

# **Vintron**

## **Vintron Informatics Limited**



## **22nd Annual Report 2012-2013**

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### BOARD OF DIRECTORS

Shri Raj Kumar Gupta, Chairman & Managing Director

Shri Jagdish Singh Dalal, Director

Shri Satish Chand, Director

Shri Vikas Gulechha, Additional Director

Shri Parvesh Ahuja, Additional Director

Shri Satish Raychand Chopra, Additional Director

#### COMPANY SECRETARY

Mrs. Kajal Gupta

#### STATUTORY AUDITORS

M/s. O. P. Bagla & Co.

8/12, Kalkaji Extension

New Delhi-110019

#### INTERNAL AUDITORS

M/s. S. Agarwal & Co.

123, Vinoba Puri, Lajpat Nagar-II

New Delhi - 110 024

#### SHARE TRANSFER AGENT

Regd. Office:

M/s. Skyline Financial Services Pvt. Ltd.

123, Vinoba Puri, Lajpat Nagar-II

New Delhi - 110 024

Corporate Office:

D-153/A, First Floor

Okhla Industrial Area, Phase-I

New Delhi - 110 020

#### BANKERS

HDFC Bank Limited

#### Registered Office & Works :

F-90/1 A, Okhla Industrial Area,

Phase-I, New Delhi - 110 020

CONTENTS	Page No.
Notice .....	1
Directors' Report .....	2 - 5
Corporate Governance Report .....	6 - 13
Auditors' Report .....	14 - 17
Balance Sheet .....	18
Statement of Profit & Loss .....	19
Cash Flow Statement .....	20 - 21
Notes to the Financial Statements .....	22 - 31

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF VINTRON INFORMATICS LIMITED SHALL BE HELD ON THURSDAY, THE 12TH DAY OF SEPTEMBER 2013 AT 10.30 A.M. AT ARYA AUDITORIUM, DESRAJ CAMPUS, C-BLOCK, EAST OF KAILASH, NEW DELHI-110065 TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2013, the Profit & Loss Account for the year ended on that date together with the Auditors' Report thereon and the Directors' Report annexed thereto.
2. To appoint a Director in place of Shri Satish Chand, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 224(1B) and other applicable provisions, if any, of the Companies Act, 1956, M/s. O. P. Bagla & Company, Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2013-2014, to hold office until the conclusion of the next Annual General Meeting of the Company, and that the Board of Directors/Audit Committee of the Board be and is hereby authorized to fix their remuneration.”

By order of the Board  
For **VINTRON INFORMATICS LIMITED**

Sd/-

**(RAJ KUMAR GUPTA)**  
Chairman & Managing Director

Place: **F-90/1A, Okhla Industrial Area Phase-I, New Delhi-110020**

Date: **24/07/2013**

### NOTES:

- a) 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. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
- b) The documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and other public Holidays between 2.00 P.M. to 4.00 P.M. up to one day prior to the date of Annual General Meeting.
- c) The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 7th day of September 2013 to Thursday, the 12th day of September 2013 (both days inclusive).
- d) Members are requested to bring their copies of Annual Report to the meeting, as spare copies will not be available.

### RESUME OF DIRECTORS BEING RE-APPOINTED

Shri Satish Chand, aged about 50 years is a Chartered Accountant by profession and practicing as a partner of firm namely Satish C. & Co. since 1989. During his long working experience of 24 years, he has been involved in to various accounting and financial activities viz. due diligence, project appraisals, feasibility studies, income tax matters, Company law matters and auditing of accounts for number of his prestigious clients.

None of the Directors except Shri Satish Chand himself is interested in the said appointment. The Board recommends his re-appointment.

## 22nd Annual Report 2012-2013

### DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have pleasure in presenting the Twenty Second Annual Report together with Audited Accounts of the Company for the year ended on 31st March 2013.

#### BUSINESS PHILOSOPHY

Your Company and its management has always been cautious of its brand and corporate image apart from its corporate social responsibility. Even within the limitation of having limited resources and infrastructure available at its disposal, the management of the Company has worked out product basket considering the strength of the Company and market acceptability and is consistently improving upon the same, so as to ensure that the products of the Company command its respect and demand in the market in terms of quality, service and acceptability, competitiveness etc. apart from giving maximum return on investment thereby multiplying the investors fund. After sanction of the revival scheme from the Hon'ble BIFR, the Company has been consistently making its efforts to re-establish its brand and product in the market. With emphasis on quality, competitiveness and service, the Company and its management is confident to itself on the rapid growth path very shortly. The Company has always endeavoured to provide innovative products with quality and the said approach of the management of your Company stands more strengthened by every passing moment.

#### OUTLOOK

Although the financial Year 2012-2013 has been difficult and challenging for your Company considering the constraints such as shortage of working capital finance, discontinuation of operations and change in product apart from complete re-organization of the organizational structure, your management has put all their efforts to exploit the best under the prevailing circumstances. The year under consideration has also been challenging as the Company was to ensure that on the one hand, it does not incur any loss despite of the acute shortage of working capital fund whereas on the other hand, it had to re-introduce and establish itself in the market with new energy and strength. Your Company has made all its efforts to optimally utilize all the resources available at its disposal and achieve the maximum targeted result. The circumstances prevailing with the Company during the previous years have almost continued with little improvement. However, your Directors are working constantly towards a better future and by optimum utilization of resources at their disposal, have been able to make a remarkable improvement, both in top line as well as bottom line. The efforts and commitments of the management have also been demonstrated as is evident from the improved financials of the Company and acceptance of its products in the market. Having experienced the stiff competition in the market for electronic products under the prevailing constraints, the Company has been very cautiously selecting and adjusting its product basket with the objective to achieve improved optimum rotation of available finances and to ensure optimum profitability. With the more widely acceptable products having increased demand, your Directors are confident that with the available infrastructure and resources including brand, which had enjoyed its reputation for more than two decades, the Company shall revive its operations and re-gain the glory of its brand at the earliest. The Company is also making all its efforts to enter into manufacturing and trading of further innovative products having demand in the market and has accordingly, entered into products such as CCTV Cameras, Digital Video Recorders (DVR) as well and its accessories etc.

Your Company's performance during the year as compared to the last year is as under:

#### FINANCIAL RESULTS AND PERFORMANCE

We give below the financial highlights for the year under review :-

PARTICULARS	(RS. IN LACS)	
	Current Year	Previous Year
Turnover & Other Income/Income from Operations (Job work)	2145.88	1,314.82
Profit/(Loss) before Depreciation, Interest/Financial Charges and Tax	374.62	288.03
Depreciation	69.13	65.69
Interest and Financial Charges	0.00	0.00
Profit/(Loss) before Extra-ordinary Items	305.49	222.35
Extra Ordinary Items Written Off	8.81	1.76
Profit/(Loss) after Extra-ordinary Items, but before Income Tax	296.68	220.59
Income Tax Adjustments	0.53	1.64
Profit/(Loss) after Tax	296.15	218.95
Surplus brought forward	(3,980.83)	(4,199.78)
Balance in Profit & Loss A/c	(3,684.68)	(3,980.83)

## **DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS Contd.**

Despite of all the constraints including non-adequate working capital and inability of the Company in raising fresh funds because of sickness of the Company in the recent past, the Company and its Directors have made all attempts and efforts to optimally utilize all the resources available at their disposal and the net worth of the Company has shown remarkable improvement resulting into reduction of accumulated losses. Your management is pleased to note that the revenue of the Company has increased by 63% whereas the net profit has increased by more than 35% as compared to the last year with the same resources.

Your management is confident that during the current year, the working capital fund requirement of the Company shall also be slowly met by arranging fresh funds for which the Directors of the Company are making all their efforts and with the strength of its products, quality, marketing and other infrastructure facilities, the Company is confident that it will once again move forward. With this commitment to the investors, work force and society at large, the management reassures you that your directors are putting all their efforts to arrange the working capital, which may take some time in view of the past history of the Company. But, they are confident about the potential of the Company and express their gratitude for the confidence reposed by the investors and all other stake holders.

### **DIVIDEND**

Considering the results of the Company and in view of the accumulated losses together with the huge requirement of working capital, the Board has not recommended dividend on shares.

### **OUTLOOK ON THREATS, RISKS AND CONCERNS**

The Company has an integrated approach to managing the risks inherent in various aspects of its business. As a part of this approach, the Board of Directors is responsible for monitoring risk levels on various parameters, and the Board of Directors supported by professionals in various fields is responsible for ensuring implementation of mitigation measures, if required. The Audit Committee provides the overall direction on the risk management policies.

