

*Annual Report*  
*2014-2015*



***Deltron Limited***



# Deltron Limited

**Deltron Limited**, Registered Office – C-120, Naraina Industrial Area, New Delhi – 110 028  
Phone No. 011-25796150-53 Fax No. 011-25795290, E-mail: deltron1982@rediffmail.com  
Website: www.deltronlimited.in Cin No : L32109DL1982PLC013838

## NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the Shareholders of the Company will be held at The Little Theatre Group, Copernicus Marg, New Delhi-110001 on Thursday, the 24<sup>th</sup> day of September, 2015 at 12.00 Noon to transact the following business:-

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015, Profit & Loss Account and the Cash Flow Statement for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kumar Srinivasan (DIN:00173717), who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Statutory Auditors and to fix their remuneration.

## SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and any rules made thereunder, Ms. Rashmi Nagabhushan (DIN: 00173914), who was appointed as an Additional Director of the Company by the Board of Directors of the Company in its meeting held on 6<sup>th</sup> February, 2015 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and, if thought fit, to pass the following resolution as Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and any rules made thereunder and subject to such other approvals, as may be necessary, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Kumar Srinivasan (DIN: 00173717) as Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (three) years w.e.f. 27<sup>th</sup> September, 2015 as per the terms and conditions set out in the Explanatory Statement annexed hereto, with authorisation to the Board of Directors to vary the remuneration of Mr. Kumar Srinivasan during this period, as it may deem fit and proper in the best interests of the Company, provided however that such variations are within the permissible limits prescribed under Schedule V of the Companies Act, 2013, including in the event of any loss or inadequacy of profits in any financial year.

RESOLVED FURTHER THAT pursuant to the provisions 196, 197, 203 of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and any rules made thereunder, approval of the Company be and is hereby accorded to pay revised remuneration to Mr. Kumar Srinivasan, Whole-time Director of the Company, as per the terms and conditions set out in the Explanatory Statement annexed hereto, w.e.f 1<sup>st</sup> April, 2015 for the balance of his existing tenure of appointment."

6. To, consider and , if thought fit, to pass the following resolution as Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof), and any rules made thereunder, the new draft of Articles of Association be and are hereby approved and adopted in substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board  
For Deltron Limited

Date: 30.07.2015  
Place: New Delhi

S. Sujatha Lyall  
Company Secretary

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. SUCH PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED. PROXY SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is given below and forms part of the Notice.
3. The Register of Members and Transfer Books shall remain closed from 17.09.2015 to 24.09.2015 (both days inclusive).
4. The Government's green initiative in Corporate Governance by allowing paperless compliance is a major step towards saving valuable natural resources and ecology. In this regard, the Company has been making repeated requests to all members to provide their e-mail ID to facilitate communication electronically but has not received this information from many members. **Members are once again requested to send by post or email to deltron1982@rediffmail.com their email IDs with folio no., name(s) and full contact address without fail at the earliest in order to receive all communication including Annual Report, Notices etc. from the Company electronically. Should any member who receives the Notice and Annual Report electronically, want the printed hard copy of the same, such member may apply to the Company for receiving the same in adequate advance time. Those who do not have any e-mail are requested to inform the Company on how they would like to receive their communication in future. All members can also access the Company's website www.deltronlimited.in to obtain the Annual Report and Notice posted thereon.**

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5. Members/ Proxies should bring their attendance slips sent herewith, duly filled in, for attending the meeting. Corporate members shall send a duly certified copy of Board resolution authorizing their representative to attend and vote at the Annual General Meeting. Proxies can act on behalf of maximum 50 members holding in the aggregate not more than 10% of the total shares / voting rights.
6. Members are requested to send their queries, if any, in writing so as to reach the Company's registered office at least 10 days before 24.09.2015, the date of the meeting so that information can be made available at the meeting.
7. The Company has transferred the unpaid or unclaimed dividends for the financial years upto 2006-07 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat form should submit the PAN to their Depository Participant (DP) while others should submit to the Company or to its RTA.
9. As a measure for the Green Initiative and economy, copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their copies of Annual Report to the meeting.
10. Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection at the meeting.
11. Voting through electronic means :-
  - a) Pursuant to the provisions of the Companies Act, 2013, the Company is providing for e-voting facility through Central Depository Services (India) Limited 'CDSL' to the shareholders to exercise their vote through electronic means by remote e-voting on all resolutions set forth in this Notice.
  - b) In addition, voting by polling paper shall also be made available at the meeting for shareholders attending the meeting, who have not already cast their vote by remote e-voting.
  - c) Shareholders who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - d) The voting period will begin on Monday, 21.09.2015 at 9 a.m. and end on Wednesday, 23.09.2015 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on Thursday, 17.09.2015, being the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - e) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holds shares as on the cut-off date i.e. 17.09.2015 may follow the same instructions as mentioned above for e-Voting.
  - f) In case you have any queries or issues regarding remote e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - g) Shareholders may address their grievances connected with e-voting to : Ms. S. Sujatha Lyall, Company Secretary, Deltron Limited, C-120, Naraina Industrial Area, New Delhi – 110 028. E-mail : [deltron1982@rediffmail.com](mailto:deltron1982@rediffmail.com) Phone No. 011-25796150-53.
  - h) The Company has appointed Mr. Don Banthia, Company Secretary in Practice, as the Scrutinizer for the polling and the remote-evoting to scrutinize the same in a fair and transparent manner.
  - i) The scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company.
  - j) The results declared along with the Scrutinizer's Report shall be placed on the web-site of Company and on the CDSL website immediately after the result is declared by the Chairman.

