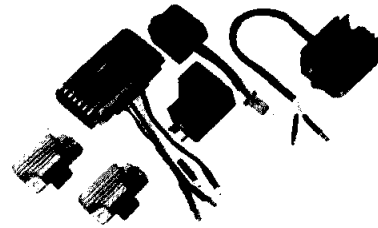
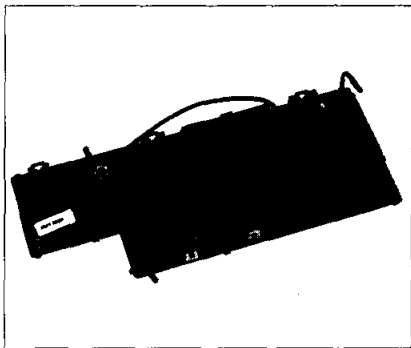
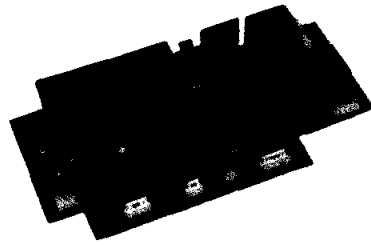
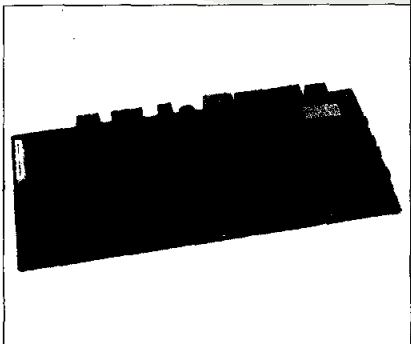


**Deltron Limited**

*An ISO 9002 Company*



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**Deltron Limited**

4. Dividend on equity shares as recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March, 2002, when declared at the meeting will be paid subject to the following :-
  - a. no tax at source will be deductible in the case of Resident Individual Member if the amount of such dividend does not exceed Rs. 2,500 (Rupees Two thousand five hundred only).
  - b. no deduction of tax at source will be made from dividend not covered by Clause(a) on furnishing a declaration (in duplicate) in Form 15G or any appropriate certificate from the Income-Tax Officer. Such declaration/ certificate should reach the Company before 10th September, 2002.
  - c. Members are requested to inform their Income Tax Permanent Account Number (PAN) / General Index Register Number (GIR), if any, allotted to them by the Income Tax Authorities, to be stated in the Tax Deduction Certificate.
5. Members are requested to intimate change, if any, in their registered address immediately so as to reach the Company as early as possible.
6. Members/Proxies should bring their attendance slips sent herewith, duly filled in, for attending the meeting.
7. Members are requested to send their queries, if any, in writing, so as to reach the Company's Registered Office atleast 10 days before the date of the meeting so that information can be made available at the meeting.
8. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the meeting.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item no. 5 is annexed herewith.
10. All the documents referred to in the Notice and Explanatory statement are open for inspection at the Registered Office on all working days, except Sundays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

By order of the Board of Directors

New Delhi  
31<sup>st</sup> July, 2002

Kumar Srinivasan  
Wholetime Director

**Explanatory Statement to Item No. 5 pursuant to Section 173(2) of the Companies Act, 1956.**

**Item No. 5**

The Companies Act, 1956 now permits a Company to buy back its own shares or other specified securities subject to the conditions, restrictions and/or limitations contained in sections 77, 77A, 77AA and 77B of the said Act, read with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998.

Section 77A(2)(a) of the Companies Act, 1956 provides that a Company intending to buy back its shares should be authorized by its Articles of Association.

The Directors of your Company are of the opinion that a provision in the Articles of Association of the Company, authorizing buy back of shares, would be in the interest of the Company and its members.

As per Section 31 of the Companies Act, 1956, the Articles of Association of a Company can be amended by a special resolution passed by its members. Accordingly, a special resolution for such amendment of Articles of Association is recommended for the approval of the members.

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

By order of the Board of Directors

New Delhi  
31<sup>st</sup> July, 2002

Kumar Srinivasan  
Wholetime Director

**Deltron Limited****NOTICE**

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the Members of Deltron Limited will be held at Sapru House Auditorium, Barakhamba Road, New Delhi - 110 001 on Monday, the 16<sup>th</sup> day of September, 2002 at 3.00 P.M. to transact the following business: -

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2002 and the Profit & Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.
2. To consider and, if thought fit, to declare dividend.
3. To appoint a Director in place of Mr. Inderdeep Singh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be and is hereby altered as follows:

"After the existing Article 59 the following new Article 59A together with marginal heading thereof be and is hereby inserted:

**59A Power of Company to purchase its own securities**

Notwithstanding anything contained in these Articles, but subject to the conditions, restrictions and/or limitations contained in Section 77A, 77AA and 77B and other applicable provisions, if any, of the Act and the provisions of any other applicable statutes, guidelines, etc. as amended from time to time, the Company may purchase its own equity shares or other securities (referred to as 'buy - back') under section 77A(1) of the said Act."

By order of the Board of Directors

New Delhi  
31<sup>st</sup> July, 2002

**Kumar Srinivasan**  
Wholetime Director

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. The Register of Members and Share Transfer Books shall remain closed from 10<sup>th</sup> September, 2002 to 16<sup>th</sup> September, 2002 (both days inclusive).
3. Dividend on shares, as recommended by the Board of Directors, if approved, will be payable to those members whose names appear in the register of members of the Company as on 9<sup>th</sup> September, 2002.