The over all economic environment will have a strong bearing on how things shape in the coming years. Falling prices of the electronic products due to increasing competitiveness with the introduction of multiple variants in each product are potential risks. The over all Industrial and Business sentiment has been low during the last financial year. Your Company, therefore has planned to introduce high quality technically advanced gadgets in the Company's product basket once it meets the working capital requirement to start its operations in full capacity, which will expedite its revival scheme. The Company has already ventured into manufacturing and dealing of high quality CCTV cameras and Digital Video Recorders (DVR) meant for CCTV Cameras. Your Company, however, is confident that with the launch of high quality, competitively priced products, it will be able to expand its market share. With the objective to achieve maximum return on investment with quality of products and services, your Company has ventured into Security and Surveillance related electronic products and its accessories and your Directors have pleasure in informing you that the products of the Company are gaining appreciation in the market indicating a vast potential.

### **SEGMENT WISE PERFORMANCE**

The Company has been operating in the electronic industry and dealing and manufacturing only electronic products including Security & Surveillance related electronic equipments. The Company's products are mainly electronic and therefore there is a single segment of operation. In view of the same, segment wise reporting is not required.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Internal Control Systems of the Company are designed to provide adequate assurance on the efficiency of the operation and security of its assets, and the Company is committed to high standards in this regard. The accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of the Internal Control as well as compliance with laid down systems and policies are comprehensively monitored by your Company's Internal Auditors. The Audit Committee of the Board, which meets regularly, actively reviews Internal Control Systems as well as financial disclosures.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company continues to have excellent employee relations. Your Directors acknowledge and thank the employees for their continuous support. The Company has strong commitments to follow the best of the HR practices and believes in up-lifting the overall competence of its employees through regular training, workshops and seminars.

The total number of employees and workforce at the end of the year was 181 as against 168 employees including permanent and irregular work force at the end of the previous year.

## 22nd Annual Report 2012-2013

### DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS Contd.

#### ADDITIONAL INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information in respect of conservation of energy, technology absorption etc. required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed.

#### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri Satish Chand, Director of the Company is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

#### FIXED DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of the Companies (Acceptance of Deposit) Rules, 1975, during the last financial year.

#### SUBSIDIARY COMPANY

The Company had incorporated a Wholly Owned Subsidiary by the name of VSOFTE GLOBAL INC. at #107, 451 Village Green BLVD, ANN ARBOR, MI-48105 USA, with a total subscribed and paid-up capital of 1500 Capital Stocks held by your Company. Despite of all efforts by the management and Directors of the Company, the necessary documents and details including financials of the said subsidiary could not be obtained from the sole person who was looking after the affairs in USA. The said person is now untraceable and due to the limited resources of the Company, the huge expenditure which may be required to incur in finding the said person has become burdensome considering the small investment and prevailing financial constraints of the Company. The Company had sought appropriate relief from the Hon'ble BIFR from penal provisions as applicable in the case and the Hon'ble BIFR has directed to approach the concerned authorities for the same.

#### AUDITORS

The Auditors of the Company M/s. O. P. Bagla & Company, Chartered Accountants, New Delhi, retire on the conclusion of the ensuing Annual General Meeting in terms of the provisions of the Companies Act, 1956 and have offered themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits specified under Section 224 (1B) of the Companies Act, 1956.

#### AUDITORS' REPORT

The Auditors' Report to the members together with Accounts for the year ended on 31st March 2013 and Notes thereon is attached, which are self-explanatory.

#### DIRECTORS VIEW ON AUDITORS OBSERVATIONS

There is no adverse observation in the Auditors Report which needs any comments on the part of the Directors. The queries raised by the Auditors have been explained to the satisfaction of the Auditors and hence no comments are made under this para. The auditors report is self explanatory.

#### DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 217

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- While preparing Annual Accounts, the applicable accounting standards have been followed.
- The Company had selected such accounting policies and applied them consistently and made judgements that are reasonable and prudent which gives true and fair view of affairs of the Company.
- The Company had taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities.
- The Company had prepared accounts on a going concern basis.

#### PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 does not form part of this Report. No employee of your Company is covered as per provisions contained u/s 217(2A) of the Companies Act, 1956 in this regard.

#### LISTING FEES

The Equity Shares of the Company continue to be listed at the Stock Exchange(s) of Bombay and Calcutta, and as on the date of signing of this report, the listing fees for Calcutta Stock Exchange is yet to be paid. Further that in terms of the Revival Scheme of the Company as sanctioned by the Hon'ble BIFR vide its order dated 02.06.2009, it was directed to the Delhi Stock Exchange (DSE) to de-list the equity capital of the Company from DSE and the necessary intimation has been made to DSE.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS Contd.

### ACKNOWLEDGMENTS

The Board appreciates the efforts put in by all employees for their commitment, and dedication to fulfil their corporate duties with diligence and integrity. Your Directors are also pleased to place on record their appreciation for the excellent support received from Dealers, Business Associates and Customers by promoting and patronizing the products of the Company.

By order of the Board  
For VINTRON INFORMATICS LIMITED

Place: F-90/1A, Okhla Industrial Area Phase-I, New Delhi-110020  
Date: 24/07/2013

Sd/-  
(RAJ KUMAR GUPTA)  
Chairman & Managing Director

## ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the Year ended 31st March 2013.

### A. CONSERVATION OF ENERGY

Your Company is not covered under Industries, which are required to furnish the information in Form-A under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. The consumption of energy in the operation of the Company is not significant. However, the Company has taken all steps to optimise the use of energy through improved operational methods.

### B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R & D)

Specific areas in which R & D is carried out : R & D is carried out for improvement in production process and quality of products.

Benefits derived as a result of the above R & D : The products have found better acceptability in the market.

Future plan of action : The Company is carrying on R & D to enhance the product features and improve their quality.

Expenditure on R & D

- Capital : NIL
- Recurring : Rs. 62804/-
- Total : Rs. 62804/-
- Total R & D expenditure as a percentage of total turnover : 0.03%

### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

None

### FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of the Company were Rs. NIL as compared to Rs. NIL in the previous year. However, the Company has imported capital goods, raw material, finished goods etc. including repair & maintenance for amount aggregating to Rs. 1,010.78 Lacs as compared to Rs. 275.13 Lacs during the previous year.

By order of the Board  
For VINTRON INFORMATICS LIMITED

Place: F-90/1A, Okhla Industrial Area Phase-I, New Delhi-110020  
Date: 24/07/2013

Sd/-  
(RAJ KUMAR GUPTA)  
Chairman & Managing Director

## 22nd Annual Report 2012-2013

### CORPORATE GOVERNANCE REPORT

#### CORPORATE GOVERNANCE

In terms of the Code of Corporate Governance, as framed by Securities and Exchange Board of India and amended from time to time, the Company has taken various steps and endeavored to implement the requirements of code of Corporate Governance in terms of clause 49 of the listing agreement. The Company has further ensured timely and effective implementation of requirements as stipulated from time to time. Given below is a brief report on the practices followed by Vintron Informatics Limited towards achievement of good Corporate Governance.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Vintron Informatics Limited is committed to the concept and philosophy of Corporate Governance as a means of effective internal control, fair and transparent decision-making process and fullest support of the Board and Management for enhancing customer satisfaction and shareholders value. The basic mantras of Vintron "Customer satisfaction through Quality and Reliability of our products and services, to be achieved by our will to deliver better by consistently improving our products, systems and procedures" is the guideline to generate long term economic value for its shareholders while respecting the interest of customers and society as a whole, which is practised in your Company in its letter and spirit. The Company respects the inalienable rights of its members to information on the performance of the Company and considers itself a trustee of its members.

#### 2. BOARD OF DIRECTORS - COMPOSITION

The Company maintains an appropriate mix of executive and independent directors to maintain the independence of the Board, and to separate the Board functions of governance and management. To ensure independence of the Board, the members of the Audit Committee is composed of suitable and competent independent directors. The current Board has five Independent Directors and one Executive Director. The Company does not pay any compensation to its non-executive Directors.

#### COMPOSITION AND CATEGORY OF DIRECTORS, AS OF MARCH 31, 2013

Category	No. of Directors	%
Executive Directors	1	16.67%
Non-Executive, Independent Directors	5	83.33%
<b>Total</b>	<b>6</b>	<b>100.00%</b>

The Chairman of the Board is an Executive Director.

#### RESPONSIBILITIES OF THE CEO

The current policy of the Company is to have an executive Chairman & Managing Director. The Chairman & Managing Director is responsible for corporate strategy, brand equity, planning, external contacts, and board matters. He is also responsible for all day-to-day operations, related issues and for the achievement of annual targets in customer satisfaction, sales, profitability, quality, productivity, recruitment, training and employee retention. The senior management makes periodic presentations to the board on their responsibilities, performance and targets.

Shri Raj Kumar Gupta, Chairman & Managing Director of the Company has certified to the Board and in terms of requirements of clause 49(V), that:

- a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) They have indicated to the auditors and the Audit Committee



## CORPORATE GOVERNANCE REPORT Contd.

- i) significant changes in internal control during the year;
- ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system.

### SIZE OF THE BOARD

At present, the Board has six members.