## E-voting Instructions

The instructions for shareholders for remote e-voting are as under:-

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii. Click on "Shareholders" tab.
- iii. Select the "Company Name" from the drop down menu and click on "SUBMIT".
- iv. Enter your User ID
  - For CDSL enter the 16 digits beneficiary ID
  - For shares held in physical form enter Folio Number registered with the Company.
- v. Enter the Image Verification as displayed and Click on "Login."
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company will need to enter the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance Slip.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

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- The Company has made no foreign investments and has no foreign collaborations.

## II. Information about Mr. Kumar Srinivasan

- Mr. Kumar Srinivasan, aged about 66 years has done B.E. (Honours) Electronics from BITS, Pilani and has a rich and varied experience of over 40 years in the field of Electronics.

Apart from being Whole-time Director in Deltron Limited, he is a Director on the Boards of Six Private Companies. He is also a member of the Audit Committee and Shareholders Grievance Committee in Deltron Limited. He attended all 5 (five) meetings of the Board held during the year.

- Past remuneration as per Schedule XIII of Companies Act, 1956 of Mr. Kumar Srinivasan are given below :

	(Rs)
2012-13	11,55,058/-
2013-14	11,58,000/-
2014-15	11,58,000/-

- During his tenure, the Company has won awards for excellence in exports and has also obtained ISO Certification from the Bureau of Indian Standards and the Underwriters Lab, US.
- Mr. Kumar Srinivasan has a rich and varied experience across different functional areas and has in-depth knowledge of the Electronics Industry. In his over 40 years of service he has contributed significantly to the Company and is a very valuable part of the Company at present.

The Directors firmly believe that the Industry is getting increasingly competitive and the continued presence of a qualified and highly competent person on the Board of the Company is required for timely and appropriate decision making at the Board level. Therefore his re-appointment is proposed for the approval of the members of the Company.

- Monthly remuneration proposed for Mr. Kumar Srinivasan is given below:

Sr. No.	Description	Rs.
1	Basic Salary	71,000
2	House Rent Allowance	46,150
3	Conveyance Allowance	10,000
	Total Remuneration	1,27,150

In addition to the above, Mr. Kumar Srinivasan shall also be entitled to Gratuity, Provident Fund, Medical Insurance, Leave Travel Allowance, Medical re-imbursement of expenses actually incurred for self and family subject to a ceiling of one month's salary in a year, Fees of one club excluding admission and life membership fees, Car for official duties, Telephone at residence (with personal use of car and personal long-distance calls billed to the Director) and other entitlements as per the service conditions of the Company provided that the total annual remuneration shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013.

- Taking into consideration the qualification and experience of Mr. Kumar Srinivasan, the proposed remuneration is comparable to what is being paid in other similar companies operating in India.
- Besides being a shareholder and Whole-time Director in the Company, Mr. Kumar Srinivasan does not have any pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel.

## III. The Company in the recent past has not been earning adequate profits from its operations due to several factors including the downturn in the global economy and unusually severe and long lasting recession worldwide. While the Company expects continuing challenges in the coming years, especially due to substantial increases in all cost, including compliance costs, the Company will need to be conservative while exploring new opportunities.

### Item No. 6:

The Articles of Association of the Company, as currently in force, was originally adopted when the Company was incorporated under the Companies Act, 1956. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to substitute the existing Articles of Association with the new Articles in line with the provisions of Companies Act, 2013, including the Rules framed thereunder.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP are concerned or interested in the Resolution at Item No. 6 of the Notice.

