

## BOARD OF DIRECTORS

Dr. Gurpreet Singh  
Director

Mr. Inderdeep Singh  
Director

Mr. Kumar Srinivasan  
Whole-time Director

Mr. Swaraj Singh  
Director

Dr. Navin Kumar Kapur  
Director

Ms. Rashmi Nagabhushan  
Director

Ms. S Sujatha Lyall  
Company Secretary

Mr. Amardeep Singh Bedi  
Chief Financial Officer

## AUDITORS

M/s V K Verma & Co.  
Chartered Accountants  
C-37, Connaught Place  
New Delhi - 110 001.

## REGISTERED OFFICE

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

Deltron Limited, Registered Office – C-120, Naraina Industrial Area, New Delhi – 110 028

Phone No. 011-25796150-53, E-mail:deltron1982@rediffmail.com

Website:www.deltronlimited.in Cin No : L32109DL1982PLC013838

## **NOTICE**

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Shareholders of the Company will be held at The Little Theatre Group, Copernicus Marg, New Delhi-110001 on Monday, the 3<sup>rd</sup> day of September, 2018 at 11.30 a.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, 2018, 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 Mrs. Rashmi Nagabhushan(DIN:00173914), who retires by rotation and being eligible offers herself for reappointment.
3. To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:  
"Resolved that pursuant to the provisions of the Companies Act, 2013 and the rules framed thereunder, the firm M/s V.K. Verma & Co., Chartered Accountants, Firm Registration No. 000386N, is appointed as Statutory Auditors of the Company to hold office for an adequate period of 4 years till the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) at such remuneration as may be mutually fixed."

## **SPECIAL BUSINESS**

4. 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, 2018 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, 2018 for the balance of his existing tenure of appointment.

By order of the Board  
For Deltron Limited

Date: 21.07.18  
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 Register of Members and Transfer Books shall remain closed from 28.08.2018 to 03.09.2018 (both days inclusive).
3. **In line with the Government's green initiative in Corporate Governance of allowing paperless compliance, the Company requests its members once again to send their Email IDs along with Folio No., Name(s) and full Contact Address without fail by post or by email to deltron1982@rediffmail.com at the earliest in order to receive all future communication, including Annual Reports, Notices etc. 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. Members can also access the Annual Report and Notice posted on the Company's website "www.deltronlimited.in".**
4. 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. Copies of the Annual Report and Notice are also available for inspection during the working hours at the registered office of the Company at C-120, Naraina Industrial Area, New Delhi.
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 3.09.2018, 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 year 2009-10 to the Investor Education and Protection Fund (IEPF). Further, in terms of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the Equity shares in respect of which dividends for 7 (seven) consecutive years have remained unpaid or unclaimed into the "IEPF Suspend Account" created for this purpose. Thereafter, no claim shall lie against the Company for such cases. Such unclaimed dividend and shares can be reclaimed by the shareholder by following the prescribed procedure / rules.

# Deltron Limited

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). All other Members should submit the PAN to the Company or to its RTA.
9. Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection at the meeting.
10. **Voting through electronic means :-**
  - a. The Company is providing for e-voting facility through Central Depository Services (India) Limited 'CDSL' to the shareholders to 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 Friday, 31.08.2018 at 9 a.m. and end on Sunday, 2.09.2018 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on Tuesday, 28.08.2018, 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. 28.08.2018 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: Mr. Kumar Srinivasan, Whole-time Director 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 Ms. Akarshika Goel, Company Secretary in Practice, as the Scrutinizer for the polling and the remote-e-voting 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.
  - k. The detailed E-voting instructions are part of the notice and are posted on the Company's website at "[www.deltronlimited.in](http://www.deltronlimited.in)".

## Explanatory Statement:

### Item No. 4:

Mr. Kumar Srinivasan was re-appointed as the Whole-time Director of the Company in the Annual General Meeting held on 24<sup>th</sup> September, 2015 for a period of three years w.e.f. 27<sup>th</sup> September, 2015 upto 26<sup>th</sup> September, 2018. 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, 2018 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, 2018 for the balance of his existing tenure of appointment, was approved by the Nomination and Remuneration Committee and the Board at their respective meeting held on 21<sup>st</sup> July, 2018.

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. 4 of the Notice.

The resolution at item no. 4 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 2017-18

Financial Parameters	2017-18 (INR)
Total Income	75,44,222
Net Profit	(16,84,924)

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

# Deltron Limited

- ii) Information about Mr. Kumar Srinivasan
- Mr. Kumar Srinivasan, aged about 69 years has done B.E. (Honours) Electronics from BITS, Pilani and has a rich and varied experience of over 46 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 4 (four) meetings of the Board held during the year.
  - Past remuneration as per Schedule V of Companies Act, 2013 of Mr. Kumar Srinivasan are given below :  
Rs 16,03,580/-  
Rs 16,03,580/-  
Rs 16,03,580/-
  - 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 46 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:

Sl. No	Description	Rs
1	Basic Salary	75,000
2	House Rent Allowance	52,500
3	Conveyance Allowance	15,000
4	Others	10,000
	Total Remuneration	1,52,500

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 costs, including compliance costs, the company will need to be conservative while exploring new opportunities.

By order of the Board  
For Deltron Limited

Date: 21.07.18  
Place: New Delhi

S Sujatha Lyall  
Company Secretary

## E-voting Instructions

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

- Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- Click on "Shareholders" tab.
- Select the "Company Name" from the drop down menu and click on "SUBMIT".
- 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.
- Enter the Image Verification as displayed and Click on "Login."
- 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.
- If you are a first time user follow the steps given below:

# Deltron Limited

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.

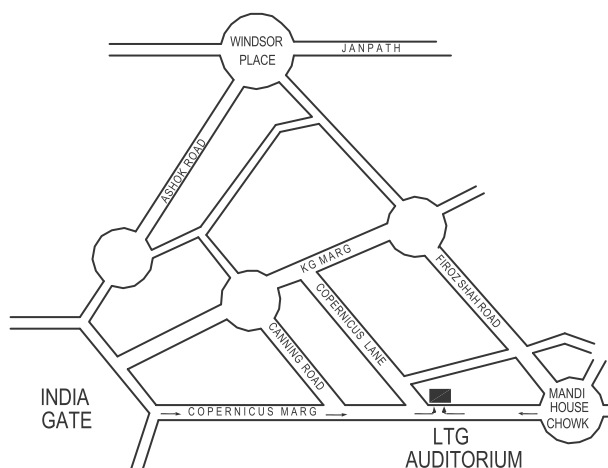
- viii. After completing the above, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they must enter their login password in the new 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. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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.

By order of the Board  
For Deltron Limited

S Sujatha Lyall  
Company Secretary

Date: 21.07.2018  
Place: New Delhi

Route Map to the Venue (LTG Auditorium)



# Deltron Limited

## DIRECTORS' REPORT

The Directors take pleasure in presenting the Thirty Sixth Annual Report of your Company for the financial year ended 31st March, 2018.

The total income during the year under review was Rs. 75.4 lacs and pre-tax profit was Rs. (17.8) lacs after providing for depreciation of Rs. 12,452. After adjusting for deferred tax, the net profit was Rs. (16.8) lacs. No amount has been transferred to General Reserves.

In view of the increased financial burden imposed by statutory compliances under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements), 2015, the new GST regime and various other statutes, the Directors do not recommend payment of Dividend for the year ended 31<sup>st</sup> March, 2018.

The Company has neither taken any public deposits nor given any loans or guarantees nor made investments nor entered into any related party transactions other than in the ordinary course of business and on arm's length basis.

The Company has a balanced composition of Directors on its Board and Key Managerial Personnels prescribed. There were no changes in the Board's composition during the year.

The composition of the Board and its three Committees are as follows:

Sr. No.	Composition of the Board	Board	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee
1	Dr. Gurpreet Singh	Non-Executive Director	-	-	-
2	Mr. Inderdeep Singh	Non-Executive Director	-	Member	Chairman
3	Mr. Kumar Srinivasan	Whole-time Director	Member	-	Member
4	Dr. Navin Kapur	Independent Director	Chairman	Chairman	-
5	Mr. Swaraj Singh	Independent Director	Member	Member	-
6	Ms. Rashmi Nagabhushan	Non-Executive Director	-	-	-

The Board met four times during the financial year on 26.05.2017, 8.07.2017, 11.11.2017 and 14.02.2018 and all the Directors attended the said meetings except Dr. Gurpreet Singh and Mrs. Rashmi Nagabhushan, who attended three meetings respectively.

The Audit Committee met four times during the financial year on 26.05.2017, 8.07.2017, 11.11.2017 and 14.02.2018 attended by all the members.

The Nomination and Remuneration Committee met once during the financial year on 8.07.2017 attended by all the members.