### BOARD MEETINGS HELD DURING THE YEAR

Normally, Board Meetings are scheduled at least 7-15 days in advance. Most of them are held at the Registered Office of the Company situated at F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110 020, India. Under supervision of the Chairman, drafts of the Agenda for each meeting, along with explanatory notes are prepared and distributed in advance to the Board members. Every Board member is free to suggest the inclusion of items in the agenda. Normally, the Board meets once a quarter to review the quarterly unaudited results and other items in the agenda. The Board also meets on the occasion of the Annual General Meeting of the members of the Company. If necessary, additional meetings are held. Independent Directors are normally expected to attend at least four Board Meetings in a year.

The Board has unfettered and complete access to any information within the Company, and to any employee of the Company. At the Meetings of the Board, it welcomes the presence of managers who can provide additional insights into the items being discussed.

Six Board meetings were held during the financial year 2012-2013. They were held on 20th April 2012, 29th May 2012, 24th July 2012, 29th October 2012, 9th November 2012 and 30th January 2013 respectively.

The table given below gives details of Directors, Attendance of Directors at Board meetings, last Annual General Meeting, Number of Memberships held by Directors in Committees/other Boards. None of the Directors holds Directorship in more than 15 listed Companies, and no Director is a member of more than ten Committees or the Chairman of more than five Committees across all Companies in which they are Directors.

Director	Category	No. of Board Meeting attended	Attendance Particulars Last AGM	Number of other Directorships and Committee Member/Chairmanships		
				Outside Directorship*	Committee Membership**	Committee Chairmanship**
Raj Kumar Gupta	CMD	6	Yes	2	3	2
Jagdish S. Dalal	NED	6	Yes	–	4	1
Satish Chand	NED	5	Yes	–	1	1
Vikas Gulechha	NED	–	–	7	–	–
Parvesh Ahuja	NED	1	–	1	–	–
Satish Raychand Chopra	NED	1	–	–	–	–

\* Excludes Directors of Companies incorporated outside India, and includes Directorships held in Private Limited Companies by the Directors of the Company.

\*\* This includes Chairmanship/Membership of Audit Committee, Compensation Committee, Investor Grievance Committee, Share Transfer Committee and Remuneration Committee, constituted by the Company.

### TENURE

As per the statute two third of the total strength of the Board of Directors should be subject to retirement by rotation. Further one third of the retiring Directors are required to retire by rotation every year and if eligible, qualify for re-appointment. Accordingly, Shri Satish Chand retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

## 22nd Annual Report 2012-2013

### CORPORATE GOVERNANCE REPORT Contd.

#### 1. BOARD COMMITTEES

##### **Committees of the Board**

Currently, the Board has five Committees; the Audit Committee, Compensation Committee, Share Transfer Committee, Remuneration Committee and the Investor Grievance Committee. All the Committees are composed of suitable and competent independent Directors.

##### **Frequency and Duration of Committee Meetings and Committee Agenda**

Under the supervision of the Chairman of the Company, and the Committee Chairman, the frequency and duration of the Committee Meetings are determined. Normally, the Committees meet depending on the issues, which need the attention of the particular Committee. However, the meeting of Audit Committee takes place normally Four to Five times a year. The recommendations of the Committee are submitted to the full Board for approval and necessary noting.

##### **Quorum for the Meetings**

The quorum is either two members or one-third of the members of the Committees, whichever is higher.

##### **AUDIT COMMITTEE**

The Audit Committee of the Board of Directors of the Company was constituted on 3rd day of May 2001 whereafter it has been re-constituted from time to time with the sufficient number of directors with requisite qualifications. The terms of reference of the Audit Committee has been varied from time to time and the role of Audit Committee have been lastly re-defined and the same are as under:

##### **Role of Audit Committee**

The role of the Audit Committee includes the following:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgement by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

## CORPORATE GOVERNANCE REPORT Contd.

10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition thereto the Audit Committee is also assigned with the role to review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor subject to review by the Audit Committee.

The Committee comprises of one Executive Director, and three Non-executive Directors. The Chairman of the Committee is Shri Satish Chand who is a Chartered Accountant by profession, and an Independent Director on the Board of the Company. The Committee met five times during the financial year 2012-2013, on 20th April 2012, 29th May 2012, 23rd July 2012, 26th October 2012 and 29th January 2013 respectively. The below mentioned table gives the details of attendance of members at the meetings of the Audit Committee held during 2012-2013 :

Members	No. of Meetings Attended
Shri Raj Kumar Gupta	5
Shri Jagdish Singh Dalal	5
Shri Satish Chand	5

### REMUNERATION COMMITTEE

The Board had delegated the authority to approve fixation/revision of remuneration and terms and conditions of appointment of Managing Director / Whole Time Directors. The Remuneration Committee comprises of one executive and two independent Directors, Shri Raj Kumar Gupta being Executive Director, whereas Shri Jagdish Singh Dalal and Shri Satish Chand being Non-executive/Independent Directors on the Board of the Company. This Committee meets depending on the requirements of the Company, and takes its views on fixation/revision of terms and benefits in respect of Managing Director / Whole Time Directors. However, no meeting of the Remuneration Committee has taken place during year under consideration.

### Remuneration to Directors

Shri Raj Kumar Gupta, Chairman & Managing Director is the only Whole Time Director who was appointed as such during the previous Annual General Meeting held on 10.09.2009 and is drawing salary as approved by the members in previous Annual General Meeting in terms of the resolution passed there at. Accordingly he has been paid salary and remuneration as approved by the General Meeting.

All other Directors on the Board or any committee thereof who are ordinary directors and are not paid any fixed remuneration, are paid sitting fee and conveyance expenses for attending the meetings.

### INVESTOR GRIEVANCE COMMITTEE

The Board has constituted the Investor Grievance Committee to take care of the complaints/grievances of the shareholders/members of the Company and redressal thereof. The Investor Grievance Committee comprises of one executive and one independent Director namely Shri Raj Kumar Gupta being an Executive Director, and Shri Jagdish Singh Dalal being Non-executive/Independent Directors. This Committee meets from time to time depending on the needs and nature of shareholders/members complaints and grievance, and take appropriate decisions for redressal thereof. As informed by RTA, during the financial year 2012-2013, the Company has received a total number of complaints was two, the details whereof is as under:

## 22nd Annual Report 2012-2013

### CORPORATE GOVERNANCE REPORT Contd.

Received from	No. of Complaints	Remarks
SEBI	1	Redressed
Stock Exchanges/ROC	–	–
NSDL/CDSL	–	–
Investors	1	Redressed

#### SHARE TRANSFER COMMITTEE

The Board had delegated the authority to approve transfer of shares to a Committee of Directors. The Share Transfer Committee comprises of one executive and two independent Directors. Three meetings of the Committee are held every month to approve transfer, transmission, splitting and consolidation, Dematerialization and Re-materialization of shares issued by the Company. The minutes of the Meetings of the Share Transfer Committee are placed before the first next meeting of the Board of Directors for its information and ratification thereof.

#### COMPENSATION COMMITTEE

The Compensation Committee of the Board of Directors of the Company consists of one Executive Director, and one Non-executive/Independent Director. The Chairman of the Committee is Shri Raj Kumar Gupta, an Executive Director. No meeting of the Compensation Committee has taken place during the year under consideration.

#### 4. GENERAL BODY MEETING

Date, Venue and Time for the last three Annual General Meetings:

Year	Venue	Date	Time
2010	Shree Delhi Gujarati Samaj (Regd.) Mahatma Gandhi Sanskritik Kendra, MPCU Shah Auditorium 2, Raj Niwas Marg, Civil Lines, Delhi-110054.	25/08/2010	11.00 a.m.
2011	- Do -	24/08/2011	1.00 p.m.
2012	- Do -	07/09/2012	2.30 p.m.

The following Special Resolutions were passed by the Company at the aforementioned General Meetings:

AGM	Details of Special Resolution
19th Annual General Meeting	– None –
20th Annual General Meeting	1. U/S 293(1)(a) of the Companies Act, 1956 authorizing the Board for Sale, Lease or dispose off the properties, assets and undertakings.
21st Annual General Meeting	– None –

#### 5. COMPLIANCE

The Company has a competently staffed legal department, which ensures compliance with the legal requirements of the Company. Secretarial Department is presently looked after and supervised by the Chairman and Managing Director of the Company who is responsible for compliance in respect of Companies Act and other allied laws, rules and regulations of SEBI and Stock Exchanges. Additionally, Shri Uma Shankar Lakhera, Manager – Secretarial of the Company, has been nominated as the Compliance Officer of the Company.

