

THIRTY EIGHTH ANNUAL REPORT  
2013-2014



**STARDELTA TRANSFORMERS LTD.**

## STAR DELTA TRANSFORMERS LIMITED

BOARD OF DIRECTORS	: Shri Kishore Gupta (Chairman & Managing Director) : Shri Rakesh Gupta (Executive Director) : Shri Laxmendra Maheshwari (Independent Director) : Shri Shashendra Lahri (Independent Director)
REGISTERED OFFICE	: STAR DELTA TRANSFORMERS LTD., 92-A, Industrial Area, Govindpura, Bhopal-462 023
WORKS	: 92-A, Industrial Area, Govindpura, Bhopal - 462 023
AUDITORS	: M/s. A.K. Khabya & Co., Chartered Accountants, Bhopal.
BANKERS	: State Bank of India, SME Branch, Industrial Area, Govindpura, Bhopal-23
REGISTRAR & TRANSFER AGENTS	: System Support Services, 209, Shivai Industrial Estate, 89 Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400072
COMPLIANCE OFFICER	: Mr. Mayank Gupta

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**STAR DELTA TRANSFORMERS LIMITED**

**REGD. OFFICE : 92-A, INDUSTRIAL AREA, GOVINDPURA, BHOPAL**

**NOTICE**

Notice is hereby given that the 38th Annual General Meeting of the Company will be held on Tuesday, 30th day, September, 2014 at 11.00 A.M., at the Registered office of the Company at 92 A, Industrial Area, Govindpura, Bhopal 462023 (M. P.) to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited balance sheet as at 31st March 2014 and the statement of Profit & Loss for the year ended 31st March 2014 and report of the Director's, Company Secretaries and Auditor's thereon.
2. To declare Dividend on equity shares for the financial year 31st March, 2014.
3. To appoint an Independent Director in place of Shri Laxmendra Maheshwari, being the retiring director, who retires by rotation being eligible and offers himself for re-appointment.
4. To appoint M/s. A.K. Khabya & Co, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

To consider and if thought fit, to pass with or without modification(s) the following resolutions as **Special Resolutions:**

**5. Ratification by Members u/s Section 180(1)(a) of the Companies Act 2013:**

"**RESOLVED THAT** pursuant to the provision of Section 180(1)(a) of the Companies Act 2013 and other relevant or applicable provisions of the said Act, members of the company hereby ratify the resolution passed by the Board of Directors of company to dispose off the undertaking/undertakings of the company in consideration of and to secure the Loan Facility sanctioned and/or agreed to be sanctioned to the company by the State Bank of India, RMME Sales Hub, SME Branch, Industrial Area, Govindpura, Bhopal together with interest thereon under the Loan Agreement and/or Supplemental Agreement of Loan-cum-Hypothecation, Sanction Letters entered into or to be entered into by the company in respect of the said Bank.

**RESOLVED FURTHER THAT** the Board of Director of the company be and is hereby authorised to finalise the documents to be executed in favour of the said Bank and to do all acts and things as may be necessary or incidental thereto to give effect to this resolution.

**6. Ratification by Members u/s Section 180(1)(c) of the Companies Act 2013:**

"**RESOLVED THAT** pursuant to the provision of Section 180(1)(c) of the Companies Act 2013 and other relevant or applicable provisions of the said Act, members of the company hereby ratify the resolution passed by the Board of Directors of company to borrow money for the business of the company from time to time which, together with the money already borrowed by the company, will exceed its paid-up capital and free reserves, (apart from temporary loans obtained from its banker in the ordinary course of business namely short-term loans repayable on demand or within six months from the date of loan such as short-term cash-credit arrangements and the discounting of bills and the issue of short term loans of seasonal character, but not including loans raised for expenditure of a capital nature) subject to the condition that the total monies borrowed by the Board of directors shall not exceed the aggregate of the paid up capital and free reserves of the company by more than the sum of Rs. 40,79,00,000/-

**RESOLVED FURTHER THAT** the board of directors be and are hereby authorized to do all such acts, deeds or things that may be necessary to give effect to this resolution."

**7. Ratification of the Acts done by the Board for affixation of Common Seal:**

**"RESOLVED THAT** members of the company hereby ratify the resolution passed and act done by the Board in regard to affixation of Common Seal of the company on the Documents required by the State Bank of India, RMME Sales Hub, SME Branch, Industrial Area, Govindpura, Bhopal for the purpose of sanctioning and or increasing the overall credit limits."

By Order of the Board of Directors

**Sd/-**

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**Notes :**

11. A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than Ten Percent of the total share capital of the company. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 is enclosed and forms a part of this notice.
3. The Register of members and the Share Transfer Books of the company will remain closed from Thursday, 25th day September, 2014 to Tuesday, 30th day September, 2014 (both days inclusive).
4. The members are required to notify the change in their address, if any, to the Company immediately.
5. Members desiring any information on the Accounts are requested to write to the company at least 10 days prior to the date of the meeting to enable the management to keep the information ready.
6. **Green initiative in Corporate Governance:** *The Government of India, Ministry of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a Green Initiative and has allowed companies to make service of Documents including Annual Report, Audited Financial Statements, Director's Report, Auditor's Report etc. to the members through the electronic mode, to the registered email addresses of the members. This is a Golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the company to receive communication through the electronic mode.*
7. The dividend, as recommended by the Board, if approved at the meeting, will be paid on or after 30th September 2014 to those members or their mandates whose names are registered on the Company's Register of Members:  
  
Pursuant to the provisions of Section 125(c) of the Companies Act 2013, as amended, dividend for the Financial Year 2008-2009, 2009-2010, 2010-2011, 2011-2012 and 2012-2013 which remain unpaid or unclaimed for a period of 7 years, will be transferred to the IEPF. Shareholders who have so far not encashed the dividend warrant(s) for the Financial Year 2008-2009, 2009-2010, 2010-2011, 2011-2012 and 2012-2013 are requested to make their claim to the Secretarial Department at the Registered Office of the company or the office of the RTA, failing which after the expiry of 7 years the unpaid/unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid/unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the IEPF in respect of such amount by the Member.
8. Voting through electronic means:  
  
In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility as an alternative mode of voting at the 38th Annual General Meeting of the company which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services [India] Limited [CDSL] to facilitate e-voting. The detailed process, instructions and manner for availing e-Voting facility is annexed to the Notice as **Annexure-A**
9. At the ensuing Annual General Meeting Mr. Laxmendra Maheshwari, Independent Director, Retires by rotation and being eligible offers himself for re-appointment, the brief resume of this director is as under:

## ADDITIONAL INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

NAME OF THE DIRECTOR	Laxmendra Maheshwari	
DATE OF BIRTH	09.11.1958	
DATE OF APPOINTMENT	25.06.2009	
QUALIFICATION	B.Com, LLB	
RELATION WITH PROMOTERS DIRECTORS	No relation with the Promoters	
EXPERTISE IN FUNCTIONAL AREA	Business	
DIRECTORSHIP IN OTHER COMPANY	Madhya Bharat Ventures Private Limited Vidarbha Veneer Industries Limited Chitlangia Timber Products Limited	
	<b>CHAIRMANSHIP</b>	<b>MEMBERSHIP</b>
AUDIT COMMITTEE	1	-
SHAREHOLDER'S GRIEVANCE COMMITTEE	1	-
MEMBERSHIP /CHAIRMANSHIP OF STAR DELTA TRANSFORMERS LIMITED	Independent Director	
NUMBER OF SHARES HELD IN STAR DELTA TRANSFORMERS LTD.	NIL	
PERCENTAGE OF SHARE HOLDING	NIL	

## Explanatory Statement under Section 102 of the Companies Act, 2013

## Item No. 5

Due to circumstances of urgent necessity, the Board of Directors of the company were unable to obtain the members approval under Section 180(1)(a) of the Companies Act 2013 at the time of availing the credit facilities and securing them, therefore the Board of directors of your company hereby recommends ratification of the same resolution by members of company in the Annual General Meeting of the company. As per section 180(1)(a) of the Companies Act, 2013 the Board of Directors shall not dispose off the undertaking/undertakings of the company, unless the approval of shareholders by special resolution is obtained, looking into requirements of the business activities carried by the company, it may require additional funds and also required to give securities for due repayment of loans amount and interest thereon to the Banks & Intuitions as per their stipulated terms and conditions, the Board thinks it necessary to secure this power from shareholders and recommends passing this resolution as **Special Resolution**.

