

35th
ANNUAL REPORT
1999-2000

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Delton Cables Limited

AN ISO 9002 COMPANY

Delton Cables Limited**BOARD OF DIRECTORS**

RAM KUMAR GUPTA
(Chairman & Managing Director)

V.K. GUPTA
(Managing Director)

VIJAY KUMAR GOEL

M.P. MEHROTRA

A. KARATI

RAVINDER NARAIN

L.B. RUNGTA

A.B. GERSAPPE

VIVEK GUPTA
(Executive Director)

ANIL KUMAR JAIN

COMPANY SECRETARY

RAJIV CHOUBEY

BANKERS

CANARA BANK

STATE BANK OF BIKANER & JAIPUR

THE BENARES STATE BANK LTD.

AUDITORS

S.R. DINODIA & CO.
Chartered Accountants
C-37, Connaught Place,
New Delhi - 110 001

REGISTERED & HEAD OFFICE

Delton House,
4801, Bharat Ram Road,
24, Darya Ganj
New Delhi - 110 002
Phones : 011-3273905-08
Fax : 011-3280375, 3272178
Email : delton_india@vsnl.com
delton@ndb.vsnl.net.in
Web Site : www.deltoncables.com

BRANCH OFFICE**MUMBAI**

83-B, Dr. Annie Besant Road,
Near Worli Naka
Mumbai - 400 018
Phones : 022-4935178, 4936014
Fax : 022-4936501
Email : dclbby@bom4.vsnl.net.in

CALCUTTA

Flat No. 1, 6th Floor,
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8, Camac Street,
Calcutta - 700 017
Phone : 033-2824388, 2824153
Fax : 033-2824330, 2824153
Email : dclcal@cal2.vsnl.net.in

CHENNAI

59, Montieh Road
1st Floor, Asha Mansion,
Egmore,
Chennai - 600 008
Phone : 044-8587702
Fax : 044-8592608
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BANGALORE

3rd Floor, Maruthi Mansion,
19/7, Cunningham Road,
Bangalore - 560052
Phone : 080-2263934
Fax : 080-2253933
Email : dclbng@blr.vsnl.net.in

WORKS**FARIDABAD**

17/4, Mathura Road,
Faridabad, Haryana,
Phone : 915-288222, 288225 (Std Code 0129)
Fax : 915-288220

NEW DELHI

24, Shivaji Marg,
New Delhi
Phones : 011-5931280, 5436753
Fax : 011-5436753

DHARUHERA

70th Milestone,
Delhi-Jaipur Highway,
Village - Malpura,
Dharuhera,
District - Rewari, Haryana
Phones : 01274 - 42229, 42296
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CONTENTS

| | |
|------------------------------------|----|
| Notice | 2 |
| Directors' Report | 4 |
| Auditors' Report | 6 |
| Balance Sheet | 8 |
| Profit & Loss Account | 9 |
| Schedules | 10 |
| Notes to Accounts | 17 |
| Cash Flow Statement | 20 |
| Balance Sheet Abstract & | |
| Company's General Business Profile | 21 |

Delton Cables Limited**NOTICE**

NOTICE IS HEREBY GIVEN that the **Thirty Fifth Annual General Meeting** of the Members of **Delton Cables Limited** will be held on **Saturday, the 30th September, 2000** at **10.30 A.M. at Delton Hall, I.E.T.E 2, Institutional Area, Lodi Road, New Delhi - 110 003** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2000 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs. 1.80 per equity share.
3. To appoint a Director in place of Shri Vijay Kumar Goel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A. B. Gersappe, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

6. (As Ordinary Resolution)

"RESOLVED THAT, Shri Anil Kumar Jain, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office upto date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and liable to retire by rotation and is eligible for re-appointment, and in respect of whom the Company has received a notice in writing, pursuant to Section 257 of the Companies Act, 1956, from a member of the Company proposing his appointment as a Director of the Company and who has consented, if appointed, to act as a Director be and is hereby appointed as a Director of the Company."

7. (As Special Resolution)

"RESOLVED THAT, pursuant to Sec. 17(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the consent of the shareholders of company in ensuing General Meeting by way of Special Resolution, object of the company contained in Clause-III of the Memorandum of Association of the company be amended to insert new sub-clauses (6A to 6F) after clause (6) to carry on new business which under existing circumstances may conveniently or advantageously be combined with the business of the company namely:-

(6A) "To carry on, in and/or outside India business of providing Internet Services, Web-Designing, Web Browsing, E-mail Services, Content Provider, E-Commerce, Education

through Internet and/or manufacturing of equipments/apparatus/goods relating to internet/telecommunications, microwave communication, satellite communications and Broadcasting."