#### 6. MEANS OF COMMUNICATION

Timely disclosure of consistent, relevant and reliable information on financial performance is at the core of good governance. Towards this end, major steps taken are as under:

- (i) The quarterly results of the Company were announced within stipulated 45 days of end of quarter and audited annual results along with results for the fourth quarter were announced within stipulated 60 days of the end of the financial year. The approved financial results of the Company during the financial year 2012-2013 are forthwith sent to all the Stock Exchanges with whom the Company has listing arrangements. Further, the results in the prescribed Proforma alongwith the detailed press release is published within 48 hours of the conclusion of the meeting of the

## CORPORATE GOVERNANCE REPORT Contd.

Board of Directors in leading English and Hindi dailies having wide circulation across the country. Financial results are also displayed on the website of the Company.

- (ii) Updated information relating to shareholding pattern, financial results etc. is available on Corp Filing and Dissemination System in addition to the Company's website.
- (iii) The website of the Company contains dedicated section 'Investor Zone' having updated relevant information for shareholders.
- (iv) The management discussion & analysis report forms part of the Directors' Report.

### 7. MANAGEMENT INFORMATION SYSTEMS

As a matter of transparency and good governance, key operational and financial data, and also other relevant information are furnished to the Directors in every meeting of the Board.

### 8. INVESTOR INFORMATION

#### ANNUAL GENERAL MEETING:

Day & Date	:	Thursdsy, 12th day of September 2013
Time	:	10.30 A.M.
Financial Year	:	2012-2013
Venue	:	Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065
Book Closure	:	Saturday, the 7th day of September 2013 to Friday, the 13th day of September 2013 (both days inclusive)
Registrar & Share Transfer Agent	:	M/s. Skyline Financial Services Pvt. Ltd. Corporate Office : D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-26812682, 26812683 Fax: 91-11-26812683 E-mail: admin@skylinerta.com
Compliance Officer	:	Shri U. S. Lakhera, Manager-Secretarial
ISIN No.	:	INE043B01028

#### INVESTOR CORRESPONDENCE:

The shareholders may address their communication to the Registrar and Transfer Agent at their address mentioned herein above or to the Compliance Officer, Vintron Informatics Limited, F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020. Phone(s): 011-26810815, 26810816, 43740000 Fax: 011-26813681, E-mail : vil\_vintron@hotmail.com

#### PROFILE OF DIRECTORS RETIRING BY ROTATION

##### Shri Satish Chand

Shri Satish Chand, aged about 50 years is a Chartered Accountant by profession and practicing as a partner of firm namely Satish C. & Co. since 1989. During his long working experience of 24 years, he has been involved in to various accounting and financial activities viz. due diligence, project appraisals, feasibility studies, income tax matters, Company law matters and auditing of accounts for number of his prestigious clients.

Shri Satish Chand is due to retire by rotation at the forthcoming Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

#### LISTING ON STOCK EXCHANGES

The Company's Equity Shares are listed on the following Stock Exchange/s:

- i) The BSE Limited, Floor-25, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001
- ii) The Calcutta Stock Exchange Ltd., 7 Lyons Range, Calcutta - 700 001
- iii) The Delhi Stock Exchange Limited, DSE House, 3/1 Asaf Ali Road, New Delhi-110002  
(De-listing is sought in terms of the sanctioned revival scheme)

## 22nd Annual Report 2012-2013

### CORPORATE GOVERNANCE REPORT Contd.

#### STOCK CODE

The Stock code for the Company's Equity Shares is as follows:

- The BSE Limited "517393"
- The Calcutta Stock Exchange Limited "10032155"
- The Delhi Stock Exchange Limited "122073"

#### STOCK PRICE DATA

(Amount in Rs.)

2012-2013 Month	The Stock Exchange, Mumbai	
	High	Low
April 2012	3.70	3.00
May 2012	3.53	2.70
June 2012	3.38	2.73
July 2012	3.65	2.59
August 2012	4.71	2.81
September 2012	5.97	4.50
October 2012	5.99	4.56
November 2012	5.71	4.34
December 2012	5.38	4.32
January 2013	5.90	3.97
February 2013	5.70	4.57
March 2013	5.29	3.50

Based on the figures available at official website of the Bombay Stock Exchange Limited.

#### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2013

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 500	11,031	90.14%	1,524,411	1.95%
501-1000	644	5.25%	540,619	0.69%
1001-5000	444	3.63%	937,556	1.19%
5001-10000	62	0.51%	446,509	0.57%
10001 onwards	57	0.47%	74,906,705	95.60%
<b>Total</b>	<b>12,238</b>	<b>100.00%</b>	<b>78,355,800</b>	<b>100.00%</b>

#### CATEGORY WISE SHAREHOLDING PATTERN AS ON 31ST MARCH 2013

Category	No. of Shares Held	% of Shares Held
Promoters	781,700	1.00%
Persons acting in Concert	72,560,599	92.60%
Mutual Funds	0	0.00%
Financial Institutions	0	0.00%
Foreign Institutional Investors	0	0.00%
Banks	0	0.00%
Corporate Bodies	468,035	0.60%
NRIs / OCBs	427,796	0.55%
Hindu Undivided Family	79,435	0.10%
Clearing Members/House	900	0.00%
Public	4,037,335	5.15%
<b>Total</b>	<b>78,355,800</b>	<b>100.00%</b>
Number of Shares in Physical Form	1,192,002	1.52%
Number of Shares in Electronic Form	77,163,798	98.48%
<b>Total</b>	<b>78,355,800</b>	<b>100.00%</b>

#### REGISTERED / CORPORATE OFFICE AND PLANT:

F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To  
the members of  
Vintron Informatics Limited  
New Delhi

We have reviewed the implementation of Corporate Governance procedures by Vintron Informatics Limited during the year ended 31st March, 2013 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliances of conditions of Corporate Governance is the responsibility of the management, our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement(s) with the stock exchange(s) have been complied with in all material respect by the Company and that no investor grievance(s) is/are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer Committee/Shareholders Grievance Committee.

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS

Sd/-  
**(RAKESH KUMAR)**  
PARTNER

Membership No. 87537  
FIRM REGN. NO. 000018N

PLACE : **NEW DELHI**  
DATED : **24/07/2013**

## 22nd Annual Report 2012-2013

### INDEPENDENT AUDITORS' REPORT

To

The Members of  
VINTRON INFORMATICS LIMITED  
NEW DELHI

#### Report on the Financial Statements

We have audited the accompanying financial statements of **VINTRON INFORMATICS LIMITED ('the Company')**, which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and 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, financial performance and cash flows 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:

- i in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2013;
- ii. in the case of the statement of profit and loss, of the **PROFIT** for the year ended on that date; and
- iii. 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 as amended by the Companies (Auditor's Report) order 2004 ("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.



## INDEPENDENT AUDITORS' REPORT Contd.

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 sub-section (3C) of section 211 of the Companies Act, 1956 except provision of employee benefits which is not in line with the provisions of AS-15. However in our opinion the same would not have any material impact on profit for the year;
  - e. on the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 000018N

Sd/-  
**(RAKESH KUMAR)**  
PARTNER  
Membership No. 87537

PLACE: **NEW DELHI**  
DATED: **13/05/2013**

## 22nd Annual Report 2012-2013

### ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013

1. a) *During the year under audit the Company could not produce the fixed assets records/registers, before us for verification, which as explained to us are under preparation. In view of above we are unable to comment on the matter.*
  - b) As explained to us, major fixed assets have been physically verified by the management during the year. We have been informed that the discrepancies noticed on such verification as compared to book record were not material and have been properly dealt with in the books of account. In our opinion the frequency of verification is reasonable.
  - c) During the year the Company has not disposed off any fixed assets hence clause 4 (i) (c) of the Order is not applicable.
2. a) As explained to us physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials lying at the factory premises of the Company.
  - b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of these stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion the Company is maintaining proper records of inventories. As explained to us the discrepancies noticed on such verification between the physical stocks and book records were not significant and the same has been properly dealt with in the books of account.
3. According to the information and explanations given to us, the Company has not granted/obtained any loans, secured or unsecured to/from Companies, firms or other Parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, relevant part of the paragraphs 4 (iii) (a) to (g) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and goods and for the sale of goods and services. During the course of audit, no major weakness has been noticed in the underlying internal controls.
5. According to the information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section and in our opinion the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion and according to the information and explanations given to us, the Company has to strengthen its internal audit system which though conducted but is not in commensurate with its size and nature of its business.
8. As explained to us, maintenance of cost records have been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act for the company and we have been explained that such records have been made and maintained by the company for the year under audit.
9. a) As per information and explanations given to us, the Company has been depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, and other statutory dues with the appropriate Authorities which were generally delayed on most of the occasions. However there are no undisputed statutory liabilities lying unpaid as at the year-end for a period of more than six months from the date they become payable *except VAT tax of Rs. 92,500/-*.
  - b) We have been informed that following statutory dues have not been deposited on account of disputes and appeals for the same are pending with different forums as mention herein.