## Item No. 6

Due to circumstances of urgent necessity, the Board of Directors of the company were unable to obtain the members approval under Section 180(1)(c) of the Companies Act 2013 at the time of availing the credit facilities and therefore the Board of directors of your company hereby recommends ratification of the same resolution by members of company in the Annual General Meeting of the company. As per section 180(1)(c) of the Companies Act, 2013 the Board Of Directors shall not borrow the moneys in excess of the Company's paid up capital and free reserves, unless the approval of shareholders by special resolution is obtained. With the Company's plan for expansion and diversification, the Board thinks it necessary to secure this power from shareholders and commends passing this resolution as **Special Resolution**.

**Item No. 7**

In accordance with the Articles of Association, every deed or other instrument to which Common Seal of the company is required to be affixed shall be signed by any one of the Directors and counter signed by the Manager or the Secretary or any person authorised by the directors for the purpose but due to circumstances of urgent necessity, the Documents required by State Bank of India, RMME Sales Hub, SME Branch, Industrial Area, Govindpura, Bhopal in relation to sanction and or increase in overall credit limits were only signed by one director and was not counter signed any other duly authorised person therefore the board recommends ratification of the same by way of Special Resolution.

The Directors to the extent of their shareholding are concerned or interested in the resolution.

The members are thus requested to pass these resolutions as **Special Resolutions**.

By Order of the Board of Directors

Sd/-

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**Voting through electronic means:****A. 'Step-by-Step' procedure and instructions for casting your vote electronically are as under:**

Step-1 Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

Step-2 Now click on "Shareholders" to cast your votes.

Step-3 Now Enter your User ID

(a) For CDSL: 16 digits beneficiary ID

(b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID

(c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step-4 Next enter the Image Verification as displayed and Click on Login

Step-5 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

Step-6 If you are a first time user follow the steps given below otherwise proceed to Step -9

User-Id	For Members holding shares in Demat Form:- a) For CDSL- 16 digits beneficiary ID b) For NSDL- 8 characters DP ID followed by 8 digits client ID
	For Members holding shares in Physical Form:-Folio Number registered with the Company
PAN *	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department when prompted by the system while e-voting (applicable for demat shareholders).Physical shareholders who have not registered PAN No with the company will enter PAN NO as <b>SYSSS1234G</b>
DOB #	Enter the Date of Birth as recorded in your demat account maintained with the DP registered with CDSL. Physical shareholders and Demat shareholders with NSDL DP will enter date of Birth as <b>01/01/1990</b> .
Dividend Bank details #	Enter the Dividend Bank Details as recorded in your Demat account or with the company, otherwise enter account no as <b>SYSSUP123</b>

#Please enter any one of the details in order to login.

Step-7 After entering these details appropriately, click on 'SUBMIT' tab.

Step-8 Members holding shares in physical form will then reach directly the EVSN selection screen. However members holding shares in Demat form will now reach Password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case(a-z), one numeric value (0-9) and a special character (@,#,\$,%,&,\*). Kindly note that this password is also to be used by the demat holders for voting for resolutions of the company or 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.

Step-9 Click on the relevant EVSN associated with Star Delta Transformers Ltd for e-voting.

Step-10 On the voting page you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and Option NO implies that you dissent to the Resolution.

Step-11 Click on the "Resolutions File Link", If you wish to view the entire Resolution details.

Step-12 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 accordingly modify your vote.

Step-13 Once you "CONFIRM" your vote on the resolution you will not be allowed to modify your vote.

**B. Other instruction for e-Voting:-**

1. The e-voting period commences on 24th September 2014 (9:00 a.m.) and ends on 26th September 2014 (6:00 p.m.). During this period shareholders of the Company holding shares either in physical forms or in dematerialized form, as on the cut-off date (Record Date) of 8th September 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 8th September 2014.
3. Ms. Shadab Anjum, Company Secretary (Membership No. 28399) and Proprietor of M/s. S. Anjum & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process.
4. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and cast your vote earlier for any company, then your existing login id and password are to be used.
5. For Members holding shares in physical form, the folio number and PAN/default PAN number can be used only for e-Voting on the resolution contained in this notice.
6. Institutional Shareholders (i.e. other than individual HUF, NRI, etc) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
7. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
8. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**DIRECTORS REPORT**

To  
THE MEMBERS  
STAR DELTA TRANSFORMERS LIMITED  
BHOPAL

Your directors present before you the 38th Annual Report of the Company together with the Audited Statement of Accounts for the year ending 31st March 2014.

**1. FINANCIAL RESULTS AND OPERATION:**

	(Rupees in Thousands)	
	<b>2013-2014</b>	<b>2012-2013</b>
Sales and Other Income	665880	716596
Profit before Depreciation.	39499	56834
Depreciation	8626	6326
Profit before Tax	30873	50508
Provision for Tax	6200	10350
Deferred	00	6580
Net Profit after Tax	30585	34576
Profit brought forward from previous Year	2877	5055
Transfer to General Reserve	30000	35000
Income Tax Earlier year	267	752
Balance carried forward	2877	5056

Your Directors are happy to report that the result achieved by your Company for the year 2013 - 2014 are satisfactory.

**2. OPERATION :**

Your company has manufactured 958.973 MVA of transformers during the year 2013-14.

**3. DIVIDEND :**

Keeping in view the overall performance during the year, your directors are pleased to recommend a dividend of Rs. 0.50 per equity Share on the face value of Rs. 10/- each, being 5% dividend, payable to those members whose name appear in the Register of members as on the Book Closure Date.

**4. FUTURE OUTLOOK :**

The company foresees a great potential in Power Sector during coming years The company is already having huge orders for supply of distribution and Power Transformers. As such company expects to enhance sales & profit during the year 2014-2015.

**5. FIXED DEPOSITS:**

The Company has not invited / accepted / renewed any fixed deposits as per the provisions of Section 58 A of the Companies Act 1956 from the public during the year under review.

**6. PARTICULAR OF EMPLOYEES:**

There were no employees drawing salary more than the amount as provided under the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

**7. AUDITORS:**

M/s A.K. KHABYA & CO., Chartered Accountants, the Statutory Auditor of the Company retires at the forthcoming Annual General Meeting and is eligible for re-appointment. The retiring Auditors, have furnished a certificate of their eligibility for re-appointment under Section 139(1) of the Companies Act, 2013 and have indicated their willingness to continue.

**8. AUDITORS' REPORT:**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence do not call, any further comments under Section 217 of the Companies Act 1956.

**9. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the companies (Amendment) Act, 2000 the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting Standards had been followed.
- (ii) The directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view.
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the annual accounts on a going concern basis.

**10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The statement of particulars with respect to conservation of energy, technology absorption and Foreign Exchange earnings and out go pursuant to provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules, 1988 is annexed hereto as annexure "A" which forms part of this Report .

**11. REPORT ON CORPORATE GOVERNANCE:**

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed hereto as annexure "B" which forms part of this Report.

**12. COMPLIANCE CERTIFICATE:**

The compliance certificate as required under section 383A of the Companies Act, 1956 has been obtained from Mr. S. M. Ashraf, Practicing Company Secretary and is form part of the Directors Report with Balance Sheet.

**13. DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri Laxmendra Maheshwari, Independent Director, will retire by rotation and being eligible, offer himself for re-appointment.

**14. ACKNOWLEDGEMENT:**

Your Directors offer their sincere thanks for the co-operation of the members of the board, bankers, Government agencies and above all the valued employees.

For and on behalf of the Board

Sd/-

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**ANNEXURE TO DIRECTOR'S REPORT****ANNEXURE "A"****STATEMENT CONTAINING PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT.****FORM A  
(SEE RULE 2)****A. POWER & FUEL CONSUMPTION**

<b>I ELECTRICITY</b>	<b>2013-14</b>	<b>2012-13</b>
Purchased Units	426211	449915
Total Amount (Rs.)	3459026	3552873
Rate per Unit (Rs.)	8.12	7.90
Own Generation		
Diesel Generator, Units	1193	865
Units per Ltr. of Diesel	34.65	34.65
Average Cost per unit (Rs.)	34.65	34.65

**II. COAL**

Quantity (MT)	----	----
Total Cost (Rs.)	----	----
Average Rate (Rs.)	----	----

**B. CONSUMPTION PER UNIT OF PRODUCTION**

	<b>STANDARD (IF ANY)</b>	<b>2012-2013</b>	<b>2011-2012</b>
Products (with Details)	Transformers	958.976 MVA	1087.661 MVA
Units KVAH	---	426211.11	449915
Electricity/ MVA	---	444.45	413.65
Coal	---	---	---

**FORM B****PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION****1. Research And Development**

No Research work has been carried out and therefore there is no expenditure on this account.