Alteration of Articles of Association of a Company requires approval of the shareholders by way of special resolution. The new proposed set of Articles of Association shall be made available at the meeting.

The resolution at item no. 6 is put up for approval of the Shareholders.

By order of the Board  
For Deltron Limited

Date: 30.07.2015  
Place: New Delhi

S. Sujatha Lyall  
Company Secretary

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- viii. After completing the above, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they must enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the Electronic Voting Sequence Number (EVSN) for Deltron Limited.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the options "YES/NO" for voting. Select the option "YES" or "NO" as desired. "YES" implies that you assent to the Resolution and "NO" implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and thereafter modify your vote.
- xv. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xvi. You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

## Explanatory Statement:

### Item No. 4:

Ms. Rashmi Nagabhushan was appointed as an Additional Director of the Company by the Board of Directors of the Company in its meeting held on 6<sup>th</sup> February, 2015 and pursuant to Section 161 of the Companies Act, 2013, she holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member of the Company alongwith a deposit of Rs. 1,00,000/- proposing the candidature of Ms. Rashmi Nagabhushan for the office of Director of the Company under the provisions of Section 160 of the Companies Act, 2013.

Ms. Rashmi Nagabhushan aged about 63 years has done M.Tech from IIT Delhi and has a vast work experience of over 40 years in the field of Electronics and ancillary fields. Ms. Rashmi Nagabhushan is a Whole-time Director in Thermadyne Private Limited and Director/shareholder in Shivram Technologies Private Limited.

Except Ms. Rashmi Nagabhushan, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP are concerned or interested in the Resolution at Item No. 4 of the Notice.

The resolution at item no. 4 is put up for approval of the Shareholders.

### Item No. 5:

Mr. Kumar Srinivasan was re-appointed as the Whole-time Director of the Company in the Annual General Meeting held on 15<sup>th</sup> September, 2010 for a period of five years w.e.f. 27<sup>th</sup> September, 2010 upto 26<sup>th</sup> September, 2015. The payment of minimum remuneration had also been approved in the said meeting. The term of this approval is coming to an end.

His re-appointment for a period of 3 (three) years as Whole-time Director w.e.f. 27<sup>th</sup> September, 2015 at the remuneration to be paid as per the terms and conditions set out below, along with payment of revised remuneration w.e.f. 1<sup>st</sup> April, 2015 for the balance of his existing tenure of appointment, was approved by the Nomination and Remuneration Committee and the Board at their respective meetings held on 30<sup>th</sup> July, 2015.

Except Mr. Kumar Srinivasan, being an appointee, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP are concerned or interested in the Resolution at Item No. 5 of the Notice.

The resolution at item no. 5 is put up for approval of the Shareholders.

The other information as required under Section II of Part II of Schedule V of the Companies Act, 2013, is given below:

### I. General Information:

- The Company is engaged in the trading of a variety of goods including Electrical/ Electronic Goods, Mechanical Goods, Equipments, Tools etc.
- The Company commenced commercial production in 1982-83. Subsequently manufacturing operations were hived off with only trading activities being carried on currently.
- Finance performance based on given indicators taken from audited financials for 2014-15

Financial Parameters	2014-15 (Rs)
Total Income	106,78,841
Net Profit	21,41,187

## **BOARD OF DIRECTORS**

Dr. Gurpreet Singh  
Chairman

Mr. Inderdeep Singh  
Director

Mr. Kumar Srinivasan  
Whole-time Director

Dr. Navin Kapur  
Director

Ms. Rashmi Nagabhushan  
Director

Ms. S Sujatha Lyall  
Company Secretary

Mr. Amardeep Singh Bedi  
Chief Financial Officer

## **AUDITORS**

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

## **REGISTERED OFFICE**

C-120, Naraina Industrial Area,  
New Delhi - 110 028.  
Phones : (011) 25796150-53  
Fax : (011) 25795290  
Email : [deltron1982@rediffmail.com](mailto:deltron1982@rediffmail.com)  
Website: [www.deltronlimited.in](http://www.deltronlimited.in)  
CIN No.: L32109DL1982PLC013838

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# Deltron Limited

## DIRECTORS' REPORT

The Directors take pleasure in presenting the Thirty Third Annual Report of your Company for the financial year ended 31st March 2015.