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT  
ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013 Contd.**

<b>NATURE OF DEMAND</b>	<b>AMOUNT INVOLVED (Rs. in Lacs)</b>	<b>FORUM BEFORE WHICH THE CASE IS PENDING</b>
Customs Act	606.47 3.98	Hon'ble Calcutta High Court Commissioner of Customs (Exports)
Sales Tax Demand	86.70	Commissioner/Appellate Tribunals
Demand under Foreign Exchange Laws	12.00	Hon'ble High Court of Delhi
ESI Demand	44.15	Hon'ble High Court of Delhi

10. The accumulated losses of the Company as at the end of the financial year have exceeded 50% of its net worth. The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
11. According to information and explanations given to us, the Company has not given any guarantees for loans taken by others from Banks/Financial Institutions.
12. According to the information and explanations given to us, the term loans taken by the Company in earlier years were applied for the purposes for which the loans were obtained.
13. According to the information and explanations given to us, the funds raised on short-term basis have not been utilized for long-term investment.
14. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year.
15. Based upon the audit procedures performed and information and explanations 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 the year ended 31st March 2013.
16. Other clauses of the order are not applicable to the Company for the year under report.

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 000018N

Sd/-  
**(RAKESH KUMAR)**  
PARTNER  
Membership No. 87537

PLACE: **NEW DELHI**  
DATED: **13/05/2013**

## 22nd Annual Report 2012-2013

<b>BALANCE SHEET AS AT 31st MARCH, 2013</b>			
PARTICULARS	NOTE	AS AT 31-3-2013	AS AT 31-3-2012
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
Share Capital	2	78,365,650	78,365,650
Reserves and Surplus	3	5,039,372	(24,575,174)
		<b>83,405,022</b>	<b>53,790,476</b>
<b>Non-current liabilities</b>			
Long-term Borrowings	4	85,505,000	86,455,000
		<b>85,505,000</b>	<b>86,455,000</b>
<b>Current liabilities</b>			
Trade Payables	5	36,217,363	31,494,853
Other Current Liabilities	6	9,778,776	2,475,864
Short Term Provisions	7	413,531	376,715
		<b>46,409,670</b>	<b>34,347,432</b>
<b>TOTAL</b>		<b>215,319,692</b>	<b>174,592,908</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	8	60,873,645	66,806,980
Intangible Assets	8A	1,600,000	0
Long-term Loans & Advances	9	255,498	321,198
Other Non Current Assets	10	4,600,000	4,600,000
		<b>67,329,143</b>	<b>71,728,178</b>
<b>Current assets</b>			
Inventories	11	45,641,360	52,712,725
Trade Receivables	12	88,626,298	38,129,001
Cash and Bank Balances	13	5,004,553	5,274,997
Short-term Loans and Advances	14	5,432,346	4,448,539
Other Current Assets	15	3,285,992	2,299,469
		<b>147,990,549</b>	<b>102,864,730</b>
<b>TOTAL</b>		<b>215,319,692</b>	<b>174,592,908</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes form an integral part of these financial statements.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED FOR AND ON BEHALF OF THE BOARD

**FOR O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN. NO. 000018N**

Place : New Delhi  
Dated : 13/05/2013

Sd/-  
**(RAKESH KUMAR)**  
Partner

Sd/-  
**(R. K. GUPTA)**  
Managing Director

Sd/-  
**(SATISH CHAND)**  
Director

Sd/-  
**(KAJAL GUPTA)**  
Company Secretary

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

PARTICULARS	NOTE	FOR THE YEAR ENDED 31-3-2013	FOR THE YEAR ENDED 31-3-2012
<b>Revenue from Operations</b>			
Sales		197,962,387	96,166,663
Less: Excise Duty		(16,134,801)	(2,526,246)
		<b>181,827,586</b>	93,640,417
Job Work Receipts		<b>31,911,802</b>	30,269,949
<b>Total Revenue from Operations</b>		<b>213,739,388</b>	123,910,366
Other Income	16	848,681	7,571,932
<b>Total Revenue</b>		<b>214,588,069</b>	131,482,299
<b>Expenses:</b>			
Cost of Material consumed		97,395,614	16,202,778
Purchase of Trading Goods		12,966,388	107,265,471
Changes in inventories	17	35,748,529	(42,098,487)
Employee benefits Expenses	18	18,715,083	13,356,793
Depreciation	8	6,912,792	6,569,331
Manufacturing, Administration & Other Expenses	19	12,300,558	7,951,931
Provision for bad & doubtful debts		881,129	175,933
<b>Total Expenses</b>		<b>184,920,093</b>	109,423,749
<b>Profit before tax</b>		<b>29,667,976</b>	22,058,549
<b>Tax expense:</b>			
Income tax Adjustment for earlier years		53,430	163,475
<b>Profit for the year from continuing operation</b>		<b>29,614,546</b>	21,895,074
<b>Earnings per Share (Basic &amp; Diluted)</b>		<b>0.38</b>	0.28

### SIGNIFICANT ACCOUNTING POLICIES 1

The accompanying notes form an integral part of these financial statements.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED FOR AND ON BEHALF OF THE BOARD

**FOR O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN. NO. 000018N**

Place : New Delhi	Sd/- <b>(RAKESH KUMAR)</b> Partner	Sd/- <b>(R. K. GUPTA)</b> Managing Director	Sd/- <b>(SATISH CHAND)</b> Director	Sd/- <b>(KAJAL GUPTA)</b> Company Secretary
Dated : 13/05/2013				

## 22nd Annual Report 2012-2013

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013</b>		
PARTICULARS	FOR THE YEAR ENDED 31-3-2013	FOR THE YEAR ENDED 31-3-2012
<b>A. <u>Cash Flow from Operating Activities</u></b>		
Net Profit before tax and extra ordinary items	29,667,976	22,058,549
<u>Adjustment for :</u>		
Depreciation	6,912,792	6,569,331
Profit on sale of fixed assets	0	(5,598,011)
Interest Paid	0	0
Dividend Received	0	0
Interest Received	(848,681)	(787,357)
	<b>6,064,111</b>	183,963
<b>Operating Profit before Working Capital Facilities</b>	<b>35,732,087</b>	22,242,512
<u>Adjustment for :</u>		
Trade & Other Receivable	(52,401,927)	(7,721,086)
Inventories	7,071,365	(46,438,588)
Advance written off	0	(1,599,000)
Trade Payable	12,062,238	6,069,982
	<b>(33,268,324)</b>	(49,688,693)
<b>Cash generated from operation</b>	<b>2,463,763</b>	(27,446,180)
Income Tax Paid/TDS Adjustment	(53,430)	(163,475)
Interest Paid	0	0
	<b>(53,430)</b>	(163,475)
<b>Net Cash Flow from operating activities</b>	<b>2,410,333</b>	(27,609,655)
<b>B. <u>Cash Flow From Investing activities</u></b>		
Purchase of Fixed Assets	(2,579,457)	(2,399,987)
Sale of Fixed Assets	0	12,882,620
Investments in CWIP	0	0
Sale of Investments	0	0
Purchase of Investments	0	0
Interest Received	848,681	787,357
Dividend Received	0	0
Investment in FDR (Non Cash items)	0	0
	<b>(1,730,776)</b>	11,269,990
<b>Net Cash used in investing activities</b>	<b>(1,730,776)</b>	11,269,990

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013 Contd.

PARTICULARS	FOR THE YEAR ENDED 31-3-2013	FOR THE YEAR ENDED 31-3-2012
<b>C. Cash Flow from Financing Activities</b>		
Proceed from issue of Share Capital	0	0
Proceed from Long Term Borrowings	0	0
Repayment of Long term borrowings	(950,000)	17,990,000
Proceed from Short Term Borrowings	0	0
Repayment of Finance/Lease Liabilities	0	0
Dividend Paid	0	0
Income Tax Paid/Provisions	0	0
	<b>(950,000)</b>	17,990,000
<b>Net Cash used in financing activities</b>	<b>(270,443)</b>	1,650,335
<b>Cash &amp; Cash equivalent Opening</b>	<b>2,352,574</b>	702,239
<b>Cash &amp; Cash equivalent Closing</b>	<b>2,082,130</b>	2,352,574

**Note :-**

1. Figures in brackets indicate cash outflow
2. Significant Accounting Policies and Notes on Accounts form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED FOR AND ON BEHALF OF THE BOARD

**FOR O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN. NO. 000018N**

Place : <b>New Delhi</b>	Sd/- <b>(RAKESH KUMAR)</b> Partner	Sd/- <b>(R. K. GUPTA)</b> Managing Director	Sd/- <b>(SATISH CHAND)</b> Director	Sd/- <b>(KAJAL GUPTA)</b> Company Secretary
Dated : <b>13/05/2013</b>				