**2. Technology absorption, adoption and innovation**

Company has not obtained any technology under a foreign collaboration.

**FORM C****PARTICULARS WITH RESPECT OF FOREIGN EXCHANGE EARNINGS AND OUTGO****1. Foreign Exchange Earnings: NIL****2. Foreign Exchange Outgo : NIL**

For and on behalf of the Board

Place : Bhopal

Sd/-

Date : 30<sup>th</sup> May, 2014

(KISHORE GUPTA)

(DIN : 00014205)

CHAIRMAN & MANAGING DIRECTOR

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2014.

### a. INDUSTRY STRUCTURE, DEVELOPMENT :

The power sector is a key infrastructure back bone of the country. The demand for power will grow at a much faster rate than the average rate of growth of the Indian economy. However, because of limited investment & many regulatory non - clearances, the growth of the sector has not to the expected level. The cheaper and stable power could be secured through large size Power projects and for which essential requirement is for efficient technology and better quality of power transformers & other power plant equipments.

### b. OPPORTUNITIES, THREATS AND RISKS

Although there is temporarily slump in the market. Nevertheless there is huge demand of Electrical products in the market due to expected significant growth in power sector. Many power infrastructure projects are envisaged in XIIth five year plan. The company will have good opportunity to secure projects orders. Although there is stiff competition in the market, yet because of wide product range, the company will be able to secure sufficient orders. Besides, implementation of Electricity Act 2003, Electricity Generation, Transmission and distribution sector has been thrown open for Private Sector participation. This will create lot of opportunity for the Growth of the Co.

### c. SEGMENTWISE PERFORMANCE:

The company operates broadly into following segments.

- (i) **Manufacturing**      (ii) **Power Infrastructure - Turnkey Contracts**      (iii) **Solar**      (iv) **Exports.**

(i) **Manufacturing Division Co.** has a very wide range of Transformer products varying from 10 KVA, 250V/11KV to 40 MVA, 132 KV for Power Transmission & distribution catering to various Electricity Boards like MPSEB, MSEB, RSEB, CSEB, APSEB, HPSEB, HSEB and their Discoms, Infrastructure Cos. like Angelique International Co. Ltd., Delhi, Genus Infra Power Ltd., Jaipur, Nagarjuna Construction Co. Hyderabad, BGR Energy Ltd., Chennai, Sterling Wilson, Mumbai, Hythro Power (GET Limited), Gurgaon, L & T, ABB Ltd., Blue Star Ltd., Monte Carlo Ltd., Bajaj Electricals Ltd., Lanco Infra Ltd., BHEL Steel Plants etc.

(ii) **Power Infrastructure :** Company has entered into joint venture with M/s. ERA Infrastructure, New Delhi & M/s. Agrawal Power Ltd., Bhopal for Turnkey Projects for laying of 33/11 KV lines and setting up of 11 kV substations including civil work in MPPKVVCL, Indore ; MPPKVVCL, Jabalpur & CSPDCL, Raipur.

The Company has provided Project Management Consultancy (PMC) in the Joint Ventures. The Company has secured a major turnkey contract from MPPKVVCL, Jabalpur for supply, erection, commissioning of 33 KV Substations 33 KV lines & 11 KV lines during the year. The Company will further continue to grow in the power infrastructure sector by either securing new orders directly and providing PMC through JV.

(iii) **Solar :** Company has also ventured into Renewable Power Generation, Co. has setup 500 KWp PV On-grid Solar Power Plant in village Gagorni, Rajgarh district of Madhya Pradesh. The plant was commissioned on 12th Oct. 2012 under the REC (Renewable Energy Certificate) Mechanism with annual generation capacity of 7.5 Lakhs units. During F.Y. 2013-14 737943 Units were produced & generated revenue of Rs. 79,38,372/-. The Company has future plans to setup additional plants for expansion.

(iv) **Exports :** Company has supplied Distribution Transformers to M/s. Angelique International Ltd., New Delhi for MEW Project in Afghanistan and Chapali projects in Nepal. These are considered as deemed export. The Company aims to achieve more export orders in the following years.

**d. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:**

The company has adequate internal control system commensurate with the size of the operations by a committee. The committee periodically reviews the implementation of management policies to ensure that transactions have been accurately recorded and promptly reported.

**e. OUTLOOK:**

Co. is expected to have good demand for Distribution and Power Transformers and power related equipments because massive investments are planned in coming years by the Govt. (Central & States) as well as private sector.

**f. HUMAN RESOURCES & INDUSTRIAL RELATION:**

The company has maintained very harmonious & cordial Industrial relations. There is continuous emphasis on development of human resources through training. The issues pertaining to workers are resolved in harmonious and in cordial manner through regular interactions.

**g. Rating -** The CARE, a leading Financial Assessment Co. have rated your Company as BBB/Stable for Bank facilities.

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

For and on behalf of the Board

**Sd/-**

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

## ANNEXURE TO DIRECTOR'S REPORT

ANNEXURE "B"

### REPORT ON CORPORATE GOVERNANCE PURSUANT TO THE CLAUSE 49 OF THE LISTING AGREEMENT

#### The Company's Philosophy on Corporate Governance

Corporate Governance is a concept in corporate democracy demanding an accountable business leadership. It is concerned with the direction and control of a corporate entity in an environment of deregulation, liberalization and openness. Health of corporate entities has social implications and high ethical standards in business are necessary to ensure accountability to society. Corporate Governance defines the structure and distribution of rights and responsibilities among the key players in the company such as the Board, Managers, and Shareholders. The core aspect in Corporate Governance is not about power but about ensuring that decisions are made effectively.

#### Board of directors

The company is having 4 directors on its Board consisting of 1 Chairman & Managing Director, 1 Executive Director and 2 Non Executive Independent Directors. The chairman presides over the Board. The category Composition attendance of each Director at the Board Meeting, last Annual General Meeting and the number of other directorship and chairmanship of each director in various companies is given herein below :

S.No.	Name	Category of Directorship	Date of assuming office
1.	Shri Kishore Gupta	Chairman and Managing Director	31.10.1987
2.	Shri Rakesh Gupta	Executive Director	15.10.1987
3.	Shri Laxmendra Maheshwari	Independent Director	25.06.2009
4.	Shri Shashendra Lahri	Independent Director	25.06.2009

#### CONDUCT OF BOARD MEETINGS HELD AND DATES:

During the financial year 2013-14, the Board of the Company met 10 times. The dates of the meetings were 13.05.2013, 30.05.2013, 30.07.2013, 09.06.2013, 27.08.2013, 20.09.2013, 19.10.2013, 31.10.2013, 31.01.2014 and 24.02.2014.

The particulars regarding the number of the meeting attended by the Board Member out of the total number of meetings held during their tenure, their attendance in the last Annual General Meeting, their membership in other committees and their association with the other companies as Director are given below:

S.No	Name of Director	Attendance	Membership in other committee of the board	Directorship in other companies	Last AGM Attended
1.	Shri Kishore Gupta	10/10	1	2	Yes
2.	Shri Rakesh Gupta	10/10	1	1	Yes
3.	Shri Laxmendra Maheshwari	06/10	2	3	Yes
4.	Shri Shashendra Lahri	06/10	2	NIL	Yes

#### AUDIT COMMITTEE

The Board of Directors of the Company has constituted an Audit Committee. The terms of reference to the Audit Committee cover the matters specified under the Listing Agreement as well as Section 292 A of the Companies Act 1956.

Presently, the committee consists of 3 Directors, viz;

S.No.	Name of Director	Designation
1.	Shri Laxmendra Maheshwari	Chairman
2.	Shri Shashendra Lahri	Member
3.	Shri. Kishore Gupta	Member

The committee met 04 times during the year under review on 30.05.2013, 30.07.2013, 31.10.2013 and 31.01.2014.

The terms of reference of the Audit Committee include, overseeing of the Company's financial reporting process, recommending the appointment and removal of the external auditors, fixation of the audit fees with management, the annual financial statements, the adequacy of internal control systems, internal audit function, reviewing the company's financial and risk management policies, review of the expenses vis-à-vis budget, report on compliances with statutory requirements, reviewing compliances as regards the Company's Whistle Blower Policy etc. The audit committee reviews the adequacy of internal control systems etc. as mentioned in the scope and powers of the Audit Committee in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The minutes of the Audit Committee are circulated to the Board, discussed and taken note of at the Board Meeting.