The Stakeholders Relationship Committee met once during the financial year on 11.11.2017 and both the members attended the said meeting. The Company did not receive any shareholder grievances during the year.

The Corporate Governance Clauses of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

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

Formal evaluation of all the Directors, the Board as a whole and the Committees were conducted and were found satisfactory.

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

The Nomination and Remuneration Policy adopted by the Company has been posted on the Company's website and is re-produced hereunder:

- *The appointments, qualification, disqualification, tenure, termination, evaluation, remuneration including commission, if any, and revision thereof for Directors including Independent Directors, Key Managerial Personnel and Senior Management Personnel shall be governed by the Companies Act, 2013 and Rules framed there under and also by any other applicable statute.*
- *The remuneration shall be sufficient to attract, retain and motivate Directors and personnel at all levels.*

The Company has a policy for prevention of Sexual Harassment of Women at workplace and no complaint of harassment was received during the year under review.

M/s Alankit Assignments Limited is the Company's Registrar and Share Transfer Agent. The Company's ISIN for its equity shares is INE272R01011.

# Deltron Limited

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

- i. 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 2.25 : 1.
- ii. There was 8.93% increase in the CFO's remuneration and 10.20% increase in the Company Secretary's remuneration.
- iii. There was 6.60% increase in the remuneration of one employee in the financial year.
- iv. There are four permanent employees on the rolls of the Company.

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

## **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.

## **Directors' Responsibility Statement**

The Directors confirm that:

- i. In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018 the applicable accounting standards have been followed.
- ii. Appropriate accounting policies 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.
- iii. 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 Company's assets and for preventing other irregularities.
- iv. The accounts have been prepared on a going concern basis.
- v. The internal financial controls followed by the Company are adequate and are operating effectively.
- vi. Proper and adequate systems have been devised to ensure compliance with provisions of all applicable laws and such systems are operating effectively.

## **Auditors and Reports**

The Board recommends re-appointment of M/s V K Verma & Co., as Statutory Auditors of the Company for four years (thereby bringing their total tenure to five years) subject to ratification of their appointment in every AGM. They have furnished a certificate to the effect that the proposed appointment, if made, will be in accordance with the applicable provisions of the Companies Act, 2013.

The Secretarial Audit Report from M/s P.S. Soni & Co., Practicing Company Secretaries, for the financial year 2017-18 forms part of the Annual Report as Annexure II to the Board's Report. The Board has re-appointed them for the financial year 2018-19.

M/s K.S Bawa & Associates, Chartered Accountants, Internal Auditors for the financial year 2017-18, have been re-appointed for the financial year 2018-19.

There are no disqualifications, reservations or adverse remarks or disclaimers in the reports of the aforesaid Auditors for the financial year 2017-18.

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

During the year :-

- i. The Company has no manufacturing activity. The consumption of electricity continues to be minimal and adequate measures are taken to conserve power and energy.
- ii. The Company has not purchased or acquired any new technology.
- iii. The Company has not undertaken any new Research & Development activities.
- iv. There was no foreign exchange expenditure or earnings.

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: 21-07-2018  
Place: New Delhi

**Kumar Srinivasan**  
Whole-time Director

**Inderdeep Singh**  
Director

# Deltron Limited

**EXTRACT OF ANNUAL RETURN AS ON 31.03.2018**  
**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014]**

**Annexure I**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L32109DL1982PLC013838
2.	Registration Date	10th June, 1982
3.	Name of the Company	Deltron Limited
4.	Category/Sub-category of the Company	Listed Company
5.	Address of the Registered office & contact details	Mrs. S Sujatha Lyall, Company Secretary Deltron Limited C-120, Naraina Industrial Area, New Delhi-110 028 Phone : 011-25796150-53 Website: www.deltronlimited.in Email: deltron1982@rediffmail.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mr. J K Singla, Sr. Manager M/s Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi - 110055 Tel. + 91-11-4254 1960, Fax. + 91-11- 4154 3474 Website: www.alankit.com Email: rta@alankit.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company are stated:-

The Company is engaged in the trading of a variety of goods including Electrical/ Electronic Goods, Mechanical Goods, Equipments, Tools etc.

Sl. No.	Main products / services	NIC Code	% to total turnover
1	Jacks and Spares	4530	85.00%

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :- NIL**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1282825	271950	1554775	54.56	1282825	271950	1554775	54.56	0.00
b) Bodies Corp.	402693	40000	442693	15.53	402693	40000	442693	15.53	0.00
<b>Sub-total (A) (1) :-</b>	<b>1685518</b>	<b>311950</b>	<b>1997468</b>	<b>70.09</b>	<b>1685518</b>	<b>311950</b>	<b>1997468</b>	<b>70.09</b>	<b>0.00</b>
(2) Foreign	-	-	-	-	-	-	-	-	-
<b>Total (A)= (A)(1)+ (A)(2)</b>	<b>1685518</b>	<b>311950</b>	<b>1997468</b>	<b>70.09</b>	<b>1685518</b>	<b>311950</b>	<b>1997468</b>	<b>70.09</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Banks / FI	-	100	100	0.00	-	50	50	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>0.00</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	150	2900	3050	0.11	150	2575	2725	0.10	0.01
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	15655	605977	621632	21.81	17680	512342	530022	18.60	3.21
c) Others i) (NRI/OCBs)	-	227750	227750	7.99	-	227450	227450	7.98	0.01
ii) IEPF Authority	-	0.00	0.00	0.00	92,285	0.00	92,285	3.24	-3.24
<b>Sub-total (B)(2):-</b>	<b>15805</b>	<b>836627</b>	<b>852432</b>	<b>29.91</b>	<b>110115</b>	<b>742367</b>	<b>852482</b>	<b>29.91</b>	<b>0.00</b>
<b>Total (B)=(B)(1)+ (B)(2)</b>	<b>15805</b>	<b>836727</b>	<b>852532</b>	<b>29.91</b>	<b>17830</b>	<b>742417</b>	<b>852532</b>	<b>29.91</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>1701323</b>	<b>11,48,677</b>	<b>2850000</b>	<b>100.00</b>	<b>1795633</b>	<b>1054367</b>	<b>2850000</b>	<b>100.00</b>	<b>0.00</b>



# Deltron Limited

## ii) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Amira Bhargava	42500	1.49	-	42500	1.49	-	0.00
2	Chetak Arun	1200	0.04	-	1200	0.04	-	0.00
3	Gitana Singh	95450	3.35	-	95450	3.35	-	0.00
4	Gurpreet Singh	1750	0.06	-	1750	0.06	-	0.00
5	Gurpreet Singh H U F	1000	0.04	-	1000	0.04	-	0.00
6	Inderdeep Singh	663200	23.27	-	663200	23.27	-	0.00
7	Kumar Srinivasan	1000	0.04	-	1000	0.04	-	0.00
8	Kushal G Singh	2000	0.07	-	2000	0.07	-	0.00
9	Prithvideep Singh	66200	2.32	-	66200	2.32	-	0.00
10	Punita G Singh	349500	12.26	-	349500	12.26	-	0.00
11	Reena I Singh	33450	1.17	-	33450	1.17	-	0.00
12	S Arjan Singh	5000	0.18	-	5000	0.18	-	0.00
13	Simran Bhargava	238775	8.38	-	238775	8.38	-	0.00
14	Tara Bhargava	53750	1.89	-	53750	1.89	-	0.00
15	A G Traders P Limited	5000	0.18	-	5000	0.18	-	0.00
16	Continental Device India Private Limited	392693	13.78	-	392693	13.78	-	0.00
17	Delta Electronics P Ltd	20000	0.70	-	20000	0.70	-	0.00
18	Semtech P Limited	3500	0.12	-	3500	0.12	-	0.00
19	Thermadyne P Limited	21500	0.75	-	21500	0.75	-	0.00
	Total	1997468	70.09	-	1997468	70.09	-	0.00

## iii) Change in Promoters' Shareholding

There was no change in Promoters' Shareholding during the year.

## iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Changes during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Anoop Kumar Roongta	8150	0.29	-	0	0.00	8150	0.29
2	Anupam Narayan	10000	0.35	-	0	0.00	10000	0.35
3	Avinash J Singh	32000	1.12	-	0	0.00	32000	1.12
4	Chirayush Pravin Vakil and Pravin Kantilal Vakil	8650	0.30	-	0	0.00	8650	0.30
5	Gamlin Inc.	180000	6.32	-	0	0.00	180000	6.32
6	Gautam D Maru and Ramila G Maru	4550	0.16	-	0	0.00	4550	0.16
7	Meena Mehta	7900	0.28	-	0	0.00	7900	0.28
8	Rama Mehta and Bhavna Kumari	4000	0.14	-	0	0.00	4000	0.14
9	Ramila G Maru and Gautam D Maru	4850	0.17	-	0	0.00	4850	0.17
10	Virander Kumar and Pushp Khurana	4950	0.17	-	0	0.00	4950	0.17

# Deltron Limited

## v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Changes during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Gurpreet Singh	1750	0.06	-	0	0.00	1750	0.06
2	Inderdeep Singh	663200	23.27	-	0	0.00	663200	23.27
3	Kumar Srinivasan	1000	0.04	-	0	0.00	1000	0.04

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : NIL

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

In Rs.