## 22nd Annual Report 2012-2013

### NOTES

#### NOTE No. 1 to the Financial Statement

#### SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Accounting:**  
The Company prepares its financial statements on historical cost basis and in accordance with applicable accounting standards and generally accepted accounting principles and also in accordance with the requirements of the Companies Act, 1956.
2. **Income & Expenditure:**  
Accounting of Income & Expenditure is done on accrual basis.
3. **Revenue Recognition:**  
Revenue from job work charges is accounted for on the basis of raising the invoice on completion of jobs. Revenue from sales is recognized on actual dispatch of goods along with transfer of risk and rewards thereof.
4. **Fixed Assets-Tangible/Intangible & Depreciation/Amortisation:**
  - a) Fixed Assets are stated at their original cost of acquisition, inclusive of inward freight, duties and expenditure incurred in the acquisition, construction/ installation.
  - b) Assets acquired from the partnership firm on its dissolution are shown as addition to fixed assets and WDV as on date of dissolution is considered as cost.
  - c) Depreciation is charged on Straight Line Method in accordance with the rates provided in Schedule XIV of the Companies Act, 1956.
  - d) Cenvat credit availed on Capital Goods is accounted for by credit to respective Fixed Assets.
  - e) Intangible assets are amortized over a the period of useful life of the asset subject to maximum rate of depreciation defined in the Companies Act, 1956.
5. **Inventories:**  
Method of Valuation
  - a) **Raw Materials** – at cost or market price whichever is less.
  - b) **Finished Goods** – at cost or market price whichever is less.
6. **Contingent Liabilities:**  
Contingent Liabilities are determined on the basis of available information and are disclosed by way of Notes to the Accounts.
7. **Foreign Currency Transactions**  
Foreign currency transactions are initially recorded at the exchange rates prevailing at the time of execution of the transaction. Monetary items are revalued at the year end exchange rates and difference is charged to the statement of profit and loss.
8. **Employee Benefit**  
The Employee benefits comprising defined benefit plan and defined contribution plan. Defined contribution plan is recognized as expenses on accrual basis to the extent of Company's contribution as an employer. Defined benefit plan of gratuity and the same are provided as expenses on the basis of demand raised by insurance company. Leave encashment benefit is accounted for on the basis of accumulated entitlement of the employee as at the end of the year and valued on last salary drawn.
9. **Sales**  
Sales are stated net of discounts allowed and excise duty paid.
10. **Excise Duty**  
Excise Duty is accounted for as expense at the time of goods cleared. Also provision has been made for excise duty payable on closing stock of finished stock as at the end of the year.
11. Unless specifically stated to be otherwise, these policies are consistently followed.



## NOTES Contd.

PARTICULARS	AS AT 31-3-2013	AS AT 31-3-2012
<b>Note No. 2 to the Financial Statements</b>		
<b><u>SHARE CAPITAL</u></b>		
<b>AUTHORISED</b>		
<b>Equity Share Capital</b>		
16,00,00,000 shares of par value of Re.1/- each (Previous year 16,00,00,000 shares of par value of Re.1/- each)	160,000,000	160,000,000
<b>Preference Share Capital</b>		
4,00,000 shares of par value of Rs.100/- each (Previous year 4,00,000 shares of par value of Rs.100/- each)	40,000,000	40,000,000
<b>Total</b>	<b>200,000,000</b>	<b>200,000,000</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID-UP</b>		
7,83,55,800 shares of par value of Re.1/- each (Previous year 7,83,55,800 shares of par value of Re.1/- each)	78,355,800	78,355,800
Add Shares Forfeited Amount Originally Paid up	9,850	9,850
<b>Total</b>	<b>78,365,650</b>	<b>78,365,650</b>

### **NOTES:**

- a) During the year the Company has neither issued nor bought back any share (equity or preference).

PARTICULARS	AS AT 31.3.2013	AS AT 31.3.2012
Number of shares outstanding as at the beginning of the year	78,355,800	78,355,800
Number of shares outstanding as at the closing of the year	78,355,800	78,355,800

- b) The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to vote at meetings of the Company.
- c) Of the above 7,25,00,000 equity shares (Previous Year 7,25,00,000 equity shares) are held by holding Company M/s. Goodworth Build Invest Private Limited that comprises 92.53% of share capital. Besides this none of the share holders is holding more than 5% of total share capital of the Company.
- d) Of the above 7,25,00,000 equity shares have been issued for a consideration other than cash by way of conversion of loans into equity pursuant to revival scheme as approved by the BIFR.

### **Note No. 3 to the Financial Statements**

#### **RESERVES AND SURPLUS**

Capital Reserve As per Last Balance Sheet	331,177,685	332,776,685
Less Amount withdrawn on advance written off	0	(1,599,000)
	<b>331,177,685</b>	<b>331,177,685</b>
Securities Premium Account as per Last Balance Sheet	<b>42,330,000</b>	42,330,000
<b>Surplus</b>		
As per last balance sheet	(398,082,859)	(419,977,933)
Add: Profit for the year from Statement of Profit & Loss	29,614,546	21,895,074
	<b>(368,468,313)</b>	<b>(398,082,859)</b>
<b>Total</b>	<b>5,039,372</b>	<b>(24,575,174)</b>

## 22nd Annual Report 2012-2013

<b>NOTES Contd.</b>		
PARTICULARS	AS AT 31-3-2013	AS AT 31-3-2012
<b>Note No. 4 to the Financial Statements</b>		
<b><u>LONG-TERM BORROWINGS</u></b>		
<b>Loans</b>		
<b>    <u>From Holding Company (A Related Party)</u></b>		
Secured	19,375,000	19,375,000
Unsecured	66,130,000	67,080,000
<b>Total</b>	<b>85,505,000</b>	<b>86,455,000</b>
<b>A. <u>Details of security in respect of long term borrowings disclosed in note no. 4 above</u></b>		
Secured loan of Holding Company is secured by way of first charge on immovable property of the Company.		
<b>B. <u>Other Disclosures related to long term borrowings</u></b>		
Loans from holding Company is non interest bearing and no stipulations are determined for repayment of the same.		
<b>Note No. 5 to the Financial Statements</b>		
<b><u>TRADE PAYABLES</u></b>		
For goods & services	36,217,363	31,494,853
<b>Total</b>	<b>36,217,363</b>	<b>31,494,853</b>
There is no amount payable to Micro and Small Enterprises under MSMED Act, 2006 as at the end of the year.		
<b>Note No. 6 to the Financial Statements</b>		
<b><u>OTHER CURRENT LIABILITIES</u></b>		
Advance from customers	50,600	120,054
Other liabilities*	9,728,176	2,355,810
<b>Total</b>	<b>9,778,776</b>	<b>2,475,864</b>
* It includes amount payable towards statutory dues.	1,038,140	460,417
<b>Note No. 7 to the Financial Statements</b>		
<b><u>SHORT TERM PROVISIONS</u></b>		
<b>Provision for employee benefits - Earned Leave</b>		
Opening Balance	376,715	351,450
Additions/(adjustments) during the year	36,816	25,265
<b>Total</b>	<b>413,531</b>	<b>376,715</b>

## NOTES Contd.

### NOTE NO. 8 to the Financial Statements

#### FIXED ASSETS TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As At 01.04.2012	Additions During the Year	Upto 31.03.2012	For the Year	Adjust- ment	Upto 31.03.2013	As At 31.03.2012	As At 31.03.2013
LAND-Freehold	12,682,140	0	0	0	0	0	12,682,140	12,682,140
BUILDING	15,780,305	161,555	7,438,887	530,675	0	7,969,562	7,972,298	8,341,418
PLANT & EQUIPMENT	114,711,391	585,214	73,346,046	5,022,209	0	78,368,255	36,928,350	41,365,345
FURNITURES & FIXTURES	8,691,634	0	7,940,035	467,918	0	8,407,953	283,681	751,599
VEHICLES	2,628,765	0	1,921,508	241,948	0	2,163,456	465,309	707,257
OFFICE EQUIPMENTS	17,676,498	232,688	14,717,277	650,042	0	15,367,319	2,541,867	2,959,221
<b>CURRENT YEAR</b>	<b>172,170,733</b>	<b>979,457</b>	<b>105,363,752</b>	<b>6,912,792</b>	<b>0</b>	<b>112,276,544</b>	<b>60,873,645</b>	<b>66,806,980</b>
<b>PREVIOUS YEAR</b>	<b>178,844,796</b>	<b>2,399,987</b>	<b>100,583,864</b>	<b>6,569,331</b>	<b>1,789,442</b>	<b>105,363,752</b>	<b>66,806,980</b>	<b>78,260,932</b>

### NOTE NO. 8A to the Financial Statements

#### FIXED ASSETS INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As At 01.04.2012	Additions During the Year	Upto 31.03.2012	For the Year	Adjust- ment	Upto 31.03.2013	As At 31.03.2012	As At 31.03.2013
SOFTWARE <sup>1</sup>	0	1,600,000	0	0	0	0	1,600,000	0
<b>CURRENT YEAR</b>	<b>0</b>	<b>1,600,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,600,000</b>	<b>0</b>
<b>PREVIOUS YEAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup>Put to use on 31.03.2013

