

Annual Report 2010-2011



Deltron Limited



BOARD OF DIRECTORS

Dr. Gurpreet Singh
Chairman

Mr. Inderdeep Singh
Director

Mr. Kumar Srinivasan
Wholetime Director

Dr. Navin Kapur
Director

AUDITORS

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

REGISTERED OFFICE

C-120, Naraina Industrial Area
New Delhi - 110 028.
Phones : (011) 25796150-53

Deltron Limited

DIRECTORS' REPORT

The Directors have the pleasure of presenting the Twenty Ninth Annual Report of your Company for the financial year ended 31st March 2011.

Financial Results

The total income during the year under review was Rs 54.0 lacs. The Pre-Tax profit was Rs 11.4 lacs as against a pre-tax profit of Rs 15.5 lacs in the previous year after providing for depreciation of Rs.0.1 lacs. A provision of Rs 2.1 lacs has been made for taxation in the current year.

After adjusting for deferred tax, the net profit was Rs 11.1 lacs. No amount has been transferred to the General Reserve. The book value per share as on 31st March 2011 was Rs. 23.00.

Dividend

The Directors recommend for consideration of the shareholders at the ensuing Annual General Meeting payment of Dividend @5% for the year ended on 31st March 2011.

Future Outlook

The Indian economy has registered a growth rate of 8.6% in 2010-11 mainly on account on growth in agriculture, resurgence in exports and rise in domestic demand. However, India's economic growth in the year 2011-12 is expected to be moderated by sovereign debt crisis in the euro-zone nations coupled with high oil prices, rising inflation and slowing demand.

While the International Monetary Fund has projected the Indian economy to expand by 8.2% in 2011, the World Bank in its recent edition of "Global Economic Prospects" has pegged the growth rate at 8% during 2011-12. This is in line with Reserve Bank of India's projected growth estimate for the country's economy at 8% in 2011-12, despite a normal monsoon.

The recent political turmoil in Egypt and Tunisia, followed by the ongoing civil war in Libya, a major oil exporter and OPEC member, threatens to push up global crude oil prices further and drive up inflation. The overall macro conditions are likely to remain vulnerable over the next 4-5 months. Inflation, while moderating, is expected to remain above the RBI's comfort zone.

On a brighter note, a high level committee chaired by the Prime Minister has approved the draft "National Manufacturing Policy" aimed at increasing the share of manufacturing in the GDP from the current 16% to 25% by the year 2025 while creating additional 100 million jobs in the process. However, environment and labour concerns still need to be resolved before the cabinet's approval.

The Company which has its business in the Trading segment can hope to be somewhat insulated from these vagaries and pursue its efforts to build up this segment in the times to come.

Public Deposits

The Company has no public deposits.

Directors

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

Directors' Responsibility Statement

The Directors confirm that in preparation of the annual accounts for the year ended 31st March 2011:-

- i. All applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and the same have been applied consistently;

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- iii. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account for year ended 31st March 2011.
- iv. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- v. The accounts have been prepared on a going concern basis.

Conservation of Energy and Technology Absorption

i. Conservation of Energy

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

ii. Technology Absorption

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

Foreign Exchange Earning & Outgo

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

Amendment in Articles of Association

It is proposed to insert new Articles in the Articles of Association of the Company to incorporate the provisions of The Depositories Act and other associated SEBI Regulations so as to provide for the facility of dematerialization of the Company's securities.

Auditors' Observations

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

Auditors

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

Particulars of Employees

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

Acknowledgement

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

For and on behalf of the Board of Directors

New Delhi
27th July, 2011

Gurpreet Singh
Chairman

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AUDITORS' REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of **M/s DELTRON LIMITED** as at 31st March 2011 and the related Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (CARO) (as amended up to date), issued by the Central Govt. of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in Annexure a statement on the matters specified in paragraphs **4 & 5 of the said order.**
4. *Further to our comments in the annexure referred to in paragraph (3) above*
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of such books.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss account & Balance Sheet comply with the accounting standards referred to in sub section 3(c) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read together with the notes thereon gives the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view;
 - i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
 - ii) in so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
 - iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

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

New Delhi
27th July, 2011

PREM PRAKASH
Partner
Memb. No. 7648

ANNEXURE TO THE AUDITORS' REPORT

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

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