## **Deltron Limited**

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### **BOARD OF DIRECTORS**

Dr. Gurpreet Singh  
Chairman

Dr. Bansil Dhar  
Director

Lt. Gen. I.D.Verma(Retd.)  
Director

Ashoke Bir  
Director

Inderdeep Singh  
Director

Kumar Srinivasan  
Wholetime Director

### **COMPANY SECRETARY**

Manish Sansi

### **BANKERS**

Punjab National Bank  
ICICI Banking Corporation Limited  
IDBI Bank Limited

### **AUDITORS**

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

### **REGISTERED OFFICE**

C-120, Naraina Industrial Area  
New Delhi - 110 028.  
Phones : (011) 5796150-53

### **WORKS**

132, Industrial Area  
Chandigarh - 160 002.  
Phones : (0172) 650557-58

B-96, Phase-VIII, SAS Nagar,  
Mohali - 160 059.  
Phones : (0172) 253717

## **Deltron Limited**

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### **DIRECTORS' REPORT**

The Directors hereby present the Twentieth Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2002.

#### **The Year in Retrospect**

The financial year 2001-02 has been a very challenging and difficult year for almost all economies the world over. The global economy experienced an overall slow down recording a growth of 2.4% in 2001 as against 4% in the previous year, following the terrorist attacks in USA on September 11, 2001.

The Indian economy fared no better. The Country faced probably the worst ever terrorist attack on December 13, 2001 resulting in a war-like situation on its western front. Communal riots in Gujarat, the tehelka tapes release, the debacle of US-64 scheme of UTI and scams by a few co-operative banks, further lowered the confidence of investors in the Country.

Despite uncertainties, the Country's economy grew at 5.4% during the year as against 5.8% in the previous year, largely due to recovery of the agriculture sector after two consecutive years of decline. The industrial sector however fared poorly, with a mere 3.3% growth – the lowest in past eight years. Prices and profit margins were under even greater stress due to falling demands and increasing competition from cheaper imports. The Rupee and the stock markets also remained volatile. The average inflation rate during this period was at around 4.7%.

Keeping in view the down turn in the economy and the global meltdown in the technology sector, the Company's performance during the year can be considered to be reasonable. During the year under review, while the Company's income declined by 15% over the previous year, its exports registered a growth of 7.5%.

#### **Financial Results**

The total income in the year under review was Rs. 3587 lacs against Rs. 4211 lacs in the previous year. The pre-tax profit was Rs. 120 lacs as against Rs. 182 lacs in the previous year after providing for depreciation of Rs. 91 lacs. A provision of Rs. 35 lacs has been made for taxation.

An amount of Rs. 70 lacs has been transferred to General Reserves. The book value per share as on 31<sup>st</sup> March, 2002 was Rs. 43.86.

#### **Dividend**

The Directors recommend a dividend of 20% for the year.

#### **Exports**

Despite the downturn in the global economy, the Company's efforts in the exports market resulted in an increase in the export turnover from Rs. 145 lacs in 2000-01 to Rs. 156 lacs in the year under review.

#### **Future Outlook**

Several views have been expressed on the recovery of the global economy. While some believe that the turnaround can be expected by the second half of the current year, others believe that recovery may be delayed till the next year. However, UN's "World Situation and Prospects 2002" projects the growth of the world trade to be at 1.5% in 2002 as against 1.3% in 2001.

## **Deltron Limited**

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The Reserve Bank of India has been optimistic in projecting the Country's GDP growth at 6.5% for the year 2002-03. The ADB and the IMF are not far behind with growth estimates of 6.0% and 5.5% respectively. However, the CMIE is more conservative in pegging the growth estimate at 4.5%. Inflation is expected to be below 4% and the interest rates are likely to soften during the year.

In the Union budget for the fiscal year 2002-03, the Government of India has initiated wide ranging measures to bring about second generation reforms in the Indian economy with emphasis on infrastructure development, privatization of public sector undertakings and improvement of the financial sector. One can only hope that these steps would have a positive impact on the Indian economy in the years to come.

The Company has initiated action on several fronts both nationally and internationally and is hopeful of a better outlook for the current year as well as in the times to come. The thrust of the efforts will be on developing the export markets.

### **Public Deposits**

During the year under review deposits amounting to Rs. 224.3 lacs were received / renewed. There were no overdue or unclaimed deposits. The amount received from Directors prior to 25<sup>th</sup> September, 2001 was Rs.100.9 lacs.

### **Directors**

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

### **Directors' Responsibility Statement**

The Directors confirm that in preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2002: -

- i. The applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and the same have been applied consistently;
- iii. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account for year ended 31<sup>st</sup> March, 2002;
- iv. *Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;*
- v. The accounts have been prepared on a going concern basis.

### **Conservation of Energy & Technology Absorption**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the annexure to this report.

**Deltron Limited**

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**Foreign Exchange Earning & Outgo**

During the year under review, the total foreign exchange outflow (including on Capital Goods) amounted to Rs. 878 lacs and the earnings through exports were Rs.156 lacs.

**Auditors' Observations**

The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

**Auditors**

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

**Personnel**

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

**Acknowledgement**

The Directors place on record their appreciation to the Shareholders, Associates, Bankers, Customers, Vendors, Officers and Staff of the Company for their continued cooperation and assistance during the year under review.

For and on behalf of the Board of Directors

New Delhi  
31<sup>st</sup> July, 2002

**Gurpreet Singh**  
Chairman