### Financial Results

The total income during the year under review was Rs.106.78 lacs. The pre-tax profits were Rs.26.43 lacs after providing for depreciation of Rs.0.12 lacs. A provision of Rs.5.25 lacs has been made for taxation in the current year.

After adjusting for deferred tax, the net profit was Rs.21.41 lacs. No amount has been transferred to General Reserves.

### Dividend

In view of the additional financial burden imposed on the Company due to increased requirement of compliances under the Companies Act, 2013, the Directors do not recommend payment of Dividend for the year ended 31<sup>st</sup> March 2015.

### Outlook

The global economy continues to be mired in difficulties and challenges, emanating in part from the Greek debt crisis. This has resulted in substantial weakening of the Euro and continuing pressure in the Eurozone. The Chinese economy too has been undergoing a slowdown in growth, resulting in subdued demand for commodities worldwide.

On the domestic front, the hopes and expectations from the new Government have yet to translate into a meaningful economic activity, especially in the development of infrastructure. Despite the benefit of reducing petroleum prices, the Indian currency has been weakening, reflecting the higher interest rates in India which are yet to moderate to reasonable levels.

Given these circumstances, the Company expects continuing challenges through the year, especially as compliance costs under the new policy environment have gone up substantially. The Company will therefore need to be conservative while exploring new opportunities.

### Public Deposits

The Company has no public deposits.

### Loans, guarantees and investments

The Company has not given any loans, guarantees or made investments under Section 186 of the Companies Act, 2013.

### Related Party Transactions

The Company has not entered into any related party transactions other than in the ordinary course of business and on arm's length basis. Therefore the provisions of Section 188 (1) are not applicable.

### Board

#### Inductions

Mr. Kumar Srinivasan, Whole-time Director will retire by rotation and being eligible, offers himself for re-appointment. Further, his tenure as Whole-time Director of the Company is also expiring on 26<sup>th</sup> September, 2015. The Board of Directors recommends his re-appointment and the matter is being put forth for shareholders approval at the forthcoming Annual General Meeting.

Ms. Rashmi Nagabhushan was appointed as Additional Director of the Company in the Board meeting held on 6<sup>th</sup> February, 2015. Requisite notice proposing her candidature as Director has been received by the Company. The matter of her appointment is being put forth for shareholders approval at the forthcoming Annual General Meeting.

Dr. Navin Kapur and Mr. Swaraj Singh were both appointed as Independent Directors in the previous Annual General Meeting held on 17<sup>th</sup> September, 2014.

Ms. S. Sujatha Lyall was appointed Company Secretary and Compliance Officer effective from 1<sup>st</sup> September, 2014 and Mr. Amardeep Singh Bedi was appointed Chief Financial Officer effective from 1<sup>st</sup> March, 2015.

#### Number of Meetings of the Board

The Board met Five times during the financial year on 21.05.2014, 28.07.2014, 17.09.2014, 7.11.2014 and 6.02.2015 and the intervening gap between any two meetings was within the prescribed period.

Sr. No.	Composition of the Board	Designation	No. of Meetings Attended
1	Dr. Gurpreet Singh	Chairman	5
2	Mr. Inderdeep Singh	Non-Executive Director	5
3	Mr. Kumar Srinivasan	Whole-time Director	5
4	Dr. Navin Kapur	Independent Director	5
5	Mr. Swaraj Singh	Independent Director	3
6	Ms. Rashmi Nagabhushan	Non-Executive Director	1

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Clause 49 of the Listing Agreement is not applicable to the Company and therefore no separate Corporate Governance Report is attached to this Report.

## Declaration by Independent Directors

The Company has received declarations from both the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

## Board Evaluation

The evaluation of all the Directors, the Board as a whole and the Committees was conducted based on the criteria adopted by the Board. The Directors expressed their satisfaction with the evaluation process.

## Committees

The Board has three Committees namely, the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee.

### Audit Committee

The Audit Committee was constituted on 28<sup>th</sup> July, 2014 and thereafter met three times during the financial year on 24.09.2014, 7.11.2014 and 06.02.2015. All the Committee members attended all the said meetings.

Sr. No.	Composition of the Committee	Designation	No. of Meetings Attended
1	Dr. Navin Kapur, Independent Director	Chairman	3
2	Mr. Swaraj Singh, Independent Director	Member	3
3	Mr. Kumar Srinivasan, Whole-time Director	Member	3

### Vigil Mechanism/ Whistle Blower Policy

The Company has established a Vigil Mechanism / Whistle Blower Policy for the prevention / detection of unethical behaviour, fraud and violation of Company's Code. The Audit Committee oversees the functioning of the Vigil Mechanism/Whistle Blower Policy of the Company.