S.No.	Particulars of Remuneration	Whole-time Director	Chief Financial Officer	Company Secretary
		Mr. Kumar Srinivasan	Mr. Amardeep Singh Bedi	Ms. S Sujatha Lyall
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	15,25,980 77,600 0	7,58,125 4,365 0	8,12,990 5,258 0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0 0 0	0 0 0	0 0 0
5	Others, please specify Total (A) Ceiling as per the Act	0 16,03,580 42,00,000	0 7,62,490 NA	0 8,18,248 NA

## Remuneration to other Directors :

In Rs.

1. Independent Directors			
Name of Independent Director	Sitting Fees	Profit Commission	Total
Dr. Navin Kapur	30,000	0.00	30,000
Mr. Swaraj Singh	30,000	0.00	30,000
Total	60,000	0.00	60,000
2. Other Non-Executive Directors			
Name of Non-Executive Director	Sitting Fees	Profit Commission	Total
Dr. Gurpreet Singh	9,000	0.00	9,000
Mr. Inderdeep Singh	15,000	0.00	15,000
Ms. Rashmi Nagabhushan	9,000	0.00	9,000
Total	33,000	0.00	33,000
Total Remuneration paid to Independent and Other Non-Executive Directors	93,000	0	93,000
Overall Ceiling as per the Act per meeting	1,00,000		

## VII. Penalties / Punishment/ Compounding of Offences against Company, Directors and other Officers in default : None

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2018

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DELTRON LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - f. The Information Technology Act, 2000
  - g. The Trade Marks Act, 1999.

We have also examined compliance with the applicable clauses of the following and found the Company compliant with the provisions of the:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India for Board Meetings and General Meetings during the year.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange and also the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors and all Directors are well qualified. Adequate notice is given to all directors to schedule the Board Meetings and all committee meetings, Agenda and detailed notes on Agenda were sent at least seven clear days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

### We further report that

1. During the audit period the Company had the following Key Managerial Persons (KMP) – Mr. Kumar Srinivasan, Whole Time Director, Mr. Amardeep Singh Bedi, CFO, Ms. Susan Sujatha Lyall, Company Secretary, who have duly followed the functions of KMP pursuant to provisions of the Companies Act, 2013.
2. Formal annual evaluation from Board of Directors of its own performance and their committees was done and it was satisfactory.
3. The Company has kept and maintained all Registers as per the Provisions of the Act and the Rules made there under and all entries therein have been duly recorded.
4. There were no inter-se transfers in the Promoters' Shareholding and no change in the shareholding of Top Ten Public Shareholders.
5. There was no change in the Independent Directors of the Company.
6. The Company believes that every employee is a trustee of its stakeholders and must adhere to the Company's Code of Conduct and conduct himself or herself at all times in a professional and ethical manner and proper vigil mechanism is active in the Company.
7. Only Mr. Kumar Srinivasan, Whole Time Director received remuneration and ratio of WTD remuneration to the median employee is around 2.25:1

# Deltron Limited

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8. Internal financial controls followed in the Company are commensurate with the size and operations of the Company.
9. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Directors, NCLT, Registrar and / or such authorities prescribed under the provision of the Act during the said year.
10. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 73 during the financial year.
11. There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or other punishment was imposed on the Company during the financial year, for offences under the Act.
12. The Company has transferred the dividend money remained unpaid for seven years to the investors education and provident fund (IEPF) account and have transferred the shares also.
13. Contracts/arrangements with related parties as specified in section 188 of the Act were Nil and only transactions in the ordinary Course of business and on arms length were done during the year.
14. Based on the Audit Procedures performed and the information and explanations given to us, we report that no Fraud on or by the Company was noticed or reported during the year

The Members,  
DELTRON LIMITED.  
CIN: L32109DL1982PLC013838  
C-120 Naraina Industrial Area,  
New Delhi - 110028.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For P.S.SONI & CO.**  
**COMPANY SECRETARIES**

**CS PRABHJIT SINGH SONI**  
**MANAGING PARTNER**  
**CP. NO. 4599 FCS 2887**

**DATED: 30<sup>th</sup> APRIL, 2018**  
**PLACE: NEW DELHI**

# Deltron Limited

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## INDEPENDENT AUDITOR'S REPORT To the Members of DELTRON LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of DELTRON LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position
    - ii. The Company did not have any long-term contracts including derivative contracts for which it is required to make provision under the applicable law or accounting standards for any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order

# Deltron Limited

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## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Deltron Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Deltron Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V K Verma & Co.**  
Chartered Accountants  
(Firm Registration No.000386N)

New Delhi  
Date: 26.05.2018

**R C Hasija**  
Partner  
(Membership No.054809)

# Deltron Limited

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of

**Deltron Limited** of even date)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deed of immovable property, viz., building is held in the name of the Company as on the balance sheet date.
- ii As explained to us, inventories have been physically verified during the year by the management and no material discrepancies were noticed. In our opinion, the frequency of verification is reasonable in relation to the size of the company and nature of its business
- iii According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses (iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable to the Company.
- iv In our opinion and according to the information and explanations given to us, there were no transaction of the nature as covered under Section 185 and 186 of the Companies Act, 2013, hence clause 3(iv) of the Order is not applicable to the company.
- v The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018. Therefore, the provisions of the clause 3 (v) of the Order is not applicable to the Company.
- vi The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. Further there were no undisputed statutory dues payable as on March 31, 2018 for a period of more than six months from the date they became payable.
  - (b) There is no amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues which have not been deposited on account of any dispute.
- viii The Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For V K Verma & Co.**  
Chartered Accountants  
(Firm Registration No.000386N)

New Delhi  
Date: 26.05.2018

**R C Hasija**  
Partner  
(Membership No.054809)

# Deltron Limited

## AUDITED STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at 31-Mar-18 Rs	As at 31-Mar-17 Rs	As at 01-Apr-16 Rs
<b>ASSET</b>				
<b>Non Current Asset</b>				
a) Property Plant Equipment	2	6,727	9,716	12,705
b) Investment property	2.1	3,04,875	3,14,338	3,23,801
c) Financial Asset				
Security deposit		2,11,285	2,11,285	2,11,285
d) Other non current Asset	4	5,47,406	5,47,406	5,47,406
<b>Total Non Current Assets</b>		<b>10,70,293</b>	<b>10,82,745</b>	<b>10,95,197</b>
<b>Current Assets</b>				
a) Inventory	6	22,500	64,500	34,500
b) Financial asset				
Investment	5	- 3,85,22,568	3,90,15,761	2,74,46,090
Trade Receivable	7	27,66,816	22,07,256	30,07,068
Cash & cash equivalent	8	3,27,344	7,99,148	4,09,204
Other Bank Balances	8.1	3,89,88,498	3,85,13,052	4,49,83,620
Other financial asset	9	19,47,753	16,58,299	57,67,168
c) Current Tax asset	10	21,59,443	18,78,906	21,23,338
d) Other current asset	11	-	46,534	413
<b>Total Current Assets</b>		<b>8,47,34,922</b>	<b>8,41,83,456</b>	<b>8,37,71,401</b>
<b>TOTAL ASSETS</b>		<b>8,58,05,215</b>	<b>8,52,66,201</b>	<b>8,48,66,598</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a) Equity Share Capital	12	2,85,00,000	2,85,00,000	2,85,00,000
b) Other Equity	13	5,10,68,538	5,11,37,964	4,99,47,534
<b>Total Equity</b>		<b>7,95,68,538</b>	<b>7,96,37,964</b>	<b>7,84,47,534</b>
<b>LIABILITIES</b>				
<b>Non Current Liabilities</b>				
Provision -Employee Benefit obligation	14	6,64,992	5,85,895	4,75,339
Deferred tax Liability (net)	3	17,55,640	17,74,831	14,77,723
<b>Total Non Current Liabilities</b>		<b>24,20,632</b>	<b>23,60,726</b>	<b>19,53,062</b>
<b>Current Liabilities</b>				
a) Financial Liabilities				
Trade Payable	15	14,94,685	12,81,541	24,28,066
Other Financial Liabilities	16	5,16,172	5,96,021	6,67,925
b) Provision	18	14,20,237	10,09,453	10,09,023
c) Other Current liabilities	17	3,84,951	3,80,496	3,60,988
<b>Total Current Liabilities</b>		<b>38,16,045</b>	<b>32,67,511</b>	<b>44,66,002</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,58,05,215</b>	<b>8,52,66,201</b>	<b>8,48,66,598</b>
The accompanying notes form part of the Standalone Financial Statements				

