IMPORTS</b>		
Raw Material, Components, Stock-in Trade	Nil	Nil
<b>20 CHANGE IN INVENTORY OF STOCK IN TRADE</b>		
Opening Stock	4,444	35,110
Less: Closing Stock	18,000	4,444
(Increase)/ Decrease in stocks	<u>(13,556)</u>	<u>30,666</u>

# Deltron Limited

	<u>As at 31st March 2013</u> (Rs.)	<u>As at 31st March 2012</u> (Rs.)
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages, etc	15,75,799	15,30,381
Contribution to ESI, PF & FPF	1,26,111	1,24,719
Staff Welfare	65,824	76,178
	<u>17,67,734</u>	<u>17,31,278</u>
<b>22 OTHER EXPENSES</b>		
Rates & Taxes	7,136	9,466
Power & Fuel	-	-
Printing & Stationery	1,00,193	1,04,628
Facility Charges	1,01,124	90,000
Insurance	29,629	29,501
Legal, Professional & Consultancy Charges	2,98,405	1,40,841
Repairs - Building	34,000	40,030
Miscellaneous Expenses	3,02,048	2,73,491
	<u>8,72,535</u>	<u>6,87,957</u>
22.1 Expenditure in Foreign currency	Nil	Nil
22.2 Expenditure on Research and Development	Nil	Nil
22.3 Auditors Remuneration - Included under Legal, Professional & consultancy charges		
Audit fee	78,652	78,652
Other Services	-	-
	<u>78,652</u>	<u>78,652</u>
23 Interest Capitalised during the year	Nil	Nil
24 Earning in Foreign currency	Nil	Nil
25 Remittance in Foreign Currency		
Dividend payment to 4 Non resident Shareholders on 43,300 Equity shares for year 2011-12 (43,300 for 2010-11)	21,650	21,650
26 Earning Per Equity Share is calculated as per AS 20 issued by the Institute of Chartered Accountants of India as under :		
Numerator : Profit After Tax	27,89,980	30,24,458
Denominator: Weighted Average No of Equity Shares	28,50,000	28,50,000
Nominal Value of Share	10	10
Earning per share (Basic and Diluted)	0.98	1.06
27 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.		
28 Segment reporting is not applicable to the Company.		
29 Related Party Disclosures :		
Information about Related Party		
<u>Sr. No</u>	<u>Related Party</u>	<u>Relationship</u>
a) <b>Group Companies</b>		
1.	Continental Device India Limited	Group Company
2.	Delta Electronics Private Limited	Group Company

## b) Key Managerial Personnel

1. Dr. Gurpreet Singh	Director / Promoter
2. Mr. Inderdeep Singh	Director / Promoter
3. Mr. Kumar Srinivasan	Wholetime Director

## c) Transaction with Related Parties and their Relatives

in Rs.

Nature of Transaction	Group Companies		Key Managerial Personnel	
	Year Ended 31-3- 2013	Year Ended 31-3- 2012	Year Ended 31-3- 2013	Year Ended 31-3- 2012
Remuneration			<b>12,83,237</b>	12,40,080
Facility Charges	<b>1,01,124</b>	90,000		

30 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 2013, additional gratuity liability has been created in the books of Rs 62,947 for the year.

Information regarding various benefits provided to employees :

- a) Under defined contribution Plan
  - i) Provident Fund
  - ii) Employee State Insurance
- b) Under Defined Benefit plan
  - i) Gratuity

Disclosure relating to Defined Benefit Plan in accordance with the AS 15 (revised 2005) on the basis of Actuarial valuation done as at 31st March 2013 is as under :

in Rs.

		Gratuity Unfunded	
		As at 31st March 2013	As at 31st March 2012
1	<b>Expense Recognised in Profit and Loss A/c</b>		
	Current Service cost	43,257	42,561
	Past Service Cost	-	-
	Interest Cost	96,699	97,679
	Net actuarial (gain)/ loss	(77,009)	(80,667)
	Total Expense	62,947	59,573
2	<b>Net asset /(liability) recognized in the Balance Sheet</b>		
	Present value of Defined benefit obligation	12,71,685	12,08,738
	Fair value of plan assets	-	-
	Funded status surplus / (deficit)	(12,71,685)	(12,08,738)
	Net asset / (liability)	(12,71,685)	(12,08,738)
3	<b>Change in present value of obligation during the year</b>		
	Present value of obligation at the beginning of the year	12,08,738	11,49,165
	Interest cost	96,699	97,679
	Current Service cost	43,257	42,561
	Past Service Cost	-	-
	Benefits paid	-	-
	Actuarial (gain) / losses on obligation	(77,009)	(80,667)
	Present value of obligation at the end of the year	12,71,685	12,08,738



# Deltron Limited

30 Contd.

in Rs.

		<b>Gratuity Unfunded</b>				
		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>		
4	<b>Actuarial Assumption</b>					
	Discount Rate (per annum)	8.00%		8.50%		
	Future Salary Increases	5.50%		6.00%		
	Expected rate of return on Plan Assets	-		-		
	In Service Mortality	<b>LIC (1994-96) duly modified</b>		<b>LIC (1994-96) duly modified</b>		
	Retirement Age	58 Years		58 Years		
	Withdrawal Rate					
	Upto 30 years	3%		3%		
	Upto 44 years	2%		2%		
	Above 44 years	1%		1%		
5	The discounting rate is considered based on market yield of government bonds. The estimate of rate of future salary increases considered takes into account inflation, seniority promotion and other relevant factors including supply and demand factors.					
6.	Net assets / (liabilities) recognised in the Balance Sheet as at respective year ends and experience adjustments					
in Rs						
		<b>Gratuity Unfunded As at 31st March</b>				
	<b>Particulars</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
1	Present value of Defined benefit obligation	12,71,685	12,08,738	11,49,165	5,62,032	5,49,802
2	Fair value of plan assets	-	-	-	-	-
3	Funded status surplus / (deficit)	(12,71,685)	(12,08,738)	(11,49,165)	(5,62,032)	(5,49,802)
4	Experience Adjustment Plan Liabilities (Gain) / Loss	(82,798)	(80,667)	(51,184)	(50,302)	(55,094)

31 Previous year's figures have been regrouped wherever considered necessary.

As per our report of even date attached  
for RAGHU NATH RAI & CO.  
Chartered Accountants  
Firm Regn. No. 000451N

**SAMIR JAIN**  
Partner  
Memb. No. 77010  
New Delhi  
28-05-2013

Gurpreet Singh  
Chairman

Inderdeep Singh  
Kumar Srinivasan  
Navin Kumar Kapur  
Directors