(6B) To carry on the business of turnkey solution provider for Broadband Video & Internet Services over CATV Network Operators, FM Radio Operators, VSAT Services Providers, International Gateway Operators & Long Distance Point-to-Point Digital Microwave Link Providers, Radio Broadcasters/Station Operators, Cellular & GSM basic service provider in mobile telephony industry, Microwave Accessories, Microwave Components, Process of Optical Fibre Drawing & Process of Optical Fibre Cable Making in India.

(6C) To carry on the business of providing specialized training for broadcasting & studio application, equipments handling, installation, commissioning, and maintenance to private Radio/TV/Satellite broadcasting operations.

(6D) To carry on business of telephone services including satellite based telecom services, owners and providers of band width, value added service providers like video conferencing, and providers of all or any other information technology services, providers of facilities for video conferences, Tele-conference and providers of any other mechanical electrical, electronic, digital and other innovative communication services, and of all forms and types of entertainment including cable-TV, audio programmes of all kinds, satellite TV, satellite (direct to home TV operation and to design, develop, purchase, import, take on hire, manufacture or otherwise acquire, own, maintain, manage, repair, alter, sell, export, lease out, let on hire, sell, dispose of and deal in all equipment, accessories and any equipment or accessory required for the above purposes.

(6E) To research, develop, fabricate, assemble, manufacture, purchase, take on hire or otherwise acquire, own, manage, maintain, repair, alter, process, service, let on hire, sell, lease out or otherwise dispose of and deal in and provide, information gateways, solid state speech based products, micro process based control systems, computers, computer peripherals, computer consumables, telecommunication equipment, satellites transponders, transmission and broadcasting equipment, switching equipment, telephone switches, wireless apparatus, cables computers, computer peripherals and accessories, modems, fax machines, televisions, telephones, tele-printers, digital converters, data converters, and all other equipments, instruments and products used in or required for transmission, communication and information technology including radio receivers, transmitters, image processors, data processors, electromagnetic waves intended for radio, telegraphic, telephonic and other communication purposes, audio and video reproduction, projection and amplification equipment and instruments, accessories and components thereof.

(6F) To produce, assemble, process, develop, own, take on hire or otherwise acquire, telecast, broadcast, let on hire, maintain, lease out, sell, distribute or otherwise dispose of and deal in educational programs, entertainment programs, computer aided designs, animated films,

Delton Cables Limited

cinematographic films, advertisements bulletins, literature and other audio video products for industrial, commercial, domestic and advertisement purposes and to disseminate information relating to any product, activity or other matter in all Indian and Foreign Language.

8. (As Special Resolution)

To consider and, if though fit, to pass, with or without modification(s), the following resolution, as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded for commencing and undertaking all or any of the business specified in Sub-Clauses (6A to 6F) after clause (6) of the " Object Clause " of the Memorandum of Association of the Company.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. The Register of Members and Share Transfer Books of the company shall remain close 25.9.2000 to 30.9.2000 (both days inclusive).
4. Explanatory Statement pursuant to Section 173 of the Companies Act 1956 is annexed hereto.
5. Members are requested to:
 - (i) intimate the company regarding any change in the addresses or mandates.
 - (ii) approach the company for consolidation of folios, if shares are held in multiple folios.
 - (iii) bring their attendance slip alongwith copy of Annual Report at the Annual General Meeting.
 - (iv) send their queries, if any, relating to the Accounts of the company at least 10 days before the Annual General Meeting.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 173 of the Companies Act, 1956.

Item No.6

Shri Anil Kumar Jain was appointed as an Additional Director by the Board of Directors with effect from April 1, 2000. In terms of Section 260 of the Companies Act, 1956 read with Article 110, he holds the office upto the date of this Annual General Meeting of the Company. A notice has been received from a member of the Company in pursuance of Section 257 of the Companies Act 1956 along with a deposit of Rs. 500/-

proposing the candidature of Shri Anil Kumar Jain as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation. Shri Anil Kumar Jain has given his consent, if appointed to act as Director of the Company.