### Sexual Harassment Policy

The Company has adopted and implemented a policy for prevention of Sexual Harassment of Women at workplace. During the year the Company has not received any complaint of harassment.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on 28<sup>th</sup> July, 2014 and met once during the financial year on 6.02.2015. All the Committee members attended the said meeting.

Sr. No.	Composition of the Committee	Designation	No. of Meetings Attended
1	Dr. Navin Kapur, Independent Director	Chairman	1
2	Mr. Swaraj Singh, Independent Director	Member	1
3	Mr. Inderdeep Singh, Non-Executive Director	Member	1

The Committee has formulated the Nomination and Remuneration Policy for the Company which is attached to this Report as Annexure I.

### Disclosures under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- Excepting the Whole-time Director (WTD), none of the other Directors receive any remuneration apart from Directors' sitting fee. The ratio of WTD's salary to the median employees remuneration is approx 2 : 1.
- There was no increase in the remuneration of any Director or KMP in the financial year.
- There was 7.5% increase in the remuneration of one employee in the financial year.
- There are four permanent employees on the rolls of the Company.
- Any future increase in remuneration of Directors, KMP and other employees will be as per the Nomination and Remuneration Policy of the Company.
- The remuneration of the KMP has been fixed as per industry standards and the size of the Company.
- The market cap of the Company increased from Rs. 4.02 crores as on 31.03.2014 to Rs. 4.07 crores on 31.03.2015. The price earning ratio was 19.05 as on 31.03.2015 as compared to 18.81 as on 31.03.2014. The closing price of the Company's equity shares on BSE was Rs. 14.29 each as on 31.03.2015, thereby making it a 42.9% increase in market price over the IPO price.

The details of remuneration of Directors and KMP forms parts of the Extract of the Annual Return in Form MGT 9 attached to this Report as Annexure II.

### Disclosures under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has not paid any remuneration attracting the provisions of the above Rule. Hence, no information is appended to this report.

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## Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted on 28<sup>th</sup> July, 2014 and met once during the financial year on 7.11.2014. The Company did not receive any shareholder grievances during the year. All the members attended the said meeting.

Sr. No.	Composition of the Committee	Designation	No. of Meetings Attended
1	Mr. Inderdeep Singh, Non-Executive Director	Chairman	1
2	Mr. Kumar Srinivasan, Whole-time Director	Member	1

The Company appointed M/s Alankit Assignments Limited as its Registrar and Share Transfer Agent. The Company also obtained ISIN : INE272R01011 for its equity shares from Central Depository Services (India) Limited.

## Directors' Responsibility Statement

The Directors confirm that:

- In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2015 the applicable accounting standards have been followed.
- Appropriate accounting policies have been selected and the same have been applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- The accounts have been prepared on a going concern basis.
- Adequate Internal Financial Controls are followed by the Company and these are operating effectively.
- Proper and adequate systems have been devised to ensure compliance with provisions of all applicable laws and such systems are operating effectively.

## Auditors

### Statutory Auditor

M/s. Raghu Nath Rai & Co., Chartered Accountants (Firm Regd. No. 000451N), 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 applicable provisions of the Companies Act, 2013.

### Secretarial Audit

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, M/s P.S. Soni & Co., Practicing Company Secretaries, had been appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report for FY 2014-15 forms part of the Annual Report as Annexure III to the Board's Report.

The Board has appointed M/s P.S. Soni and Co., Practicing Company Secretaries as Secretarial Auditor of the Company for the financial year 2015-16.

There are no disqualifications, reservations or adverse remarks or disclaimers in the Auditors' and Secretarial Auditors' Reports.

## Internal Control Systems

The Company has proper and adequate system of internal controls, which provide reasonable assurance regarding all financial and operating functions and compliance with statutory provisions.

## Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo.

- 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 and adequate measures are taken to conserve power.
- Technology Absorption:  
The Company has not purchased or acquired any new technology during the year under review.
- Research & Development:  
The Company has not undertaken any new Research & Development activities during the year.
- Foreign Exchange Earning & Outgo:  
During the year under review, there was no foreign exchange expenditure or earning.

## Acknowledgement

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

For and on behalf of the Board of Directors  
Deltron Limited

Date: 30<sup>th</sup> July, 2015  
Place: New Delhi

Gurpreet Singh  
Chairman