As per our report of even date attached  
for V.K.VERMA & CO.  
Chartered Accountants  
Firm Regn. No. 000386N

INDERDEEP SINGH  
Director  
DIN NO: 00173538

KUMAR SRINIVASAN  
Whole-Time Director  
DIN NO: 00173717

R.C.HASIJA  
Partner

Memb. No. 54809  
New Delhi  
Dated: 26.05.2018

AMARDEEP SINGH BEDI  
Chief Financial Officer  
PAN-AFPPB3460B

S SUJATHA LYALL  
Company Secretary  
PAN-AHHPR1419E



# Deltron Limited

## STATEMENT OF STANDALONE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u> <u>31.03.2018</u> <u>(Rs.)</u>	<u>Year Ended</u> <u>31.03.2017</u> <u>(Rs.)</u>
1 Revenue from Operations	19	33,20,765	45,58,575
2 Other Income	20	42,23,457	55,18,234
3 Total Revenue		75,44,222	1,00,76,809
4 Expenses :			
Purchases of Stock-in-Trade	21	31,20,500	43,71,500
Changes in Inventories of Stock-in-Trade	22	42,000	(30,000)
Employee Benefits expenses	23	47,05,331	41,03,246
Finance costs		1,908	5,942
Depreciation and Amortization expense	25	12,452	12,452
Other expenses	24	14,39,022	11,93,735
<b>Total expenses</b>		<b>93,21,213</b>	<b>96,56,875</b>
5 <b>Profit before exceptional items and Tax</b>		<b>(17,76,991)</b>	<b>4,19,934</b>
6 Exceptional items		-	-
7 <b>Profit before Tax</b>		<b>(17,76,991)</b>	<b>4,19,934</b>
8 Tax expense:			
Current Tax		-	1,05,000
Deferred Tax		(92,067)	(65,226)
9 <b>Profit for the year from continuing operations</b>		<b>(16,84,924)</b>	<b>3,80,160</b>
10 Profit /(loss) from Discontinued operations (after Tax)		-	-
11 Net Profit / (loss) for the year (9-10)		(16,84,924)	3,80,160
12 Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		1,12,986	88,953
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(29,094)	(27,485)
B (i) Items that will be reclassified to Profit or Loss		15,75,388	10,83,650
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(43,782)	(3,34,848)
<b>Total Comprehensive Income for the year (XI+XII) comprising Profit (Loss) and other comprehensive income for the Year</b>		<b>(69,426)</b>	<b>11,90,430</b>
13 <b>Earnings per equity share:</b>			
Basic	29	(0.59)	0.13
Diluted	29	(0.59)	0.13
(Face Value Rs 10 per Share)			

As per our report of even date attached  
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KUMAR SRINIVASAN  
Whole-Time Director  
DIN NO: 00173717

R.C.HASIJA  
Partner  
Memb. No. 54809  
New Delhi  
Dated: 26.05.2018

AMARDEEP SINGH BEDI  
Chief Financial Officer  
PAN-AFPPB3460B

S SUJATHA LYALL  
Company Secretary  
PAN-AHHPR1419E

# Deltron Limited

## Statement of Standalone Changes in Equity for the year Ended March 31, 2018

Amount in Rs

	EQUITY	OTHER EQUITY					Total Equity
	Share Capital	Reserves and Surplus			Other Comprehensive income	Total Other Equity	
		Securities Premium reserve	General Reserve	Surplus in Statement of Profit & Loss	Debt income Fund		
As at April 1, 2016	2,85,00,000	75,20,000	1,89,60,527	1,93,60,285	41,06,722	4,99,47,534	7,84,47,534
a) Total Comprehensive income for the year excluding item b below				3,80,160	7,48,802	11,28,962	11,28,962
b) Remeasurement of defined benefit plan				61,468	-	61,468	61,468
c) Transfer to / from Retained earning				-	-		
<b>As at 31-3-2017</b>	<b>2,85,00,000</b>	<b>75,20,000</b>	<b>1,89,60,527</b>	<b>1,98,01,913</b>	<b>48,55,524</b>	<b>5,11,37,964</b>	<b>7,96,37,964</b>
a) Total Comprehensive income for the year excluding item b below				(16,84,924)	15,31,606	(1,53,318)	(1,53,318)
b) Remeasurement of defined benefit plan				83,892	-	83,892	83,892
c) Transfer to / from Retained earning				-	-	-	-
<b>As at 31-3-2018</b>	<b>2,85,00,000</b>	<b>75,20,000</b>	<b>1,89,60,527</b>	<b>1,82,00,881</b>	<b>63,87,130</b>	<b>5,10,68,538</b>	<b>7,95,68,538</b>

As per our report of even date attached  
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Dated: 26.05.2018

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# Deltron Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	<u>2017-18</u> (Rs.)	<u>2016-17</u> (Rs.)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit for the Year		3,80,160
Adjustment for :	(16,84,924)	39,774
Income tax expenses	(92,067)	
Depreciation	12,452	12,452
Gratuity Provision	6,02,867	1,99,939
Investment, Rental and Interest Income	(42,23,457)	(55,18,234)
Operating Profit before Working Capital Changes	(53,85,129)	(48,85,909)
Adjustment for :		
Inventories	42,000	(30,000)
Trade Receivables	(5,59,560)	7,99,812
Trade Payables	2,13,144	(11,46,525)
Other Current Liabilities	4,455	19,508
Cash from Operations	(56,85,090)	(52,43,114)
Direct Taxes Paid (Net)	(2,80,537)	1,39,432
Net Cash from operating activities	(59,65,627)	(51,03,682)
<b>B. Cash Flow from Investing Activities</b>		
Change in other current Financial & Other assets	(2,42,920)	40,62,748
Interest /Dividend Income	31,98,245	37,57,425
Change in other Bank Balances	(4,75,446)	64,70,568
Proceeds from Redemption of Investments	30,93,793	48,74,789
Further Investment in Mutual Funds		(1,36,00,000)
Net Cash used in Investing Activities	55,73,672	(55,65,530)
<b>C. Cash Flow from Financing Activities</b>		
Dividend (inclusive dividend tax) Paid	-	-
Change in other current Financial Liabilities	(79,849)	(71,904)
Interest Paid	-	-
Net Cash used in Financing Activities	(79,849)	(71,904)
Net Change in Cash and Cash Equivalents (A+B+C)	(4,71,804)	3,89,944
Cash & Cash Equivalents as at 1st April (Opening Balance)	7,99,148	4,09,204
Cash & Cash Equivalents as at 31st March (Closing Balance)	3,27,344	7,99,148

Note : Figures in brackets represent Cash Outflows  
See Accompanying Notes to the Financial Statements

As per our report of even date attached  
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# Deltron Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

### Note No

#### 1.1 Company Information

Deltron Limited ("the Company") is a listed entity incorporated in India. The company operates from C-120, Naraina Industrial Area, New Delhi-110028 which is also its Registered office. The company is engaged in trading activity.

#### 1.2 Basis of preparation of financial statements

The Financial Statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable.

The financial statements upto the year ended March 31, 2017 were prepared in accordance with Accounting Standards notified under the Companies Accounting Standards) Rules, 2006 and other relevant provisions of the Act ("Previous GAAP")

These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer note 40 for an explanation of the transition from previous GAAP to Ind AS and the effect on the Company's financial position, financial performance and cash flows.

The financial statements are prepared in Indian Rupees (Rs) which is also its functional currency.

#### 1.3 Significant Accounting Policies

##### a) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition is inclusive of freight, duties, taxes, other directly attributable incidental expenses

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is calculated on a pro-rata basis from the date of additions. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/ discard.

##### b) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any. Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses.

The Company is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is generally 60 years and estimated residual value is 5%.

**The Company has opted to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value and use that carrying value as its deemed cost.**

##### c) Inventory :

Cost of inventory have been computed to include all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

i) Stock-in-Trade are valued at cost or net realisable value whichever is lower. Cost is determined using weighted average Rate

ii) Slow Moving and Dead Stock are valued at net realisable / scrap value.

##### d) Revenue recognition

Sales are recognized, at values as per agreements, net of returns, trade and volume discounts, if any, on transfer of significant risks and rewards of ownership/effective control to the buyer, which generally coincides with dispatch to customers. Sales excludes value added tax and GST

Interest income from a financial asset is recognised using effective interest rate method.

##### e) Employee Benefits :

###### Defined contribution plans

Company's contribution paid/payable during the year to provident fund, and employees' Pension Scheme are recognized in the statement of profit and loss

###### Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

##### f) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

###### i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

###### ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities & assets are reviewed at the end of each reporting period.