## 22nd Annual Report 2012-2013

<b>NOTES Contd.</b>		
<b>PARTICULARS</b>	<b>AS AT 31-3-2013</b>	<b>AS AT 31-3-2012</b>
<b><u>Note No. 9 to the Financial Statements</u></b>		
<b><u>LONG TERM LOANS AND ADVANCES</u></b>		
(Unsecured Considered good, unless otherwise stated)		
<b>CAPITAL ADVANCES</b>	<b>0</b>	<b>40,700</b>
<b>DEPOSITS</b>		
Other Security Deposits	<b>255,498</b>	<b>280,498</b>
<b>Total</b>	<b>255,498</b>	<b>321,198</b>
<b><u>Note No. 10 to the Financial Statements</u></b>		
<b><u>OTHER NON CURRENT ASSETS</u></b>		
(Unsecured Considered good, unless otherwise stated)		
Non current bank balances (Refer Note 12)*	<b>4,600,000</b>	<b>4,600,000</b>
<b>Total</b>	<b>4,600,000</b>	<b>4,600,000</b>
*Deposit having maturity beyond twelve months		
<b><u>Note No. 11 to the Financial Statements</u></b>		
<b><u>INVENTORIES</u></b>		
Raw Material	<b>33,624,366</b>	<b>4,947,202</b>
Finished Goods	<b>139,991</b>	<b>15,175</b>
Stock in Trade	<b>11,877,003</b>	<b>47,750,348</b>
<b>Total</b>	<b>45,641,360</b>	<b>52,712,725</b>
a) Inventory items have been valued considering the Significant Accounting Policy No.5 disclosed in Note no. 1 to these financial statements.		
<b><u>Note No. 12 to the Financial Statements</u></b>		
<b><u>TRADE RECEIVABLES</u></b>		
(Unsecured Considered good, unless otherwise stated)		
<b>Debts outstanding over six months</b>		
Considered Good	<b>38,240,027</b>	<b>7,652,174</b>
Considered doubtful	<b>2,354,611</b>	<b>1,473,482</b>
Less: Provision for Bad and Doubtful Debts	<b>(2,354,611)</b>	<b>(1,473,482)</b>
<b>Other debts</b>		
Considered Good	<b>50,386,271</b>	<b>30,476,827</b>
<b>Total</b>	<b>88,626,298</b>	<b>38,129,001</b>
<b><u>Note No. 13 to the Financial Statements</u></b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
Balances with banks	<b>1,602,580</b>	<b>2,082,590</b>
Cash on hand	<b>479,550</b>	<b>269,984</b>
<b>Total</b>	<b>2,082,130</b>	<b>2,352,574</b>
<b><u>OTHER BANK BALANCES:</u></b>		
<b>Balance held as margin money against bank guarantees</b>	<b>7,522,423</b>	<b>7,522,423</b>
Less : Amount disclosed in Other Non current assets	<b>4,600,000</b>	<b>4,600,000</b>
<b>Balance having maturity after three months</b>	<b>2,922,423</b>	<b>2,922,423</b>
<b>Total</b>	<b>5,004,553</b>	<b>5,274,997</b>

## NOTES Contd.

PARTICULARS	AS AT 31-3-2013	AS AT 31-3-2012
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### Note No. 14 to the Financial Statements

#### SHORT TERM LOANS AND ADVANCES

(Unsecured Considered good, unless otherwise stated)

#### ADVANCES

Employees	404,000	111,229
Contractors & Suppliers	1,763,287	2,300,585
Others*	1,206,434	898,470
Balance with Excise Authorities	501,116	250,476
Advance tax deposit & tax deducted at source	1,557,509	887,779
<b>Total</b>	<b>5,432,346</b>	<b>4,448,539</b>

\* Includes Rs. 336,144/- due from Vintron Electronics Pvt. Ltd., a Company in which Director of the Company is also Director.

### Note No. 15 to the Financial Statements

#### OTHER CURRENT ASSETS

#### Interest Accrued

Term Deposits	3,055,992	2,299,469
Security Deposits	230,000	0
<b>Total</b>	<b>3,285,992</b>	<b>2,299,469</b>

### Note No. 16 to the Financial Statements

#### OTHER INCOME

#### Interest

From Banks on Term Deposits	848,681	787,357
From Others	0	93,679
Profit on sale of Fixed Assets	0	5,598,011
Rent Received	0	222,000
Miscellaneous Income	0	870,885
<b>Total</b>	<b>848,681</b>	<b>7,571,932</b>

### Note No. 17 to the Financial Statements

#### CHANGES IN INVENTORIES

#### AS AT THE BEGINNING OF THE YEAR

- Finished Goods	15,175	5,344
- Stock in Trade	47,750,348	5,661,692
<b>Total - A</b>	<b>47,765,523</b>	<b>5,667,036</b>

#### AS AT THE CLOSING OF THE YEAR

- Finished Goods	139,991	15,175
- Stock in Trade	11,877,003	47,750,348
<b>Total - B</b>	<b>12,016,994</b>	<b>47,765,523</b>

<b>Total - (A - B)</b>	<b>35,748,529</b>	<b>(42,098,487)</b>
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## 22nd Annual Report 2012-2013

<b>NOTES Contd.</b>		
<b>PARTICULARS</b>	<b>AS AT 31-3-2013</b>	<b>AS AT 31-3-2012</b>
<b>Note No. 18 to the Financial Statements</b>		
<b><u>EMPLOYEE BENEFITS EXPENSES</u></b>		
Salaries and wages	16,416,574	11,973,933
Contribution to provident and other funds	1,310,553	926,538
Staff welfare expenses	366,184	85,022
Contribution to Gratuity Fund / Gratuity Paid	621,772	371,300
<b>Total</b>	<b>18,715,083</b>	<b>13,356,793</b>
<b><u>Managerial Remuneration paid / payable to Managing Director is included above</u></b>		
Salary	540,000	540,000
Contribution to provident and other funds	9,360	9,360
Other Perquisites	32,610	117,670
<b>Total</b>	<b>581,970</b>	<b>667,030</b>
<b>Note No. 19 to the Financial Statements</b>		
<b><u>MANUFACTURING ADMINISTRATION &amp; OTHER EXPENSES</u></b>		
Power & Fuel	3,634,638	2,695,397
Packing & Forwarding Charges	1,977,482	732,892
Repairs and Maintenance		
- Machinery	370,465	233,746
- Others	119,992	250,547
Advertisement Expenses	443,032	397,122
AGM Expenses	139,456	167,117
<u>Auditors Remuneration</u>		
- As Audit Fees	112,360	84,270
- As Tax Audit Fees	20,786	6,618
- For Other Matters	16,855	18,202
Bad Debts / Sundry Balances Written Off	0	(168,058)
Bank Charges	70,114	83,792
Communication Expenses	557,513	340,952
Net Loss / (Gain) in Foreign Exchange Rate Variations	(169,362)	270,180
Insurance charges	17,756	14,262
Legal & Professional Charges	954,328	735,485
Sales Tax Paid	40,622	0
Printing & Stationery Expenses	235,818	94,902
Rent, Rate & Taxes	1,338,000	851,742
Research and Development Expenses	62,804	0
Security Service Charges	507,608	472,799
Selling Expenses	178,215	13,818
Travelling & Conveyance Expenses	1,099,803	289,566
Vehicle Running & Maintenance Expenses	130,761	237,275
Miscellaneous Expenses	441,512	129,306
<b>Total</b>	<b>12,300,558</b>	<b>7,951,931</b>

## NOTES Contd.

### OTHER NOTES ON ACCOUNTS

20. Contingent Liabilities not provided for in the books of accounts :-

	AS AT 31.03.2013 (Rs. In Lakhs)	AS AT 31.03.2012 (Rs. in Lakhs)
a) Counter Guarantee issued against outstanding - Bank Guarantees	80.95	80.95
b) Demand under Foreign Exchange Laws (Pending being disputed)	12.00	12.00
c) Demand under Custom Act	610.45	610.45
d) Sales Tax disputed demand	86.70	86.70
e) ESI Demand	44.15	44.15

21. In the opinion of the Management the Current Assets, Loans and Advances have a value on realization in ordinary course of Business at least equal to the amount at which they are stated in the Balance Sheet, except otherwise stated elsewhere.

22. Claim against the Company (not acknowledged as Debts) – **Rs.53.68 Lakhs** (Previous Year Rs.53.68 Lakhs)

23. Rupee equivalent as at 31.03.2013 of export obligation to be completed by the Company under EPCG Scheme **Rs. 2,644.00 Lacs** (Previous Year Rs. 2,644.00 Lacs). Pursuant to the relief granted under the revival scheme the Company has got extension of time limit for fulfillment of the obligation upto the financial year ending on 31.03.2014.

