

MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	NA
TRA	NA		AC	✓
AGM	✓	✓	SH	✓
YE	✓	✓		✓

VINTRON

VINTRON INDUSTRIES LIMITED

7TH

**REPORT
AND
ACCOUNTS
31ST MARCH
1998**

VINTRON INDUSTRIES LIMITED

Chairman & Managing Director

Shri R. K. Gupta

Directors

Shri P.K. Mittal

Shri Suresh Chauhan

Shri Rajoo Doshi

Shri Pankaj Tayal

Shri Manish Agrawal

Auditors

M/s O. P. Bagla & Co.

Bankers

Oriental Bank of Commerce

Distributors For

Logitech Singapore Pte. Ltd.

Motorola India Ltd.

Registered Office & Works

F-90/1A, Okhla Indl. Area,
Phase I, New Delhi.

CONTENTS	PAGE
Notice	1
Directors' Report	4
Auditors' Report	7
Balance Sheet	10
Profit & Loss Account	11
Schedules	12
Cash Flow	23



NOTICE

Notice is hereby given that the Seventh Annual General Meeting of the members of Vintron Industries Limited shall be held on Tuesday the 29th day of September 1998 at 10.30 A.M. at Shree Gujarati Samaj Samiti (Regd.), Mahatma Gandhi Sanskritik Kendra, MPCU Shah Auditorium, 2, Raj Niwas Marg, Delhi - 110 054 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 1998, the Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Pankaj Tayal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Suresh Chauhan, 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 modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that in supersession of the Ordinary Resolution passed by the members at the Sixth Annual General Meeting held on 30th September 1997 appointing Shri P. K. Mittal as Managing Director of the Company and pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (as amended and prevailing for the time being) or any other law in force, the consent of the Company be and is hereby accorded to the appointment of Shri R. K. Gupta as Chairman-cum-Managing Director of the Company for a period of five years with effect from 1st April 1998 on the following terms and conditions:

Salary: Rs. 20,000/- per month

Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a ceiling of 50% of salary OR

In case no accommodation is provided by the Company, House Rent Allowance shall be paid @ 50% of salary.

Medical Reimbursement: Expenses incurred on self and family subject to one month's salary in a year or three months salary over a period of three years.

Leave travel Concession: Entitled to travel with family once in a year subject to a ceiling of one month's salary.

Club Fee: Fees of clubs subject to maximum of two clubs excluding admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 4,000/- per annum.

Explanation: Family shall mean to include the spouse, dependent children and dependent parents of the appointee.

Contribution to Provident Fund: upto a maximum of 12% of salary.

Gratuity: Half month's salary for each completed year of service.

Seventh Annual Report 1997-98

NOTICE (Contd.)

Telephone: Provision of telephone at the residence with personal long distance calls to be billed by the Company to the appointee.

Conveyance: Provision of car with driver for the use on company's business. The use of car personal purpose shall be billed by the Company to the appointee.

Resolved further that in the event of absence or inadequacy of profits in any financial year, the above shall be treated as the minimum remuneration payable to Shri R. K. Gupta and shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

Resolved further that the Board of Directors be and is hereby authorised to alter and vary any of the aforesaid terms in regard to remuneration and perquisites within the ceiling laid down in Schedule XIII to the Companies Act, 1956 as amended from time to time.

Resolved further that for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary.

**By order of the Board
For Vintron Industries Ltd.,**

Place : New Delhi

Dated: 29th August, 1998

R.K.GUPTA

Chairman & Managing Director

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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed.
- (c) The documents referred to in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Sundays between 2.00 P.M. to 4.00 P.M. upto the date of Annual General Meeting.
- (d) The Register of Members and Share Transfer Books of the Company shall remain closed from 14th September, 1998 to 29th September, 1998 (both days inclusive).
- (e) Members are requested to bring their copies of Annual Report to the Meeting as extra copies will not be provided.



NOTICE (Contd.)

EXPLANATORY STATEMENT:

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part thereof.

Item No. 5

Shri P. K. Mittal was appointed as Managing Director of the Company on 28th May 1997 by the Board of Directors of the Company and the appointment was later confirmed and approved by members in the Annual General Meeting held on 30th September 1997. However, Shri P. K. Mittal relinquished his office as Managing Director on 31st March, 1998 due to pre-occupation. The Board of Directors then appointed Shri R. K. Gupta as Chairman-cum-Managing Director on 1st April 1998. The remuneration package proposed for Shri R. K. Gupta is within the prescribed limits under Schedule XIII of the Companies Act, 1956.

None of Directors except Shri R. K. Gupta himself is interested in the said appointment. Your Directors recommend his appointment.