**The attendance record of the members at the meeting is as under.**

Name of Director	No. of Meeting Attended
Shri Laxmendra Maheshwari - Chairman	4/4
Shri Shashendra Lahri - Member	4/4
Shri. Kishore Gupta - Member	4/4

#### SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board of Directors of Company has constituted Shareholders / Investors Grievance Committee. Presently, the Committee consists of 3 Directors & Chairman of the Committee is non-executive director viz;

**The attendance record of the members at the meeting is as under :**

S.No.	Name of Director	Designation
1.	Shri Laxmendra Maheshwari	Chairman
2.	Shri Shashendra Lahri	Member
3.	Shri. Rakesh Gupta	Member

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/ investors service. The committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investor's complains and the reporting of the same of the Board of Directors

Shri Mayank Gupta was appointed as Compliance Officer of the Company w.e.f. 21.11.2012

During the year 2013-2014, the Company has received no complaints/Grievance. Their were no complaint pending at the end of the year 31st March, 2014.

**2013-2014**

Received From	Received during 2013-14	Redressed during 2013-14	Pending as on 31.03.2014
SEBI	NIL	NIL	NIL
Stock Exchange	NIL	NIL	NIL
MCA	NIL	NIL	NIL
Director from Investors	NIL	NIL	NIL

**REMUNERATION OF DIRECTOR**

The remuneration of the chairman/ Whole time Director or Managing Director is minimum remuneration, under the provision of schedule XIII, of the Companies Act, 1956.

**(i) Management Staff :**

Remuneration of employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary based on the grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performance etc.

**(ii) Non-Executive Directors :**

The Company pays sitting fees to all the Non Executive Directors of the Company. The sitting fees paid is within the limits prescribed under the Companies Act, 1956. Details of the Sitting fees paid during the Financial Year 2013-14 are as under :

Name of Director	Sitting Fees
Shri Laxmendra Maheshwari	Rs. 10,000/-
Shri Shashendra Lahri	Rs. 10,000/-

**(iii) Executive Directors :**

As on 31st March, 2014, Mr. Kishore Gupta, Managing Director & Chairman and Mr. Rakesh Gupta were the the only Executive Director in the Company.

Details of remuneration paid to Executive Directors during the year ended March 31, 2014 are given below :

Name of Director	Designation	Salary & Perquisites	Commission (Rs.)	Total (Rs.)
Shri Kishore Gupta	Chairman & MD	14,40,000	–	14,40,000
Shri Rakesh Gupta	Executive Director	9,60,000	–	9,60,000

**GENERAL BODY MEETING****(a) The details of the annual general meeting held in last three years with details of special resolution are furnished below:-**

Date	Time	Venue	Details of Resolution
30.09.2011	11:00 AM	92-A, GOVINDPURA BHOPAL	Revision of Salary of Mr. Mayank Gupta u/s 314 of the Companies Act 1956
29.09.2012	11:00 Am	92-A, GOVINDPURA BHOPAL	Adoption of New Set of Articles
28.09.2013	11:00 AM	92-A, GOVINDPURA BHOPAL	NIL

**(b) The particulars of Extra-Ordinary General Meetings held during the last three years are as under:**

Year	Date and Time	Details of Resolution
2010-11	NIL	NIL
2011-12	22.06.2011 at 12.00 P.M.	Appointment of Mr. Mayank Gupta as Vice President u/s 314 of Companies Act 1956
2012-13	NIL	NIL

**(c) Postal Ballot**

During the year-ended 31.03.2014, there have been no resolutions passed by the company's shareholders through postal ballot. At the ensuing Annual General Meeting, there are no resolutions proposed to be passed by postal ballot.

**(d) Extra Ordinary General Meeting**

During the year details of Extra Ordinary General Meeting of the members of the Company is furnished below:-

Year	Date and Time	Details of Special Resolution
2013-14	20.11.2013 at 12.00 P.M.	1. Alteration in Articles of Association of Company for First & Present Director. 2. Alteration in Articles of Association as per sections of Companies Act 2013 notified dated 12th September, 2013.

**DISCLOSURE**

- a) Disclosure on materially significant related party transaction i.e. transaction of the Company of the material nature, with the promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

For Related Party transaction refers to Note No. 29 of notes forming part of Accounts of annex of the Balance sheet and profit and loss Account.

- b) Details of non-compliance by the company, penalties and strictures imposed on the Company by stock Exchange or SEBI or other authority on any matter related to capital markets during last three years:

There was no non compliance by the company on any matter related to capital market, SEBI or any other statutory authority and no penalties were imposed or no strictures were passed on the company by such authorities during the last 3 years ended 31.03.2014

**c) Code of Conduct**

The Board has laid down a code of conduct for all the Board Members and senior Management of the company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

**d) Whistle Blower Policy**

The Company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

**e) Reconciliation of Share Capital Audit Report**

The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**f) Details of Companies with mandatory requirements and adoption of the non-mandatory requirements of this clause:**

The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements they are complied with to the maximum extent.

**g) CEO/CFO CERTIFICATION**

As required under Section V of the clause 49 of the Listing Agreement with the Stock Exchanges the Managing/ Whole Time Directors and Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls in the prescribed format for the year ended March 31, 2014.

**GENERAL INFORMATIONS TO SHAREHOLDERS**

**(a) Annual General Meeting**

Date : Tuesday, 30th September, 2014

Venue : 92-A, Govindpura, Industrial Area, Bhopal (Registered office of the company)

Time: 11:00 A.M

**(b) Financial Calendar**

For 1st quarter ended on 30th June 2014 : on or before 15th August 2014

For 2nd quarter ended on 30th September 2014 : on or before 15th November 2014

For 3rd quarter ended on 31st December 2014 : on or before 15th February 2015

For last quarter ended on 31st March 2015 : on or before 15th May 2015

**AGM** for the year ended on March 31st, 2015 : on or before 30th Sept. 2015

**(c) Book Closure**

The Share Transfer Books and the Register of Members will remain closed from Thursday 25th day September, 2014 to Tuesday 30th day September, 2014 (both days inclusive).

**(d) Listing in Stock Exchanges & Stock Codes**

The company's shares are listed at Madhya Pradesh, Ahmedabad and Delhi stock exchange. The Stock Exchange codes are :

S.No.	Name of Stock Exchange	Stock Exchange Code No.
1.	Bombay Stock Exchange, Mumbai (w.e.f. 1.10.2012)	A 1
2.	Madhya Pradesh Stock Exchange Ltd., Indore	B 16
3.	Ahmedabad Stock Exchange Ltd., Ahmedabad	A 64
4.	Delhi Stock Exchange Limited, New Delhi	A 2

The Company has paid the listing fees to all the stock exchanges.

**(e) Stock Data:**

The Company's shares are listed at Bombay, Madhya Pradesh, Ahmedabad and Delhi stock exchange. There are no trading at Madhya Pradesh (Indore), Ahmedabad and Delhi Stock Exchange. The trading is done only at Bombay Stock Exchange. The Stock Date from 1st October, 2013. to 31st March 2014 at Bombay Stock Exchange is as below :

Month	High	Low	No. of Shares	No. of Trades	Amount of Trade
October, 2013	482.00	231.75	6,29,905	13,267	272,821,398
November, 2013	219.95	139.01	21,649	1,547	40,51,874
December, 2013	142.02	92.05	23,454	393	24,94,893
January, 2014	90.25	68.35	71,488	1,427	58,27,804
February, 2014	70.25	57.05	50,057	361	33,04,540
March, 2014	70.07	46.55	4,948	1046	28,12,009

## (f) Distribution of Shareholding as on 31st March 2014 was as under:

NO OF SHARE HELD		NO. OF SHAREHOLDERS		NO. OF SHARES HELD	
FROM	TO	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
1	500	577	75.82	51808	1.73
501	1000	69	9.07	61218	2.04
1001	5000	82	10.78	194811	6.49
5001	10000	10	1.31	65722	2.19
10001	100000	18	2.36	542941	18.10
<b>100001</b>	<b>AND ABOVE</b>	5	0.66	2083700	69.45
<b>TOTAL</b>		<b>761</b>	<b>100</b>	<b>3000200</b>	<b>100</b>

## (g) Shareholding Pattern as on 31st March 2014 was as under:

Category	No. Of Shares Held	% Of Holding
Govt. [Central & State (s)]	–	–
Govt. Companies	–	–
Public Financial Institutions	–	–
Nationalized/other Banks	–	–
Mutual Funds	–	–
Venture Capital	–	–
Foreign Holdings (FIIs/FCs/FFIs/NRIs/OCBs)	100	0
Bodies Corporate	241618	8.05
Directors & Relatives	2189800	72.99
Resident Indians	568682	18.96
Clearing Members	–	–
<b>Total</b>	<b>3000200</b>	<b>100.00</b>

**(h) Percentage of Shares held in physical & dematerialized form:**

**ISIN No. : INE541K01014**

As on 31st March, 2014, 98.92% of the equity shares of the Company have been in dematerialized form.