## g) Financial instruments

All financial instruments are Non derivative and consist of:

Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt Mutual Funds and eligible current and non-current assets;

Financial liabilities, which include trade payables, eligible current and non-current liabilities.

### Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

### Subsequent measurement of non-derivative financial instruments

i) **Financial assets carried at amortised cost (AC)** : A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** : A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest/ dividend income is recognized in statement of profit and loss for FVTOCI instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

iii) **Financial assets at fair value through profit or loss (FVTPL)** : A financial asset which is not classified in any of the above categories are measured at FVTPL.

**Investments** : The Company has elected to present the value changes of its Investments in 'Other Comprehensive Income'.

iv) **Financial liabilities** : Financial liabilities on subsequent measurement are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### De-recognition of financial instruments

Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## h) Impairment

### Financial Asset

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### Non financial Asset-Tangible assets

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

## i) Use of estimates

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Useful lives and residual value of property, plant and equipment and investment properties: Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, etc and same is reviewed at each financial year end.

ii) Recoverability of trade receivable: Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## 1.4 FIRST TIME ADOPTION OF INDAS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

## Notes No

### 2. Property Plant and Equipment

#### TANGIBLE ASSETS

(Amount in Rs)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET BLOCK		
	Deemed cost As AT 01.04.2016	Addition	Deduction /ADJ.	AS AT 31.03.2017	Addition	Deduction /ADJ.	As AT 31.03.2018	FOR THE YEAR	As AT 31.03.2017	Deduction /ADJ.	As AT 31.03.2018
Furniture	12,705			12,705	-		12,705	2,989	2,989		6,727
Total	12,705			12,705	-		12,705	2,989	2,989		6,727
											9,716
											12,705

#### 2.1 Investment Property

(Amount in Rs)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET BLOCK		
	Deemed cost As AT 01.04.2016	Addition	Deduction /ADJ.	AS AT 31.03.2017	Addition	Deduction /ADJ.	As AT 31.03.2018	FOR THE YEAR	As AT 31.03.2017	Deduction /ADJ.	As AT 31.03.2018
Building	3,23,801			3,23,801	-		3,23,801	9,463	9,463		3,04,875
Total	3,23,801			3,23,801	-		3,23,801	9,463	9,463		3,04,875
											3,14,338
											3,23,801

# Deltron Limited

Note No		As at 31.03.2018 (Rs.)		As at 31.03.2017 (Rs.)		As at 01.04.2016 (Rs.)
<b>3. DEFERRED TAX ASSETS /(LIABILITIES) (NET)</b>						
Deferred Tax Assets						
Provision for Employee Benefit		5,36,946		4,92,963		4,58,668
		<u>5,36,946</u>		<u>4,92,963</u>		<u>4,58,668</u>
<b>Deferred Tax Liabilities</b>						
Depreciation		77,522		96,512		99,957
Financial Asset		22,15,064		21,71,282		18,36,434
		<u>22,92,586</u>		<u>22,67,794</u>		<u>19,36,391</u>
Deferred Tax Asset (Net)						
Deferred Tax (Liabilities) (Net)		(17,55,640)		(17,74,831)		(14,77,723)
<b>4. OTHER NON CURRENT ASSETS</b>						
(Unsecured considered good)		-		-		-
Other Loans & Advances		5,47,406		5,47,406		5,47,406
		<u>5,47,406</u>		<u>5,47,406</u>		<u>5,47,406</u>
<b>5. CURRENT INVESTMENT - (UN-QUOTED)</b>						
Investments measured at Fair Value through Other Comprehensive Income		As at 31.03.2018 (Rs.)		As at 31.03.2017 (Rs.)		As at 01.04.2016 (Rs.)
	Unit		Unit		Unit	
<b>INVESTMENT IN MUTUAL FUNDS</b>						
- KOTAK TREASURY ADVANTAGE FUND-G	-	-	82,343.402	21,44,321	1,80,735.700	43,64,351
- PRINCIPAL INCOME FUND -ST PLAN	-	-	-	-	82,684.748	21,87,640
- UTI LIQUID SHORT TERM PLAN	94,806.118	28,87,965	1,11,366.522	32,14,728	1,11,366.522	29,38,662
- FRANKLIN INDIA ULTRA SHORT BOND FUND SIP -G	4,53,833.157	1,09,16,094	4,53,833.157	1,01,04,368	4,53,833.157	92,25,067
- RELIANCE MONEY MANAGER-G	901.703	21,59,194	901.703	20,22,111	901.703	18,70,906
- FRANKLIN INDIA STIP -GP	285.762	10,48,821	285.762	9,67,625	285.762	8,70,808
- BIRLA SUNLIFE DYNAMIC BOND FUND - RETAIL -GP	49,630.198	14,88,037	63,106.878	18,32,239	63,106.878	16,62,286
- BIRLA SUNLIFE SHORT TERM FUND -GP	1,02,084.013	67,83,156	1,02,084.013	63,56,955	76,064.571	43,26,370
- BIRLA SUNLIFE MEDIUM TERM PLAN-G	2,53,086.756	55,62,265	2,53,086.756	51,65,425	-	-
- ICICI PRU ULTRA SHORT TERM PLAN -G	4,31,030.186	76,77,036	4,31,030.186	72,07,989	-	-
Total		<u>3,85,22,568</u>		<u>3,90,15,761</u>		<u>2,74,46,090</u>
<b>CURRENT ASSETS</b>						
<b>6. INVENTORIES</b>						
(Lower of cost and net realisable value)		22,500		64,500		34,500
Stock-in -Trade		<u>22,500</u>		<u>64,500</u>		<u>34,500</u>
<b>7. TRADE RECEIVABLE</b>						
Unsecured considered good						
More than six months		-		-		-
Others - less than six months		27,66,816		22,07,256		30,07,068
		<u>27,66,816</u>		<u>22,07,256</u>		<u>30,07,068</u>

# Deltron Limited

Note No	As at 31.03.2018 (Rs.)	As at 31.03.2017 (Rs.)	As at 01.04.2016 (Rs.)
<b>8. CASH AND CASH EQUIVALENTS</b>			
Cash in Hand	257	312	782
<u>Balances with Banks in:-</u>			
- Current Account	3,27,087	7,98,836	4,08,422
	<u>3,27,344</u>	<u>7,99,148</u>	<u>4,09,204</u>
<b>8.1 OTHER BANK BALANCES</b>			
Fixed Deposits*	3,86,02,326	3,80,47,031	4,44,45,695
Unpaid Dividend Account	3,86,172	4,66,021	5,37,925
	<u>3,89,88,498</u>	<u>3,85,13,052</u>	<u>4,49,83,620</u>
<b>9 OTHER CURRENT FINANCIAL ASSETS</b>			
(Unsecured considered good)			
Claims Recoverable	26,325	-	39,07,842
Interest accrued on Deposits	19,21,428	16,58,299	18,59,326
	<u>19,47,753</u>	<u>16,58,299</u>	<u>57,67,168</u>
<b>10 CURRENT TAX ASSETS</b>			
(Unsecured considered good)			
Advance Income tax	35,14,443	32,33,906	33,73,338
Less Provision for Tax	-13,55,000	-13,55,000	-12,50,000
	<u>21,59,443</u>	<u>18,78,906</u>	<u>21,23,338</u>
<b>11 OTHER CURRENT ASSETS</b>			
(Unsecured considered good)			
Advances to			
- Employee	-	384	413
- Others	-	46,150	-
	<u>-</u>	<u>46,534</u>	<u>413</u>
<b>12 SHARE CAPITAL</b>			
<b>a) Authorised</b>			
75,00,000 (31-March17- 75,00,000, 1-April 16-75,00,000)	7,50,00,000	7,50,00,000	7,50,00,000
Equity Shares of Rs 10/- each			
25,00,000 (31-March17- 25,00,000, 1-April 16 - 25,00,000)	2,50,00,000	2,50,00,000	2,50,00,000
Preference Shares of Rs 10/- each			
	<u>10,00,00,000</u>	<u>10,00,00,000</u>	<u>10,00,00,000</u>
<b>b) Issued, Subscribed &amp; Fully Paid up</b>			
28,50,000 (31-March17- 28,50,000, 1-April 16-28,50,000)	2,85,00,000	2,85,00,000	2,85,00,000
Equity Shares of Rs 10/- each			
	<u>2,85,00,000</u>	<u>2,85,00,000</u>	<u>2,85,00,000</u>
<b>c) Details of Shareholders holding more than 5% of Shares</b>	<b>Nos of Shares</b>	<b>Nos of Shares</b>	<b>Nos of Shares</b>
Inderdeep Singh	6,63,200	6,63,200	6,63,200
Continental Device India Private Limited	3,92,693	3,92,693	3,92,693
Punita G Singh	3,49,500	3,49,500	3,49,500
Simran Bhargava	2,38,775	2,38,775	2,38,775
Gamlin inc	1,80,000	1,80,000	1,80,000



# Deltron Limited

d) The company has issued one class of shares i.e., equity shares which enjoy similar rights in respect of voting, payment of dividend and repayment of capital.