24. Balance confirmation certificates from number of parties, included in debtors, creditors and advance recoverable were not available for verification.

25. No claim has been received from any of the Suppliers of their being a micro & small enterprise unit under Micro, Small and Medium Enterprises Development Act, 2006. Hence amount due to such entities is not ascertainable.

26. Taxation

Current Year Tax

In view of the unabsorbed losses as per income tax record the Company is not liable to pay tax on profit for the year. Also no tax liability is attracted on book profit of the Company under the provisions of Section 115JB of Income Tax Act related to Minimum Alternate Tax (MAT).

Deferred Tax

Keeping in view the unabsorbed losses of the Company in Income Tax records and uncertainty of sufficient profit in the future years, Deferred Tax Asset in accordance with the provisions of Accounting Standard 22 on 'Taxes on Income' has not been recognized and provided in the accounts.

27. Related party transactions during the year in terms of the provisions of AS-18 of "Related Party Disclosures".

Name of the Associate : Goodworth Build Invest Pvt. Ltd.

Transactions during the year : Loan outstanding as at end of the year Rs. 855.05 Lacs (Previous Year Rs. 864.55 Lacs) Loan repaid during the year Rs. 9.50 Lacs (Previous Year loan obtained 179.90 Lacs)

Name of the Key Managerial Personnel : Shri R. K. Gupta, Managing Director

Transactions during the year : Remuneration Rs. 5.82 Lacs (Previous Year Rs. 6.67 Lacs)

## 22nd Annual Report 2012-2013

### NOTES Contd.

28. There are no reportable segments in the Company (Physical or geographical) hence segment-wise information in terms of the provisions of AS-17 on 'Segment Reporting' is not given.
29. The "Employee Benefits" as required to be provided under AS-15 issued by ICAI and the same are accounted for by the Company on the basis as enumerated hereunder. The quantum of defined benefit plans are to be valued by an actuary in terms of provisions of the Standard. Disclosures of Employees Benefits provided by the Company is as under :-

#### Defined Contribution Plan:

The Company pays fixed contribution to Provident Fund at predetermined rates to regional authorities as per law. The contribution to the fund for the period is recognized as expense and is charged to the statement of profit & loss. The obligation of the Company is limited to such fixed contribution. An amount of Rs.9.52 Lacs (Previous Year Rs.6.75 Lacs) has been recognized as expense for defined contribution plan (Contributory Provident Fund).

#### Defined Benefit Plan:

- a) **Earned Leave Benefit:** Accrual of 20 day leave per annum is credited by the Company. Encashment is available at the time of retirement or superannuation. Amount as per entitlement as at the end of the year is recognized as expense. During the year Rs.0.45 Lacs (Previous Year Rs.0.25 Lacs) has been provided towards leave encashment expenses.
- b) **Gratuity:** The Company has obtained policy from an Insurance Company towards gratuity benefit. The Company's contribution towards the policy is recognized as expense. During the year Rs.6.22 Lacs (Previous Year Rs.3.71 Lacs) has been provided towards the gratuity contribution.
30. Earnings per share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earnings per share:

	(Amount in Rs.)	
	Year Ended on <u>31.03.2013</u>	Year Ended on <u>31.03.2012</u>
Profit attributable to the Equity Shareholders –(A)	29,614,546	21,895,074
Basic / Weighted average number of Equity Shares outstanding during the year (B)	78,355,800	78,355,800
Nominal value of Equity Shares (Rs.)	1.00	1.00
Basic/ Diluted Earnings per share (Rs.) - (A) / (B)	0.38	0.28
<b>Calculation of Profit attributable to Shareholders:</b>		
Profit After Tax	29,667,976	22,058,549
Less: Income Tax Adjustment / Provision	(53,430)	(163,475)
Profit attributable to Shareholders	29,614,546	21,895,074

31. Additional information pursuant to para 5 of the Schedule VI of the Companies Act, 1956:

DETAILS REGARDING STOCK AND SALES	(Amount in Rs.)	
	2012-13	2011-12
<b>Opening Stock</b>		
Traded Goods		
Multimedia Devices	—	—
Multimedia Speakers	—	—
Populated PCB	36,679,785	4,327,850
CCTV Camera	11,070,563	1,333,842
Manufactured Goods		
Populated PCB	15,175	5,344



## NOTES Contd.

DETAILS REGARDING STOCK AND SALES		2012-13	2011-12		
<b><u>Purchases of trading goods</u></b>					
Populated PCB		—	32,351,935		
CCTV Camera		10,590,479	18,392,630		
TV Buddy		2,375,909	—		
Communication Products		—	56,520,906		
<b><u>Sales</u></b>					
Traded Goods					
Populated PCB		33,573,719	—		
CCTV Camera		16,677,222	12,110,576		
TV Buddy		2,454,317	—		
Communication Products		—	57,395,530		
Manufactured Goods					
CCTV Camera		98,501,872	16,801,874		
Board Camera		16,052,710	—		
Populated PCB		24,764	—		
Modem		—	9,858,683		
DVR		30,677,783	—		
<b><u>Closing Stock</u></b>					
Traded Goods					
Populated PCB		599,360	36,679,785		
CCTV Camera		10,242,546	11,070,563		
TV Buddy		1,035,097	—		
Manufactured Goods					
CCTV Camera		131,179	15,175		
Board Camera		8,812	—		
<b><u>Raw Material Consumed</u></b>					
Populated PCB Assembly / Modem		—	7,063,509		
CCTV Camera Assembly		50,092,956	8,532,168		
Other Misc Material		47,302,659	607,101		
<b><u>Break-up of raw material consumed</u></b>		<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>
Indigenous		41	39,496,640	6	890,420
Imported		59	57,898,975	94	15,312,358
<b><u>VALUE OF IMPORTS ON CIF BASIS</u></b>					
Raw Material/Stores		89,315,363	15,343,974		
Finished Goods		11,711,068	12,121,946		
<b><u>EXPENDITURE IN FOREIGN CURRENCY</u></b>					
Travelling Expenses		—	47,312		
Repair & Maintenance		51,753	—		

32. Previous Year figures have been regrouped or re-casted wherever considered necessary.

**FOR O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN. NO. 000018N**

FOR AND ON BEHALF OF THE BOARD

Place : New Delhi	Sd/-	Sd/-	Sd/-	Sd/-
Dated : 13/05/2013	(RAKESH KUMAR)	(R. K. GUPTA)	(SATISH CHAND)	(KAJAL GUPTA)
	Partner	Managing Director	Director	Company Secretary

## QUALITY POLICY

*“Customer satisfaction through quality and reliability of our products and services to be achieved by our will to delivery better by consistently improving our products, systems and procedures.”*

Sd/-  
**(Raj Kumar Gupta)**  
Chairman & Managing Director

**VINTRON INFORMATICS LTD.**

Regd. Office : F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

**PROXY FORM**

I/We.....having  
Regd. Folio No./DP-ID & Client ID.....of.....being member /members  
of VINTRON INFORMATICS LTD. hereby appoint.....of.....or  
failing him/her.....of.....or  
my/our proxy to attend and vote me/us on my/our behalf at the Twenty Second Annual General Meeting of the  
Company to be held at Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065 on Thursday,  
the 12th day of September, 2013 at 10.30 a.m. and at any adjournment thereof.

Signed this.....day of.....2013.



**Note :** The proxy must be returned so as to reach Registered Office of the Company not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.

**VINTRON INFORMATICS LTD.**

Regd. Office : F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the Twenty Second Annual General Meeting being held at Arya Auditorium,  
Desraj Campus, C-Block, East of Kailash, New Delhi-110065 on Thursday, the 12th day of September, 2013 at  
10.30 a.m.

Particulars of the member(s)

Name.....S/o, D/o, W/o.....

Folio No./DP-ID & Client ID.....

No. of Shares held.....

**Note :** Members/Proxies are requested to bring the Attendance Slip and sign the same at the time of handing over at the Meeting Hall.

**For convenience of Member, persons other than Members/Proxies will not be admitted.**


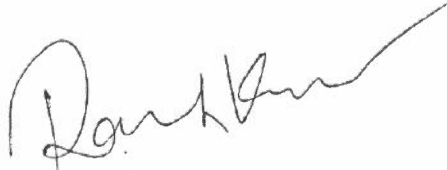
**Attendance Slip in Photocopy will not be entertained.**

**No Gift/Coupon will be distributed to the members.**

**BOOK POST**

If undelivered, please return to :  
**VINTRON INFORMATICS LIMITED**  
Regd. Office : F-90/1A, Okhla Industrial Area  
Phase-I, New Delhi - 110 020

## FORM-A

1.	Name of the Company	VINTRON INFORMATICS LIMITED
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by:	
	1. R. K. Gupta, Chairman & Managing Director	
	2. Rakesh Kumar, Partner, O. P. Bagla & Co. (Statutory Auditor)	
	3. Satish Chand, Chairman (Audit Committee)	