**(i) Plant Location:**

The company's plant is located at the following address:

92-A Industrial Area,  
Govindpura, BHOPAL-462023 (M.P.)

**(j) Address for Correspondence:**

92-A Industrial Area,  
Govindpura, BHOPAL-462023 (M.P.)

**(k) Address of Registrar & Share Transfer Agents:**

The company ensure that the share transfers, which are received in physical are duly, effected within a period of one month from the date their lodgment. The Board has constituted share transfer Committee, which meets at regular intervals for affecting transfer of shares. The committee is duly authorized to effect transfer; issue of duplicate shares etc. there was no pending complaint and the share transfer as on 31.03.2014.

The company has appointed M/s. System Support Services as Registrar and Share Transfer Agent. The share transfer work is done at the office of Registrar at 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400 072.

For and on behalf of the Board

Sd/-

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

## **CEO / CFO CERTIFICATION**

To,  
The Board of Directors,  
Star Delta Transformers Limited,  
Bhopal

We certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2014 and that to the best of our knowledge and belief:
- (i) these statement do not contain any material untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the period, which are fraudulent, illegal or violate the Company's Code of Conduct.

- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors & the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies
- d) We have indicated to the Auditors and the Audit Committee that:
- (i) significant changes in the Internal Control Process during the year.
  - (ii) significant changes in Accounting Policies during the year.
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting .

This statement is in accordance with the fact that the Board including the Audit Committee shall provide the necessary superintendence and control over the Managing Director.

**Sd-**

**(KISHORE GUPTA)**  
**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

**Sd-**

**(RAKESH GUPTA)**  
**(DIN : 00014139)**

**EXECUTIVE DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

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## **DECLARATION**

As provided under the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31st March 2014.

For and on behalf of the Board

**Sd/-**

**(KISHORE GUPTA)**  
**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

## AUDITORS' REPORT ON CORPORATE GOVERNANCE

The Board of Directors,  
Star Delta Transformers Limited  
Bhopal - 462023

We have reviewed the implementation of Corporate Governance Procedure by the Company during the year ended 31st March, 2014, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We further state that our examination of such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A.K. Khabya & Co  
Chartered Accountants  
Firm Registration No. 001994C

Sd/-  
M.N.G. PILLAI  
Partner  
M.No. 074051

Place : BHOPAL

Date : 30<sup>th</sup> May, 2014

**ASA & Associates  
Company Secretaries**

*Address : Plot No. 16, AS-1, Block-A, IInd Floor, Amar Stambh, Press Complex,  
Zone-I, M.P. Nagar, Bhopal (M.P.) India - 462011*

*Ph. No. : 0775 - 3299658, 4277519 email : info@asacsonline.com*

**COMPLIANCE CERTIFICATE**

CIN : L31102MP1977PLC001393

**Authorised Capital : Rs. 3,17,50,000/-**

Equity : Rs. 3,12,50,000/

Preference : Rs. 5,00,000/-

To,

**The Members**

**Star Delta Transformers Limited**

**Bhopal**

We have examined the registers, records, books and papers of **STAR DELTA TRANSFORMERS LIMITED** (the Company) having its registered office at **92 A, Industrial Area, Govindpura, Bhopal (M. P.) 462023**, as required to be maintained under Companies Act, 1956 (the act) and the Companies Act 2013 (with reference to 98 Sections notified on 12th September 2013) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2014**. In our opinion and to the best of our information and according to the examination carried out by us and explanations furnished to us by the Company, its officers and agents, we report that in respect of the aforesaid financial year under review:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments is not required.
4. The Board of Directors duly met 10 (Ten) times on 13.05.2013, 30.05.2013, 30.07.2013, 09.06.2013, 27.08.2013, 20.09.2013, 19.10.2013, 31.10.2013, 31.01.2014 and 24.02.2014 in respect of which meetings proper notices were given.
5. The Company has closed its Register of Members from Tuesday, 24th day September, 2013 to Saturday, 28th day September, 2013 (both days inclusive) during the financial year under review.
6. The Annual General Meeting for the financial year ended on 31st March 2013 was held on 28th September 2013 after giving due notice to the members of the company.
7. One Extraordinary General Meeting was held during the financial year on 20.11.2013 after giving due notice to the members of the company.
8. The Company has not advanced any loan to the directors or to any other person in whom the director is interested referred in the Section 295 of the Act read with Section 185 of the Companies Act 2013 (with reference to 98 Sections notified on 12th September 2013) during the financial year under review.
9. The Company has entered into contracts falling within the purview of Section 297 of the Act during the financial year under review in compliance with the provisions of the Act.

The Company has obtained the Regional Director's approvals for transactions with its related parties under section 297 vide Regional Director, North - Western Region Order No. RD(NWR)/Sec. 297/313/2013/2719 dated 07th August

## 2013-2014

2013 for entering into contracts with M/s Gupta Sons, Regional Director North - Western Region Order No. RD(NWR)/Sec. 297/313/2013/2723 dated 07th August 2013 for entering into contracts with M/s ARK Transformers Pvt. Ltd., Regional Director, North - Western Region Order No. RD(NWR)/Sec. 297/313/2013/2956 dated 22nd August 2013 for entering into contracts with M/s Neha Industries and Regional Director, North - Western Region Order No. RD(NWR)/Sec. 297/313/2013/3238 dated 10th September 2013 for entering into contracts with M/s Bhopal Wires Pvt. Ltd.

10. The Company was required to make entries in the register maintained under Section 299 & 301 of the Act during the financial year under review.
11. The company has obtained necessary approvals from its Directors and Members pursuant to Section 314 of the Act.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
  - (i) Not made any allotment of Shares during the financial year under review;
  - (ii) Deposited the amount of dividend declared in a separate Bank Account on 30.09.2013 which is within five days from the date of declaration of such dividend;
  - (iii) Posted cheques to all the members within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account;
  - (iv) not transferred the amount in unpaid dividend account and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investors Education and Protection Fund as there were no such amounts outstanding during the financial year under review;
  - (v) complied with the provisions of section 217 of the Companies Act.
14. The Board of Directors of the Company is duly constituted.
15. The Company has not appointed any Managing Director / Whole Time Director / Manager during the financial year under review.
16. The Company has not appointed any sole selling agents during the financial year under review.
17. The Company has obtained necessary approvals of the Regional Director for entering into contracts with related parties pursuant to Section 297 of the Act during the financial year under review, vide Regional Director, North - Western Region Order No. RD(NWR)/Sec. 297/313/2013/2719 dated 07th August 2013, Order No. RD(NWR)/Sec. 297/313/2013/2723 dated 07th August 2013, Order No. RD(NWR)/Sec. 297/313/2013/2956 dated 22nd August 2013 and Order No. RD(NWR)/Sec. 297/313/2013/3238 dated 10th September 2013.
18. The directors have disclosed their interest in other firms and companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debentures during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the Financial year under review..
24. The amount borrowed by the Company during the financial year under review are within the limit as prescribed by provisions of Section 293(1)(d) of the Act and Section 180(1)(c) of the Companies Act 2013 (with reference to 98 Sections notified on 12th September 2013).

25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the financial year under review.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the financial year under review.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under review.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the financial year under review.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the financial year under review.
30. The Company has altered its Articles of Association after obtaining the approval of members in the Extra Ordinary General Meeting dated 20th November 2013 during the financial year under review.
31. As per the information given by the Management there was no prosecution initiated against or show cause notices received by the Company and as informed by the Management that there was no fines and penalties or any other punishment was imposed on the Company during the financial year under review, for offences under the Act.
32. As per the information given by the Management the Company has not received any money as security from its employees during the financial year under review.
33. As per the information given by the Management, the Company has deposited the contribution to Provident Fund with the prescribed authorities during the financial year under review.