	<u>Nos of Shares</u>	<u>Nos of Shares</u>	<u>Nos of Shares</u>
e) Reconciliation of number of shares outstanding			
Shares at the beginning of the year	28,50,000	28,50,000	28,50,000
Shares at the end of the year	28,50,000	28,50,000	
	<u>As at</u>	<u>As at</u>	<u>As at</u>
	<u>31.03.2018</u>	<u>31.03.2017</u>	<u>01.04.2016</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>	<u>(Rs.)</u>
<b>13 OTHER EQUITY</b>			
a) General Reserve	1,89,60,527	1,89,60,527	1,89,60,527
b) Securities Premium Account	75,20,000	75,20,000	75,20,000
c) Profit & Loss Account			
Opening Balance	1,98,01,913	1,93,60,285	
Profit for the Year	(16,84,924)	3,80,160	
Remeasurement of defined benefit plan	83,892	61,468	
	<u>1,82,00,881</u>	<u>1,98,01,913</u>	<u>1,93,60,285</u>
d) Other Comprehensive income (OCI)			
Opening Balance	48,55,824	41,06,722	-
Add: Movement in OCI during the year	15,31,606	7,48,802	-
	<u>67,87,130</u>	<u>48,55,524</u>	<u>41,06,722</u>
Total	<u>5,10,68,538</u>	<u>5,11,37,964</u>	<u>4,99,47,534</u>
<b>14 PROVISIONS NON CURRENT</b>			
Provision for Employee Benefit -Gratuity	6,64,992	5,85,895	4,75,339
	<u>6,64,992</u>	<u>5,85,895</u>	<u>4,75,339</u>
<b>15 TRADE PAYABLE</b>			
Micro & Small enterprises	-	-	-
Others	14,94,685	12,81,541	24,28,066
	<u>14,94,685</u>	<u>12,81,541</u>	<u>24,28,066</u>
There are no amounts outstanding to Micro & Small enterprises as on 31st March 2018 and no amount were overdue during the year for more than the stipulated period.			
<b>16 OTHER FINANCIAL LIABILITIES</b>			
Unpaid Dividend *	3,86,172	4,66,021	5,37,925
Security Deposit	1,30,000	1,30,000	1,30,000
	<u>5,16,172</u>	<u>5,96,021</u>	<u>6,67,925</u>
* Does not include any amount due and outstanding to be credited to Investor Education and Protection Fund			
<b>17 OTHER CURRENT LIABILITY</b>			
Salary Payable	2,57,624	2,56,787	2,36,035
Statutory Dues	75,598	59,836	68,324
Expenses,etc	51,729	63,873	56,629
	<u>3,84,951</u>	<u>3,80,496</u>	<u>3,60,988</u>
<b>18 PROVISION- CURRENT</b>			
Provision for Employee Benefit Obligation	14,20,237	10,09,453	10,09,023
	<u>14,20,237</u>	<u>10,09,453</u>	<u>10,09,023</u>

# Deltron Limited

Note No	Year Ended 31.03.2018 (Rs.)	Year Ended 31.03.2017 (Rs.)
<b>19. REVENUE FROM OPERATIONS</b>		
Sale of Industrial Products	33,20,765	45,58,575
	<b>33,20,765</b>	<b>45,58,575</b>
<b>20. OTHER INCOME</b>		
Interest Income	28,05,349	34,81,651
Rental Income	2,90,675	2,75,774
Gain on sale of Investments (Net)	10,25,212	17,60,809
Other Income	1,02,221	-
	<b>42,23,457</b>	<b>55,18,234</b>
<b>20.1 OTHER COMPREHENSIVE INCOME</b>		
a) Items that will be reclassified to Profit or Loss Debt Income Fund	15,75,388	10,83,650
b) Items that will not be reclassified to Profit or Loss		
Remeasurement of defined benefit plan	1,12,986	88,953
	<b>16,88,374</b>	<b>11,72,603</b>
<b>21 PURCHASE OF STOCK IN TRADE</b>		
Industrial Products	31,20,500	43,71,500
	<b>31,20,500</b>	<b>43,71,500</b>
<b>21.1 CIF VALUE OF IMPORTS</b>		
Raw Material, Components, Stock-in Trade	NIL	NIL
<b>22 CHANGE IN INVENTORY OF STOCK IN TRADE</b>		
Opening Stock	64,500	34,500
Less: Closing Stock	22,500	64,500
(Increase)/ Decrease in stocks	<b>42,000</b>	<b>(30,000)</b>
<b>23 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries , Wages, etc	43,04,757	36,96,445
Contribution to ESI, PF & FPF	2,79,307	2,88,699
Staff Welfare	1,21,267	1,18,102
	<b>47,05,331</b>	<b>41,03,246</b>
<b>24 OTHER EXPENSES</b>		
Rates & Taxes	2,48,987	59,046
Printing & Stationery	72,011	87,725
Facility Charges	1,06,200	1,03,500
Insurance	46,150	78,933
Legal, Professional & Consultancy Charges	2,37,309	2,04,977
Subscription	2,87,500	2,29,000
Repairs - Building	43,000	46,000
Miscellaneous Expenses	3,97,865	3,84,554
	<b>14,39,022</b>	<b>11,93,735</b>
24.1 Expenditure in Foreign currency	Nil	Nil
24.2 Expenditure on Research and Development	Nil	Nil

# Deltron Limited

Note No	Year Ended 31.03.2018 (Rs.)	Year Ended 31.03.2017 (Rs.)
24.3 Remuneration paid to Auditors - Included under Legal, Professional & consultancy charges-(excluding Service Tax/ GST) Statutory Auditor Internal Auditor	40,000 11,800	44,800 10,000
<b>25. Depreciation and Amortization expense</b>		
Depreciation on Property Plant & Equipment	2,989	2,989
Depreciation on investment property	9,463	9,463
	<b>12,452</b>	<b>12,452</b>
26. Interest Cost including capitalised during the year	Nil	Nil
27. Earning in Foreign currency	Nil	Nil
28. Remittance in Foreign Currency	-	-
<b>29. Earning Per Equity Share</b>	-	-
Numerator : Profit After Tax	(16,84,924)	3,80,160
Denominator: Weighted Average No of Equity Shares	28,50,000	28,50,000
Nominal Value of Share	10	10
Earning per share (Basic)	(0.59)	0.13
Earning per share (Diluted)	(0.59)	0.13
30. Segment reporting is not applicable to the Company		

## 31. Related Party Disclosures

Information about Related Party with whom transactions have taken place

Sr. No	Name of Related Party	Relationship
<b>a) Group Companies</b>		
1. Continental Device India Pvt. Limited		Group Company
<b>b) Key Managerial Personnel</b>		
1. Gurpreet Singh		Director / Promoter
2. Inderdeep Singh		Director / Promoter
3. Kumar Srinivasan		Director / Promoter
4. Amardeep Singh Bedi		Chief Financial Officer
5. Susan Sujatha Lyall		Company Secretary

## C) Transaction with Related Parties and their Relative

Amount in Rs

Nature Of Transaction	Group Companies		Key Managerial Personnel	
	Year Ended 31-3- 2018	Year Ended 31-3- 2017	Year Ended 31-3- 2018	Year Ended 31-3- 2017
Remuneration			34,00,492	32,52,240
Sitting fee			24,000	18,000
Facility Charges Paid ( Excluding Service Tax / GST)	90,000	90,000		

# Deltron Limited

## Note No

### 32 Employee Benefits

The company has classified various benefits provided to employees as under

i) Defined contribution plans:

The company has recognised the following amounts in the statement of profit and loss

	2017-18	2016-17
i) Employers contribution to Provident Fund	2,12,934	2,02,110
ii) Employers contribution to pension scheme	44,964	44,991

Disclosure relating to Defined Benefit Plan - Gratuity, in accordance with the Ind AS 19 on the basis of Actuarial valuation done as at 31-3-2018 is as under

(in Rs.)