Shri Anil Kumar Jain is the Occupier of all the Factories of the Company and has wide and varied business experience and your company will be benefited by his wide experience.

Your Directors recommend the Appointment of Shri Anil Jain as a Director of the Company.

No Director is concerned or interested in the above resolution.

Item No.7

Presently the Company is engaged in the manufacture and sale of Cables and wires and trading of telecommunication and Satellite equipments.

There is tremendous scope for diversification of Company's activities in various other areas set out in the resolution, which can advantageously and conveniently be combined with the existing activities of the Company. It is, therefore, proposed to incorporate suitable sub-clauses in the "Object Clause" of the Memorandum of Association in order to enable the Company to commence business in the areas of information technology (IT), software and IT enabled services, internet, e-commerce and media/communications etc.

In order to enable the Company to embark immediately in the areas of IT, members approval is required for insertion of enabling clauses in the Memorandum of Association of the Company.

Your Directors, therefore, recommend these resolutions for approval of the members.

None of the Directors of the Company is concerned or interested in the resolution.

Item No.8

Section 149(2A) of the Companies Act, 1956 requires that before commencement of any business mentioned in "Objects Clause", a Company has to obtain the approval of the members as required under the said Section.

None of the Directors of the Company is concerned or interested in the resolution.

Registered Office
'Delton House'
4801, Bharat Ram Road,
24, Daryaganj,
New Delhi - 110 002
Dated : 17th August, 2000

By Order of the Board

(RAJIV CHOUBEY)
COMPANY SECRETARY

Delton Cables Limited**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting their Thirty Fifth Annual Report together with the Audited Accounts for the year ended 31st March, 2000.

FINANCIAL HIGHLIGHTS

The working results for the year ended 31st March, 2000 are as under :

| | (Rs. in Lacs) |
|--|---------------|
| Profit before Depreciation | 409.52 |
| Less : Depreciation | 45.86 |
| Profit before taxation | 363.66 |
| Less : Provision for Taxation | 78.19 |
| Profit after Income Tax & Wealth Tax | 285.47 |
| Less : Provision for earlier year | 1.59 |
| Profit during the year | 283.88 |
| Add : Balance brought forward from the previous year | 541.58 |
| Profit available for appropriations | 825.46 |

APPROPRIATIONS

| | |
|-----------------------------|--------|
| Transfer to General Reserve | 28.00 |
| Interim Dividend Paid | 51.84 |
| Tax on Interim Dividend | 5.70 |
| Balance Carried Forward | 739.92 |

DIVIDEND

At their meeting held on 31st March, 2000, your Directors had approved the payment of Interim Dividend @ 18% (i.e. Rs.1.80 per equity share) on 28,80,000 equity shares, which was duly distributed by the company in May, 2000. The directors after due consideration recommend that no further dividend be paid for the year and that the Interim Dividend be treated as the final dividend for the year, the total outgo of the Dividend account is Rs.51,84,000/-.

Dividend tax @ 11% payable by the company amounting to Rs.5,70,240/- has been appropriated out of the profits.

PERFORMANCE

The performance of the company was excellent during the year.

Turnover was Rs. 8622 Lacs as compared to previous year of Rs.5830 Lacs. and thereby there was an increase of Rs.2792 Lacs., i.e. 47.89%.

Profit after tax during the year was Rs.285.47 Lacs as compared to Rs.162.07 Lacs showing an increase of 76.14% over the previous year.

YEAR 2000

The company successfully rolled over from the Y2K compliance.

LISTING AGREEMENT COMPLIANCE

As per listing agreement the Company declares that its equity shares are listed at Delhi and Mumbai Stock Exchanges.

The Company confirms that it has paid Annual Listing Fees due to the above Stock Exchanges for the year 2000-2001.

INDUSTRIAL RELATION

Industrial relation remained cordial during the year.

DIRECTORS

Shri Vijay Kumar Goel and Shri A.B. Gersappe, Directors are retiring by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Shri B.K. Gupta who was inducted in the Board of Directors in the year 1994 as Director of the company tendered his resignation, which was taken note by the Board in their meeting held on 28.04.2000. The Board expressed their appreciation for the guidance & services rendered by Shri B.K. Gupta during his tenure as a Director of the company.

AUDITORS

M/s. S.R. Dinodia & Company, Chartered Accountants, New Delhi, the retiring Auditors, are eligible for re-appointment and hence their appointment has been recommended at the ensuing Annual General Meeting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed to this report as Annexure-I.