Signature

Sd/-

Name of CP Holder

S.M. Ashraf

CP Number : 5148

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

Enclosed : *Annexure A and Annexure B*

#### ANNEXURE-A

Name of the Company : STAR DELTA TRANSFORMERS LIMITED  
 Registration No. : L31102MP1977PLC001393  
 Authorised Capital : Rs. 3,17,50,000/-

#### Registers as maintained by the Company

1. Register of Members U/s 150
2. Register & Returns U/s 163
3. Minutes Book of Meeting U/s 193
4. Books of Account and other Records U/s 209
5. Register of Contracts in which Directors are interested U/s 301
6. Register of Directors, Managing Director, Manager and Secretary U/s 303
7. Register of Directors Shareholding U/s 307
8. Register of Charge U/s 143, Copies of instrument Creating Charges U/s 136

## ANNEXURE-B

Name of the Company : STAR DELTA TRANSFORMERS LIMITED

Registration No. : L31102MP1977PLC001393

Authorised Capital : Rs. 3,17,50,000/-

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2014.

Sr. No.	Form No./ Return	Field U/s	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form 8	135	24/03/2014	Y	N
2.	Form 8	135	30/09/2013	Y	N
3.	Form 23D	233B	18/12/2013	--	--
4.	Form 23D	233B	28/09/2013	--	--
5.	Form 23C (F. Y. 2013)	233B(2)	28/08/2013	N	Y
6.	Form 23C (F. Y. 2014)	233B(2)	30/08/2013	N	Y
7.	Form 23B	224 (1)B	19/10/2013	Y	N
8.	Form 23	31	17/12/2013	Y	N
9.	Form 23ACA XBRL- 2013	220	22/10/2013	Y	N
10.	Form 23AC XBRL-2013	220	22/10/2013	Y	N
11.	FormSchV-2013	159	22/10/2013	Y	N
12.	Form66-2013	383(A)	18/10/2013	Y	N
13.	Form 24A	297	09/04/2014	Y	N
14.	Form 24A	297	09/04/2014	Y	N
15.	Form 24A	297	09/04/2014	Y	N
16.	Form 24A	297	09/04/2014	Y	N

**For ASA & ASSOCIATES**  
Company Secretaries

Sd/-  
**S.M. Ashraf**  
Proprietor  
C.P. No. 5148

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**A. K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS

2nd Floor, Shrimohan Parisar,  
232, Zone-I, M.P. Nagar,  
BHOPAL- 462011  
Phone : 0755-4274191  
Mobile : 9826024073, 9826385310  
E-mail : khabyaco@rediffmail.com

## INDEPENDENT AUDITOR'S REPORT

To The Members of,  
**M/S STAR DELTA TRANSFORMERS LIMITED,**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Star Delta Transformers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accounts of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free material misstatements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid 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 :

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on the date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of

India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that :
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act;

**For A. K. KHABYA & CO.**  
Firm Reg. No. 001994C  
Chartered Accountants

Place : Bhopal  
Date : 30<sup>th</sup> May, 2014

**Sd/-**  
**CA. M. N. G. PILLAI**  
Partner  
Membership No.74051

**ANNEXURE TO THE AUDITOR'S REPORT**

**(Annexure as referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date of STAR DELTA TRANSFORMERS LIMITED on the Accounts for the year ended on 31st March, 2014)**

- (i) (a) On the basis of available information the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us all the assets have been physically verified by the management as per a program of verification in a periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
- (ii) (a) As explained to us the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification as compared to the book records.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence provisions of Clause (iii) (b), (c) and (d) of Paragraph 4 are not applicable to the Company.
- (b) The company has taken unsecured loan from one company covered in the register maintained under section 301 of the Companies Act, 1956. In respect to the said loans, the maximum amount outstanding at any time during the year and the year end balance was Rs. 2177442/-.
- (c) According to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions on which loans have been taken by the company are not, prima facie, prejudicial to the interest of the company.
- (d) Wherever stipulated the company has been regular in the payment of principal amount and interest.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not come across any major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies

Act, 1956 and exceeding the value of Rs. 500000/- in respect of each party during the year have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the purview of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, during the year.
- (vii) Though the company does not have a formal internal audit system as required by the Companies Act, 1956, its internal control procedure ensure internal checking of financial records, which in our opinion is reasonable and commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the accounts and records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed cost records have been maintained. We have, however not, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (ix) (a) According to the records of the company, undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty cess and other material statutory dues applicable to it have been regularly deposited with the appropriate authority.
- According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the records of the company examined by us and information and explanations given to us, no statutory dues were outstanding on account of any dispute as on 31st March, 2014.
- (x) The company has no accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore Paragraph 4(xii) of the Order is not applicable.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In terms of the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions and therefore paragraph 4(xv) of the Order is not applicable.

- (xvi) The company has not raised any new term loan during the year and accordingly paragraph 4(xvi) of the Order is not applicable.
- (xvii) According to the cash flow statement and other records examined by us and information and explanations given to us, on an overall basis, the funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xviii) The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act and therefore paragraph 4(xviii) of the Order is not applicable.
- (xix) The company has not issued any debentures and therefore paragraph 4(xix) of the Order is not applicable.
- (xx) The company has not raised any money by way of public issues during the year and therefore paragraph 4(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us and in our opinion, no fraud on or by the company has been noticed or reported during the year.

For **A.K. KHABYA & CO.**  
Chartered Accountants  
Firm Reg. No. 001994C

Place : Bhopal  
Date : 30<sup>th</sup> May, 2014

**Sd/-**  
**CA. M.N.G. PILLAI**  
Partner.  
Membership No. 74051

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura, Bhopal

**BALANCE SHEET AS AT 31st March, 2014**

Particulars	NOTES	AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013	
<b>EQUITY AND LIABILITIES</b>					
Amount in Rs.					
<b>Share Holder's Fund</b>					
Share Capital	1	30002000.00		30002000.00	
Reserve and Surplus	2	283650212.09	<b>313652212.09</b>	254820091.28	284822091.28
<b>Share Application Money Pending Allotment</b>		-			-
<b>Non-Current Liabilities</b>					
Long Term Borrowing	3	30602075.63		33455624.01	
Deferred Tax Liabilities (net)	4	14400000.00	<b>45002075.63</b>	20580000.00	54035624.01
<b>Current Liabilities</b>					
Short Term Borrowings	5	113480555.31		14905282.95	
Trade Payables	6	22852235.00		109838582.00	
Other Current Liabilities	7	5576249.00		8490020.00	
Short Term Provisions	8	1755042.00	<b>176664081.31</b>	2894233.00	136128117.95
<b>Total</b>			<b>535318369.03</b>		<b>474985833.24</b>
<b>ASSETS</b>					
<b>Non-Current Assests</b>					
Fixed Assets	9				
Tangible Assets		99313272.84		106570127.84	
Intangible Assets		0.00		0.00	
Capital Work in Progress		0.00		0.00	
Intangible Assets Under Development		0.00	<b>99313272.84</b>	0.00	<b>106570127.84</b>
Non-Current Investment		0.00		0.00	
Long Term Loans And Advances		0.00	<b>0.00</b>	0.00	0.00
<b>Current Assets</b>					
Current Investment		0.00		0.00	
Inventories	10	169881259.00		145443489.00	
Trade Receivables	11	122439957.91		150492661.57	
Cash and Bank Balances	12	97298576.28		26251451.83	
Short Term Loans Advances	13	44805389.00		41580772.00	
Other Currents Assets	14	1579914.00	<b>436005096.03</b>	4647331.00	368415705.40
<b>Total</b>			<b>535318369.03</b>		<b>474985833.24</b>