		Gratuity Unfunded	
		As at 31.03.2018	As at 31.03.2017
1	<b>Expense Recognised in Profit and Loss A/c</b>		
	Current Service cost	95,759	81,190
	Past Service Cost	3,97,667	-
	Interest Cost	1,09,441	1,18,749
	<b>Component of defined benefit costs recognised in Profit &amp; loss</b>	<b>6,02,867</b>	<b>1,99,939</b>
	Net actuarial (gain)/ loss	(1,12,986)	(88,953)
	<b>Component of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(1,12,986)</b>	<b>(88,953)</b>
	<b>Total Expense recognised in statement of profit &amp; Loss</b>	<b>4,89,881</b>	<b>1,10,986</b>
2	<b>Net asset /(liability) recognized in the Balance Sheet</b>		
	Present value of Defined benefit obligation	20,85,229	15,95,348
	Fair value of plan assets	-	-
	<b>Net asset / (liability) from defined benefit obligation</b>	<b>(20,85,229)</b>	<b>(14,84,362)</b>
	Non-current liability	6,64,992	5,85,895
	Current Liability	14,20,237	10,09,453
3	<b>Change in present value of obligation during the year</b>		
	Present value of obligation at the beginning of the year	15,95,348	14,84,362
	Interest cost	1,09,441	1,18,749
	Current service cost	95,759	81,190
	Past Service Cost	3,97,667	-
	Benefits paid	-	-
	Actuarial (gain) / losses on obligation	(1,12,986)	(88,953)
	Present value of obligation at the end of the year	20,85,229	15,95,348
4	<b>Actuarial Assumption</b>		
	Discount Rate (per annum)	7.22%	6.86%
	Future Salary Increases	5.50%	5.50%
	Expected rate of return on Plan Assets	-	-
	<b>Mortality Rates</b>	<b>100% of IALM (2006-08)</b>	<b>100% of IALM (2006-08)</b>
	Retirement Age	58 Years	58 Years
	Withdrawal Rate		
	Upto 30 years	3%	3%
	Upto 44 years	2%	2%
	Above 44 years	1%	1%

## Gratuity Unfunded

### 5 Sensitivity Analysis

	Year Ended 31.03.2018 (Rs.)	Year Ended 31.03.2017 (Rs.)
The significant actuarial assumption for the determination of defined benefit obligation are Discount rate and expected salary increases, government bonds.		
<b>a) Impact of change on discount rate</b>		
Present value of obligation at the end of period	20,85,229	
Impact due to increase of 0.50%	(13,816)	
Impact due to decrease of 0.50%	14,448	
<b>b) Impact of change in Salary increase</b>		
Impact due to increase of 0.50%	14,618	
Impact due to decrease of 0.50%	(14,100)	

	Year Ended 31.03.2018 (Rs.)	Year Ended 31.03.2017 (Rs.)
<b>33 a) Amount recognised in statement of profit &amp; Loss for Investment properties</b>		
Rental Income ( Gross)	2,90,675	2,75,774
Direct operating expenses of property that generated rental Income	48,381	51,382
Income from investment property before depreciation	2,42,294	2,24,392
Depreciation	9,463	9,463
Income from investment property after depreciation	2,32,831	2,14,929
<b>(b) Leasing arrangements</b>		
Minimum lease payment receivable under non cancellable operating lease is as under	1,81,805	1,54,570
Due within one year		

### (c) Fair value

The fair value of the Company's investment properties as at March 31, 2018, March 31, 2017 and April 1, 2016 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Company's investment properties and fair value hierarchy are as follows:

	As At 31-Mar-2018 (Rs.)	As At 31-Mar-2017 (Rs.)	As At 01-Apr-2016 (Rs.)
Fair value of the investment properties	88,99,000	82,15,000	88,08,000
Fair valuation hierarchy	Level 3	Level 3	Level 3

### 34 Disclosure with respect to operating lease as per Ind AS 17

Building given on lease for 11 months at a time.

For details refer to Note 2.1 for information regarding gross block and depreciation and 33b for lease rent receivable

### 35 Income tax expense

	Year Ended 31.03.2018 (Rs.)	Year Ended 31.03.2017 (Rs.)
<b>Income tax recognised in Statement of Profit and Loss</b>		
Current tax	-	1,05,000
Deferred tax	(92,067)	(65,226)
Total income tax expenses recognised in the current year	(92,067)	39,774

# Deltron Limited

The current income tax expenses for the year can be reconciled to the accounting profit as follows:

	<b>Year Ended 31.03.2018</b>	<b>Year Ended 31.03.2017</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Profit before tax	<b>(17,76,991)</b>	4,19,934
Applicable Tax Rate	<b>25.75%</b>	30.90%
Computed Tax Expense	<b>(4,57,575)</b>	1,29,760
<u>Tax effect of :</u>		
Exempted income	<b>(2,98,483)</b>	(5,69,155)
Expenses disallowed	<b>1,69,215</b>	79,396
Tax Payable	<b>(5,86,843)</b>	(3,59,999)
Book Profit for MAT	<b>(16,64,005)</b>	5,08,887
MAT RATE	<b>19.06</b>	19.06%
Current Tax Payable	<b>-</b>	96,968
Current tax provision	<b>-</b>	1,05,000

## The deferred tax Movement

Deferred Tax Assets/ (liabilities) in relation to

	<b>Provision for Gratuity</b>	<b>Deepreiation</b>	<b>Financial Asset</b>	<b>Total</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
<b>As at 1st April 2016</b>	<b>4,58,668</b>	<b>(99,957)</b>	<b>(18,36,434)</b>	<b>(14,77,723)</b>
(Charged) / Credited to:				
Profit & Loss Account	61,781	3,445		65,226
Other Comprehensive Income	(27,486)		(3,34,848)	(3,62,334)
<b>As at 31st March 2017</b>	<b>4,92,963</b>	<b>(96,512)</b>	<b>(21,71,282)</b>	<b>(17,74,831)</b>
(Charged) / Credited to:				
Profit & Loss Account	73,077	18,990		92,067
Other Comprehensive Income	(29,094)		(43,782)	(72,876)
<b>As at 31st March 2018</b>	<b>5,36,946</b>	<b>(77,522)</b>	<b>(22,15,064)</b>	<b>(17,55,640)</b>

## 36 FINANCIAL INSTRUMENTS

### Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below: (Amount in Rs)

Particulars	As at 31st March 2018			As at 31st March 2017			As at 1st April 2016		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
<b>FINANCIAL ASSET</b>									
<b>At Amortised Cost</b>									
Trade Receivable	27,66,816			22,07,256			30,07,068		
Cash & cash equivalent	3,27,344			7,99,148			4,09,204		
Other Bank Balances	3,89,88,498			3,85,13,052			4,49,83,620		
Other financial asset	19,47,753			16,58,299			57,67,168		
<b>At FVTOCI</b>									
Investment	3,85,22,568	3,85,22,568		3,90,15,761	3,90,15,761		2,74,46,090	2,74,46,090	
<b>FINANCIAL LIABILITIES</b>									
<b>At Amortised Cost</b>									
Trade Payable	14,94,685			12,81,541			24,28,066		
Other Financial Liabilities	5,16,172			5,96,021			6,67,925		

- The fair value of current financial assets and liabilities carried at amortised cost is substantially the same as their carrying amount because of the short duration of these assets and liabilities
- The fair value of investment in Mutual Funds is measured at NAV declared by fund houses
- The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:  
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and  
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

# Deltron Limited

## 37 Capital Management

The company endeavors to optimize debt and equity balance and provide adequate strength to the balance sheet. The company monitors capital on the basis of debt equity ratio.

## 38 Financial risk management

The company's activities expose it to various financial risks: Credit risk, Liquidity risk and market risk.

### Credit Risk

Credit risk arises when a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments and outstanding from customers. The company has a prudent and conservative process for managing its credit risk arising in the course of its business.

For credit risk arising from credit exposure to customers, the Company performs credit evaluation and defines credit limits for each customer. The company also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investment etc is made in case to case basis, based on the information related to financial position, past history, and other relevant available information about the counterparty.

### Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities.

The company uses its cash reserves for meeting its business requirements and invests surpluses in the market for generating additional income. The company is debt free.

### Market risk

The company operates in domestic markets. Being a trading company it picks up products only against confirmed orders.

## 39 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on May 26, 2018.

## 40 TRANSITION TO IND AS - PRINCIPLE AND RECONCILIATION

These financial statements for the year ended March 31, 2018, are the Company's first annual financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1.3 have been applied in preparing the financial statements for the year ended March 31, 2018, comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 1, 2016 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted/reclassified the amounts reported previously in financial statements prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act 2013 (The Act) and other relevant provisions of the Act (Previous GAAP) to comply with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

### Exemptions on first time adoption of Ind AS 101:-

#### Property, plant and equipment and investment property at deemed cost

The Company has opted to measure all of its property, plant& equipment and investment property at their previous GAAP carrying value and use that carrying value as its deemed cost.