EMPLOYEES

Disclosure required under 217(2A) of the Companies, Act 1956 is annexed to this Report as Annexure-II.

ACKNOWLEDGMENT

Your directors wish to record their warm appreciation for the valuable services rendered by the employees of the company at all levels. Your directors also wish to acknowledge the co-operation and help of Bankers, Financial Institutions and all our customers and shareholders.

For & on behalf of the
Board of Directors

New Delhi

Dated : 17/08/2000

R.K. GUPTA

Chairman & Managing Director

**ANNEXURE I TO DIRECTORS' REPORT
COMPANIES (DISCLOSURE OF PARTICULARS IN THE
REPORT OF BOARD OF DIRECTORS) RULES, 1988 :****A. Conservation of Energy**

- Energy Conservation measures taken :
Greater emphasis has been laid on creating awareness amongst all employees for the optimal utilisation of Power and to prevent misuse of energy at all levels.
- Additional investments and proposals, if any, being implemented for reduction of consumption of energy :
Efforts are on in the direction of reducing energy consumption.
- Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :
Impact has not been measured.
- Total energy consumption and energy consumption per unit of production in respect of industries specified in the Schedule thereto :
Not applicable.

B. Technology Absorption

- Efforts made in technology absorption as per Form B is given below :

Delton Cables Limited**Research & Development (R & D)**

1. Specific areas in which R&D efforts have been put in by the Company are :
 - i. Development of Feeder Cables which is required by Department of Telecommunication for their multi access rural radio system.
 - ii. Development of Polythene insulated Jelly Filled Cables.
 - iii. Development of Switch Board Cables which facilitate exchange of foreign technology.
2. Benefits desired as a result of the above R&D. All the above items mentioned in item No. 1 have been implemented and taken in actual production.
3. Future plan of action :
The Company is having an ongoing process of research & development to develop new types of cables for special use at Nuclear Thermal Power Plant & for Telecommunication use.
4. Expenditure on R&D. NIL

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation :
Efforts for Development and Innovation are going on.
2. Benefits derived as a result of the efforts :
Product improvement, cost reduction, product development, import substitution etc.
3. Technology imported during the last 5 years
NIL

C. Foreign Exchange Earnings and Outgo :

- f) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans : NIL
- g) Total foreign exchange used and earned :
 - (i) Earning by way of
 - (a) Exports (FOB) : Rs. 909,309
 - (b) Deemed Export (FOB) : Rs. 201,702
 - (ii) Outgo by way of imports
 - (a) CIF value of Imports : Rs. 21,974,827
 - (b) Travelling & Others : Rs. 1,376,035

INFORMATION OF EMPLOYEES AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 1997 AS ANNEXURE - II

| Name | Age | Qualification | Designation/ Nature of Duties | Date of Appointment | Experience (Yrs.) | Remuneration Gross (Rs.) | Previous Employment |
|---|-----|---|------------------------------------|---------------------|----------------------|-----------------------------|--------------------------------------|
| a) Employees who were employed throughout the year and were in receipt of remuneration in aggregate of not less than Rs. 6,00,000 for the year. | | | | | | | |
| Gupta R.K. | 81 | Technical knowledge Practical Experience | Chairman & Managing Director | 16.08.1969 | 60 | 831,516 | Industrialist |
| Gupta V.K. | 61 | Technical knowledge Practical Experience | Managing Director | 01.09.1969 | 43 | 815,335 | Industrialist |
| Gupta Vivek | 32 | B.Com (Hons.) | Executive Director | 10.06.1989 | 11 | 603,148 | Industrialist |
| B. Employee who was employed for a part of the year and was in receipt of remuneration not less than Rs. 50,000 per month. | | | | | | | |
| Warrier K.G. | 61 | B.Sc. (Engineering) | Director (Works) | 03.03.1999 | 39 | 5,50,000 | Haryana Telecom Ltd. President |

Notes :

- (i) Remuneration includes value of perquisites and benefits under the Income Tax Act, 1961, wherever actual value cannot reasonably determined.
- (ii) All appointments are contractual and are subject to the Rules and Regulations of the company in force from time to time.

For & on behalf of the Board of Directors

Place : New Delhi
Date : 17th August, 2000

(R.K. GUPTA)
Chairman & Managing Director