Significant Accounting Policies A to O

Notes On Financial Statements 1 to 30

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-

**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-

**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-

**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner  
Membersip No. 074051

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura, Bhopal

**STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	NOTES	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>INCOME</b>		<b>Amount in Rs.</b>	
Revenue From Operations	15	663720358.00	715243401.00
Other Income	16	2160500.00	1352548.00
<b>Total Revenue</b>		<b>665880858.00</b>	<b>716595949.00</b>
<b>EXPENDITURE</b>			
Cost Of Materials Consumed	17	535964713.00	540627587.00
Purchases Of Stock In Trade		–	–
Changes In Inventories Of Finished Goods, Work-In-Progress and Stock In-Trade	18	(26024071.00)	(11835732.00)
Employee Benefits Expenses	19	15000828.00	14260270.00
Finance Costs	20	14098464.74	14929181.67
Depreciation And Amortisations Expenses	21	8626068.00	6325597.00
Other Expenses	22	87341841.45	101780720.59
<b>Total Expenses</b>		<b>635007844.19</b>	<b>666087624.26</b>
<b>Profit Before Extra Ordinary items and Tax Exceptional Item (Income)</b>	23	<b>30873013.81</b>	<b>50508324.74</b>
Income From Previous year		0.00	1750000.00
<b>Tax Expenses</b>			
Current Tax expense for current year		6200000.00	10350000.00
Current Tax expense relating to prior years		267851.00	751951.00
Net Current tax expense		6467851.00	11101921.00
Deferred Tax Provision Written Off		6180000.00	0.00
Deferred tax		0.00	6580000.00
Profit For The Year		30585162.81	34576403.74
Earnings Per Equity Shares of Face Value of Rs. 10 each Basic and Diluted	25	10.19	11.52
Significant Accounting Policies	A to O		
Notes On Financial statements	1 to 30		

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-  
**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner  
Membership No. 074051

Place : Bhopal  
Date : 30<sup>th</sup> May, 2014

**STAR DELTA TRANSFORMERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

Description	Amount in Rs.	
	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax & extra-ordinary items	<b>30873013.81</b>	<b>50508324.74</b>
Adjustments for :		
Depreciation and amortisation	8626068.00	6325597.00
(Profit)/Loss on sale/ write off of assets	0.00	0.00
Finance Costs	14098464.74	14929181.67
Provisions	-	-
Interest Income	(1693456.00)	(1300671.00)
Dividend Income	0.00	0.00
Liabilities / provisions no longer required written/back	<u>0.00</u>	<u>0.00</u>
<b>Operating Profit before Working Capital Changes</b>	<b>51904090.55</b>	<b>70462432.41</b>
Changes in Working Capital:		
Adjustments for (increase)/ decrease in operating assets:		
Inventories	(24437770.00)	1572842.00
Trade receivables	28052703.66	58776140.50
Short-term Loans and advances	(3224617.00)	12242434.55
Long term loans and advances	0.00	0.00
Other Current Assets	3067417.00	(1135334.00)
Other Non-Current Assets	0.00	0.00
	<u>3457733.66</u>	<u>0.00</u>
	55361824.21	141918515.46
Adjustments for increase/ (decrease) in operating Liabilities:		
Trade Payables	(53986347.00)	(12558008.00)
Other Current Liabilities	(2913771.00)	(1751372.00)
Short Term Borrowings		
Other Long Term Liabilities	0.00	0.00
Short Term Provisions		
Long Term Provisions	0.00	0.00
	(56900118.00)	(14309380.00)
<b>Cash Generated from Operations before Tax &amp; Extraordinary Item</b>	<b>(1538293.79)</b>	<b>127609135.46</b>
Previous Year Income		1750000.00
<b>Cash Generated from Operations before Tax</b>	<b>(1538293.79)</b>	<b>129359135.46</b>
Net Income Tax (paid) / refunds	<u>7607042.00</u>	<u>14403503.00</u>
<b>NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES [A]</b>	<b>(9145335.79)</b>	<b>114955632.46</b>

<b>B CASH FLOWS FROM INVESTMENT ACTIVITIES</b>				
Capital Expenditure on Fixed Assets	(1369213.00)		(48574961.00)	
Capital work in progress	—		—	
Sale of Fixed Assets	0.00		0.00	
Interest Received	1693456.00	<b>324243.00</b>	1300671.00	<b>(47274290.00)</b>
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES [B]</b>		<b>324243.00</b>		<b>(47274290.00)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Share Capital	0.00		0.00	
Security Premium received	0.00		0.00	
Proceeds from Long-term borrowings			31275918.43	
Repayment of Long Term Borrowings	(2853548.38)			
Net Increase/(Decrease) in Working Capital borrowings	98395484.36		(27926090.91)	
Proceeds from Other Short Term Borrowings	179788.00			
Repayment of Other Short Term Borrowings	0.00		(45752346.00)	
Finance Cost	(14098464.74)		(14929181.67)	
Dividends Paid	(1500100.00)		(1500100.00)	
Tax on Dividend	(254942.00)	<b>79868217.24</b>	(254942.00)	<b>(59086742.15)</b>
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES [C]</b>		<b>79868217.24</b>		<b>(59086742.15)</b>
Net Increase/(decrease) in cash and cash equivalents (A + B + C)		<b>71047124.45</b>		<b>8594600.31</b>
Cash & cash equivalents at the beginning of the year		26251451.83		17656851.52
Cash and cash equivalents at the end of the year*		97298576.28		26251451.83
*Comprises		0.00		0.00
a) Cash on hand		<b>1743542.00</b>		<b>1995823.00</b>
b) Cheques, drafts on hand		<b>67393460.00</b>		<b>12739237.00</b>
c) Balance with Banks:				
(i) In current Assets		<b>184361.28</b>		<b>109336.83</b>
(ii) In deposit accounts with original maturity of less than 3 months				
(iii) Others		<b>27977213.00</b>		<b>11407055.00</b>

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-  
**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner  
Membersip No. 074051

Place : Bhopal  
Date : 30<sup>th</sup> May, 2014

## STAR DELTA TRANSFORMERS LIMITED

### SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Preparation of Financial Statements

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the company.

#### B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates, if any, are recognised in the period in which the results are known/materialized.

#### C. Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production/ upto the date the asset is put to use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

#### D. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. All costs, including costs till commencement of commercial production net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised.

#### E. Depreciation and Amortisation

Depreciation on fixed assets acquired upto 31/03/1996 has been provided on WDV method at the rates prescribed in the schedule "XIV" of The Companies Act, 1956. Depreciation on assets acquired after 01/04/1996 has been provided on SLM in the manner provided in schedule "XIV" of The Companies Act, 1956 and no depreciation has been charged on the assets sold during the year.

#### F. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### G. Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Non monetary foreign currency items are carried at cost.

- (d) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### **H. Investment**

Current investment are carried at cost . Long Term investments are stated at cost. Provision for diminution in the value of investments is made only if such a decline is other than temporary.

#### **I. Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Scrap material is valued at net realisable value.

#### **J. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods, services, sales tax, service tax and excise duty adjusted for discount (net) and Value Added Tax (VAT). Dividend income is recognised when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable or as certified by financial institution.

For construction contracts revenue is recognised on percentage completion method based on the percentage of actual cost incurred upto the reporting date to the total estimated cost of the contract. Income from erection, commissioning and other project management services is recognised on work done based on percentage of completion method.

#### **K. Employee Benefits**

- (i) Short-term employee benefites are recognised as an expenses at the undiscounted amount in the profit and loss account in the year in which the related service is rendered and as per the policy consistently followed by the Company.
- (ii) The gratuity liability in respect of employees of the company has been covered through LIC policy, the annual premium paid/ payable for such policy is accounted for as a revenue expenditure.

#### **L. Claims by/against the Company**

- (i) Claims for liquidated damages against the Company are recognised in accounts based on management's assessment of the probable outcomes with reference to the available information supplimented by experience of similar transactions.
- (ii) Claims for export incentives/duty drawbacks/duty refunds and insurance claims etc., if any, are taken into account on accrual basis.
- (iii) Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same from customers. However, escalation is restricted to intrinsic value.

#### **M. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to profit and loss account.

**N. Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that is a virtual certainty that the asset will be realised in future.