Reconciliation of equity as at March 31, 2017 and April 1, 2016:

Particulars	Note	As At 31/03/2017 (Rs.)	As At 01/04/2016 (Rs.)
Equity reported under previous GAAP		7,47,82,439	7,43,40,812
Fair valuation for Fianacial Assets	i	70,26,807	59,43,156
Deferred Tax	ii	(21,71,282)	(18,36,434)
Net Impact of Ind AS Adjustment		48,55,525	41,06,722
<b>Equity as reported under Ind AS</b>		<b>7,96,37,964</b>	<b>7,84,47,534</b>

### Notes:

The major reasons for adjustments in Previous GAAP numbers are as under:

#### i Fair valuation for Financial Assets:

The Company has valued financial assets, at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

#### ii Deferred Tax:

Deferred tax on account of Ind AS adjustments on transition date are recognised in the retained earnings in the opening Ind AS balance sheet.

#### iii Actuarial gains/losses on defined benefit obligation

The Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the actuarial gains and losses on gratuity are charged to the statement of profit and loss. Under Ind AS, such actuarial gains or losses are required to be recognised in other comprehensive income. Accordingly, actuarial gain for financial year 2016-17 are re-classified from statement of profit and loss to 'other comprehensive income'. There is no impact on total equity as a result of this adjustment.

### Adjustment to the Statement of Cash Flows

The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the company.

# Deltron Limited

## Note No

### 40.1 FIRST TIME IND AS ADOPTION RECONCILIATIONS

#### Effect on Ind AS adoption on standalone Balance Sheets

Particulars	As at 31ST MARCH 2017			As at April 1, 2016 (Date of Transition)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
	Rs	Rs	Rs	Rs	Rs	Rs
<b>Non Current Asset</b>						
a) Property Plant Equipment	3,24,054	(3,14,338)	9,716	3,36,506	(3,23,801)	12,705
b) Investment property		3,14,338	3,14,338		3,23,801	3,23,801
c) Financial Asset			0			0
Security deposit	2,11,285		2,11,285	2,11,285		2,11,285
d) Deferred Tax Asset	3,96,451			3,58,711	-	-
e) Other non current Asset	5,47,406		5,47,406	5,47,406		5,47,406
<b>Sub- Total</b>	<b>14,79,196</b>	<b>0</b>	<b>10,82,745</b>	<b>14,53,908</b>	<b>0</b>	<b>10,95,197</b>
<b>Current Assets</b>						
a) Inventory	64,500		64,500	34,500		34,500
b) Financial asset						
Investment	3,19,88,954	70,26,807	3,90,15,761	2,15,02,934	59,43,156	2,74,46,090
Trade Receiveable	22,07,256		22,07,256	30,07,068		30,07,068
Cash & cash equivalent	7,99,148		7,99,148	4,09,204		4,09,204
Other Bank Balances	3,85,13,052		3,85,13,052	4,49,83,620		4,49,83,620
Other financial asset	16,58,299		16,58,299	57,67,168		57,67,168
c) Current Tax asset	18,78,906		18,78,906	21,23,338		21,23,338
d) Other current asset	46,534		46,534	413		413
<b>Sub- Total</b>	<b>7,71,56,649</b>	<b>70,26,807</b>	<b>8,41,83,456</b>	<b>7,78,28,245</b>	<b>59,43,156</b>	<b>8,37,71,401</b>
<b>TOTAL ASSET</b>	<b>7,86,35,845</b>	<b>70,26,807</b>	<b>8,52,66,201</b>	<b>7,92,82,153</b>	<b>59,43,156</b>	<b>8,48,66,598</b>
<b>EQUITY</b>						
a) Equity Capital	2,85,00,000		2,85,00,000	2,85,00,000		2,85,00,000
b) Other Equity	4,62,82,439	48,55,525	5,11,37,964	4,58,40,812	41,06,722	4,99,47,534
<b>Sub- Total</b>	<b>7,47,82,439</b>	<b>48,55,525</b>	<b>7,96,37,964</b>	<b>7,43,40,812</b>	<b>41,06,722</b>	<b>7,84,47,534</b>
<b>Non Current Liab</b>						
Employee Benefit obligation	5,85,895		5,85,895	4,75,339		4,75,339
Deferred tax Liability (net)		21,71,282	17,74,831		18,36,434	14,77,723
<b>Sub- Total</b>	<b>5,85,895</b>	<b>21,71,282</b>	<b>23,60,726</b>	<b>4,75,339</b>	<b>18,36,434</b>	<b>19,53,062</b>
<b>Current Liab</b>						
a) Financial Liabilities						
Trade Payable	12,81,541		12,81,541	24,28,066		24,28,066
Other Financial Liabilities	5,96,021		5,96,021	6,67,925		6,67,925
b) Other Current liabilities			0	3,60,988		3,60,988
c) Provisions -Current	3,80,496		3,80,496			
Employee Benefit obligation	10,09,453		10,09,453	10,09,023		10,09,023
<b>Sub- Total</b>	<b>32,67,511</b>		<b>32,67,511</b>	<b>44,66,002</b>		<b>44,66,002</b>
<b>TOTAL LIABILITIES</b>	<b>7,86,35,845</b>	<b>70,26,807</b>	<b>8,52,66,201</b>	<b>7,92,82,153</b>	<b>59,43,156</b>	<b>8,48,66,598</b>



# Deltron Limited

Note No

## 40.2 FIRST TIME IND AS ADOPTION RECONCILIATIONS

### Reconciliation of Total Comprehensive Income

Particulars	For the year ended 31st March 2017		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
	Rs	Rs	Rs
Revenue from Operations	45,58,575	-	45,58,575
Other income	55,18,234	-	55,18,234
<b>Total Revenue</b>	<b>1,00,76,809</b>	<b>-</b>	<b>1,00,76,809</b>
<b>Expenses:</b>			-
			-
Purchases of Stock-in-Trade	43,71,500		43,71,500
Changes in Inventories of Stock-in-Trade	(30,000)	-	(30,000)
Employee Benefits expenses	40,14,293	88,953	41,03,246
Finance costs	5,942	-	5,942
Depreciation and Amortization expense	12,452	-	12,452
Other expenses	11,93,735	-	11,93,735
<b>Total expenses</b>	<b>95,67,922</b>	<b>88,953</b>	<b>96,56,875</b>
<b>Profit before Tax</b>	<b>5,08,887</b>	<b>(88,953)</b>	<b>4,19,934</b>
Tax expense:			-
Current Tax	1,05,000		1,05,000
Deferred Tax	(37,740)	(27,486)	(65,226)
<b>Net Profit / (loss)</b>	<b>4,41,627</b>	<b>(61,467)</b>	<b>3,80,160</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss		88,953	88,953
Income Tax relating to items that will not be reclassified to Profit or Loss		(27,485)	(27,485)
Items that will be reclassified to Profit or Loss		10,83,650	10,83,650
Income Tax relating to items that will be reclassified to Profit or Loss		(3,34,848)	(3,34,848)
<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>-</b>	<b>8,10,270</b>	<b>8,10,270</b>
<b>Total Comprehensive Income</b>	<b>4,41,627</b>	<b>7,48,803</b>	<b>11,90,430</b>

As per our report of even date attached  
for V.K.VERMA & CO.  
Chartered Accountants  
Firm Regn. No. 000386N

INDERDEEP SINGH  
Director  
DIN NO: 00173538

KUMAR SRINIVASAN  
Whole-Time Director  
DIN NO: 00173717

R.C.HASIJA  
Partner  
Memb. No. 54809  
New Delhi  
Dated: 26.05.2018

AMARDEEP SINGH BEDI  
Chief Financial Officer  
PAN-AFPPB3460B

S SUJATHA LYALL  
Company Secretary  
PAN-AHHPR1419E

# Deltron Limited

Regd. Office : C-120, Naraina Industrial Area, New Delhi - 110 028. (CIN: L32109DL1982PLC013838)  
Website:www.deltronlimited.in

## PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014

Name of the Member(s)	
Registered Address	
E-Mail ID	
Member's Folio/DP ID-Client ID No.	

I/We being the member(s) of ..... shares of the above named Company, hereby appoint :

1. Name .....Address .....  
..... E-mail id.....Signature.....or failing him/her
2. Name .....Address .....  
..... E-mail id.....Signature.....or failing him/her
3. Name .....Address .....  
..... E-mail id.....Signature.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 3<sup>rd</sup> day of September, 2018 at 11.30 A.M. at The Little Theatre Group, Copernicus Marg, New Delhi 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions
	<b>Ordinary Business</b>
1	Adoption of the Financial Statements for the year ended 31 <sup>st</sup> March, 2018 and reports of the Board of Directors and the Auditors thereon.
2	Re-appointment of Mrs. Rashmi Nagabhushan who retires by rotation
3	Re-appointment of M/s V K Verma & Co., Chartered Accountants as Statutory Auditors and fixing their remuneration.
	<b>Special Business</b>
4	Re-appointment of Mr. Kumar Srinivasan as Whole-time Director.

Signed this .....day of ....., 2018.

Signature of Shareholder : ..... Signature of proxy holder(s) : .....

Affix  
Revenue  
Stamp

**NOTES :** This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.