**By order of the Board
For Vintron Industries Ltd.,**

Place : New Delhi

Dated: 29th August, 1998

R.K.GUPTA

Chairman & Managing Director

Seventh Annual Report 1997-98

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Seventh Annual Report together with the Audited Accounts for the year ended 31st March 1998.

FINANCIAL RESULTS

	(Rs. in lacs)	
	Current Year	Previous Year
Turnover & Other Income	4431.77	4122.29
Share of Profit in Partnership Firm	122.50	90.25
Gross Profit	201.47	200.70
Depreciation	32.64	30.46
Profit before Income Tax	168.83	170.24
Provision for Income Tax	11.00	11.00
Income Tax Adjustments	7.25	5.83
Profit after Tax	150.58	165.07
Surplus brought forward	466.26	301.19
Balance in Profit & Loss A/c	616.84	466.26

PERFORMANCE

Your Company has achieved better Turnover, there has been a rise of 7.50% approx., but the Profits of the Company has fallen by 9% approx. as compared to the previous year.

Your Directors have not recommended any dividend for the financial year 1997-98 in view of requirements of funds for working capital for enhanced level of activity.

OPERATIONS

The economic forces both at macro and micro level (barring a few industrial sectors) have witnessed a subdued level of activity during the period under review. There has been a good amount of political uncertainty and country has been made to realize the essential phenomenon of coalition. With the regional polarisation growing, the polity at centre has to assume a more responsible role. Winds of change encompass the leading political parties to play their roles in a manner as to ensure sustained and higher economic growth coupled with targeted GDP, Savings and Investments without losing the focus on basic tenets of constitution viz. Equality and social justice. The failure of South Eastern economies in managing their currencies herald to a well conceived and cautious approach in managing the foreign exchange resources. Undoubtedly, there is need to control adversity in balance of payment situation. It is heartening to note that despite, reviews by international credit rating agencies, the faith reposed by the world at large, in our economy, as evident from subscription to Ressurgent India Bonds, 1998 is a very positive signal. On the whole the economy is showing signs of revival.

In changing scenario your Company has kept itself abreast with the developments taking place at the national and international levels. The Colour Monitors of the Company continue to find acceptance in the market and the Mouse sales have surpassed the estimates. One very heartening feature of the business has been that the PC's introduced in the market have found wide acceptance. With the introduction of PC's, your Company has become a major player in the Countries' hardware industry and with its inherent technological, marketing and manpower strengths the ensuing year promises good time for your Company.

Your Company is also planning to enter Green Field area of software development. To sum-up, your Company looks forward to a year of hope and progress and greater customer satisfaction.



DIRECTORS' REPORT (Contd.)

DIRECTORS

Shri R. K. Gupta was appointed as Wholetime Director on 22nd August 1997 and was later on appointed as Chairman-cum-Managing Director w.e.f. 1st April 1998. Shri P. K. Mittal continues to remain as the Director.

Shri Pankaj Tayal and Shri Suresh Chauhan retire by rotation and being eligible, offer themselves for re-appointment.

Shri K. A. Sivaram, who was the nominee Director on behalf of The Industrial Finance Corporation of India Limited, ceases to be on the Board pursuant to repayment of Term Loan to The Industrial Finance Corporation of India Limited.

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.

AUDITORS

M/s. O.P. Bagla & Co., Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report.

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.

PROVISION FOR RETIREMENT BENEFITS ETC.

The Company has not provided for retirement benefits payable to employees as on 31st March, 1998 as the details were still under compilation. However, it shall be provided for in the current year.

ACKNOWLEDGMENTS

The Board expresses its appreciation for the sincerity and dedication shown by the employees of your Company. The Directors also wish to place on record their appreciation for the assistance and co-operation received from Company's Bankers namely Oriental Bank of Commerce and Financial institution.

For and on behalf of the Board

Place : New Delhi
Date : 29th August, 1998

(R. K. Gupta)
Chairman & Managing Director

Seventh Annual Report 1997-98

ANNEXURE TO DIRECTORS' REPORT

STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

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 operations of the Company is not significant. However, the Company is taking 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 by the Company

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 are finding better acceptability in the market.

Future plan of action

The Company is carrying on R & D to further enhance the product features and improve their quality.

Expenditure on R & D

- Capital	NIL
- Recurring	Rs. 91,787.00
- Total	Rs. 91,787.00
- Total R & D expenditure as a percentage of total turnover	0.02

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

None.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company used foreign exchange amounting to Rs. 1719 lacs during the year under review.

PARTICULARS OF EMPLOYEES AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998

Name & Age	Qualification Experience	Designation Nature of Duties	Date of Commencement of	Remuneration employment	Previous employment
Shri R.K. Gupta (49 Years)	Machanical Enggineer (24 Years)	Chairman-cum- Managing Director	01.10.1992	Rs. 2,26,646/- (Part of the Year)	Sujata Data Products(P) Ltd.