**O. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Sd/-

**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-

**KISHORE GUPTA**  
MANAGING DIRECTOR

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

## STAR DELTA TRANSFORMERS LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1	SHARE CAPITAL	(Amount in Rs.)			
		AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013	
<b>Authorised Share Capital:</b>					
3125000 equity shares of Rs.10/- each		31250000.00		31250,000.00	
50000 Preference Shares of Rs.10/- each		500000.00		500000.00	
		<b>31750000.00</b>		<b>31750000.00</b>	
<b>Issued, Subscribed and Paid up:</b>					
3000200 Equity Share of Rs.10/- each		30002000.00		30,002,000.00	
fully paid up		<b>30002000.00</b>		<b>30002000.00</b>	
<b>1.1</b> The details of Shareholders holding more than 5% shares:					
		AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013	
Name of Shareholder	No. of shares	%	No. of shares	%	held
MR. KISHORE GUPTA	<b>583500.00</b>	19.45	<b>583500.00</b>	19.45	
MR. RAKESH GUPTA	<b>562100.00</b>	18.73	<b>562100.00</b>	18.73	
MRS. ARCHANA GUPTA	<b>268300.00</b>	8.94	<b>268300.00</b>	8.94	
MRS. MANJU GUPTA	<b>241500.00</b>	8.05	<b>241500.00</b>	8.05	
MR. MAYANK GUPTA	<b>428300.00</b>	14.28	<b>428300.00</b>	14.28	
<b>1.2</b> The reconciliation of the number of shares outstanding is set out below:					
Particulars	AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013		
	No. of shares		No. of shares		
Equity Shares at the beginning of the year	<b>3000200.00</b>		<b>3000200.00</b>		
Equity Shares at the end of the year	<b>3000200.00</b>		<b>3000200.00</b>		
<b>2 RESERVES AND SURPLUS</b>		(Amount in Rs.)			
	AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013		
<b>Capital Redemption Reserve</b>					
As per last Balance Sheet		200000.00		200000.00	
<b>TOTAL</b>		<b>200000.00</b>		<b>200000.00</b>	
<b>Securities Premium Account</b>					
As per last Balance Sheet		5712000.00		5712000.00	
<b>TOTAL</b>		<b>5712000.00</b>		<b>5712000.00</b>	

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<b>Capital Reserve A/c</b>				
As Per last balance sheet	1031000.00		1031000.00	
<b>TOTAL</b>		<b>1031000.00</b>		<b>1031000.00</b>
<b>General Reserve *</b>				
As per last Balance Sheet	245000000.00		210000000.00	
Add: Transferred from Profit and Loss Account	30000000.00		35000000.00	
<b>TOTAL</b>		<b>275000000.00</b>		<b>245000000.00</b>
<b>Profit and Loss Account</b>				
As per last Balance Sheet	2877091.28		5055729.54	
Add: Profit for the year	30585162.81		34576403.74	
	33462254.09		39632133.28	
Less: Appropriations				
Transferred to General Reserve	30000000.00		35000000.00	
Dividend	1500100.00		1500100.00	
Tax on Dividend	254942.00	1707212.09	254942.00	2877091.28
<b>TOTAL</b>		<b>283650212.09</b>		<b>254820091.28</b>
<b>3 LONGTERMBORROWINGS</b>	(Amount in Rs.)			
	<b>AS AT 31st MARCH, 2014</b>		<b>AS AT 31st MARCH, 2013</b>	
	<b>Non current</b>	<b>current</b>	<b>Non current</b>	<b>current</b>
<b>Secured</b>	-	-	-	-
<b>From Bank</b>				
<b>HDFC Car loan A/c</b>	299742.66	678828.97	978571.63	625244.38
(Against hypothecation of car)				
<b>State Bank of India Term Loan A/c</b>	27223504.00	2400000.00	29451808.00	2400000.00
	<b>27523246.66</b>	<b>3078828.97</b>	<b>30430379.63</b>	<b>3025244.38</b>
<b>Unsecured</b>	-	-	-	-
<b>TOTAL</b>	<b>27523246.66</b>	<b>3078828.97</b>	<b>30430379.63</b>	<b>3025244.38</b>
<b>3.1</b>	Term Loan from State Bank of India is Secured by First charge on the entire fixed assets of the Company including Land and Buildings situated at S.No. 13/2/2 Village Gagorni, District Rajgarh.			
<b>3.2</b>	Car Loan from HDFC Bank is secured by hypothecation of the Car purchased.			
<b>4 DEFERRED TAX LIABILITY(Net)</b>				
	<b>AS AT 31st MARCH, 2014</b>		<b>AS AT 31st MARCH, 2013</b>	
<b>Deferred Tax Liability</b>				
Related to Fixed Assets		14400000.00		20580000.00
<b>Deferred Tax Assets</b>		0.00		0.00
<b>TOTAL</b>		<b>14400000.00</b>		<b>20580000.00</b>

<b>5 SHORT TERM BORROWINGS</b>				
	<b>AS AT 31st MARCH, 2014</b>		<b>AS AT 31st MARCH, 2013</b>	
<b>Secured</b>				
<b>working Capital Loans</b>				
<b>From Banks</b>				
State Bank of India PCC A/c		71668934.31		12907628.95
State Bank of India SLC A/c		30144745.00		0.00
LIC of India Bhopal		9489434.00		0.00
<b>Unsecured</b>				
<b>Other Loans And Advances</b>				
<b>Loans Repayable on demand from other parties</b>				
<b>Loans and advances from Related Parties</b>				
ARK Transformers Private Limited	2177442.00	2177442.00	1997654.00	1997654.00
<b>TOTAL</b>		<b>113480555.31</b>		<b>14905282.95</b>

**5.1** Working Capital loan is secured by first charge over entire current assets of the Company and by first mortgage/ charge on immovable properties situated at 92-A, Industrial Area, Govinpura, Bhopal. All credit facilities from State Bank of India including Term Loan as per Note 3 above is collaterally secured by Equitable Mortgage of house property at E-1/207 owned by Shri Kishore Gupta and Shri Rakesh Gupta, both directors of the Company also by their personal guarantee.

<b>6 TRADE PAYABLES</b>		
	<b>(Amount in Rs.)</b>	
	<b>31st MARCH, 2014</b>	<b>31st MARCH, 2013</b>
<b>Micro Small And Medium Enterprises</b>	<b>18133438.00</b>	<b>78659264.00</b>
<b>Others</b>	<b>37718797.00</b>	<b>31179318.00</b>
<b>TOTAL</b>	<b>55852235.00</b>	<b>109838582.00</b>

**6.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

<b>Particulars</b>	<b>As at 31 March, 2014 Rs.</b>		<b>As at 31 March, 2013 Rs.</b>	
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year		18133438.00		78659264.00
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year		-		-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		-		-
(iv) The amount of interest due and payable for the year		-		-

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(v) The amount of interest accrued and remaining unpaid at the end of the accounting year		-		-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid		-		-
<b>6.2</b> The details of amounts outstanding to Micro, Small and Medium Enterprises determined to the extent such Parties have been identified based on available information collected by the Management. This has been relied upon by the Auditors.				
<b>6.3 Others:</b>				
Creditors for Supplies	35532171.00		28968427.00	
Creditors for Expenses	213632.00		430075.00	
Outstanding Expenses	1972994.00	37718797.00	1780816.00	31179318.00

**7 OTHER CURRENT LIABILITIES**

	AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013	
Interest accrued but not due on borrowings		-		-
Unclaimed Dividend #		<b>39250.00</b>		<b>20500.00</b>
Creditors for Capital Goods		-		-
Advance Received against Court Order		<b>2114830.00</b>		<b>2114830.00</b>
Other Payables *		<b>3422169.00</b>		<b>6354690.00</b>
<b>TOTAL</b>		<b>5576249.00</b>		<b>8490020.00</b>

\*Includes Statutory dues, Security deposits & Advance from customers.

**8 SHORT TERM PROVISIONS**

	AS AT 31st MARCH, 2014		AS AT 31st MARCH, 2013	
Provision for Superannuation/Gratuity/Leave Encashment		<b>0.00</b>		<b>0.00</b>
Provision for Income Tax (Net of Advance Tax & TDS)		<b>0.00</b>		<b>1139191.00</b>
Proposed Dividend		<b>1500100.00</b>		1500100.00
Tax on dividend		<b>254942.00</b>		254942.00
<b>TOTAL</b>		<b>1755042.00</b>		<b>2894233.00</b>

**Star Delta Transformers Limited**

**92-A, Industrial Area, Govindpura, Bhopal**

**9. FIXEDASSETS**

**SCHEDULE OF FIXED ASSETS AS ON 31st MARCH, 2014**

S.N.	Description of Assets	GROSSBLOCK				DEPRICIATION				NETBLOCK	
		As on 01-04-2013	Addition	Deduction Adjustment	As at 31-03-2014	As at 01-04-2013	For the Year	Deduction Adjustment	Upto 31-03-2014	As at 31-03-2014	As at 31-03-2013
<b>A.</b>	<b>TANGIBLEASSETS: OWNASSETS:</b>										
	Land	34378.84	0.00	0.00	<b>34378.84</b>	0.00	0.00	0.00	0.00	<b>34378.84</b>	34378.84
	Land (Solar Power Plant)	1062500.00	0.00	0.00	<b>1062500.00</b>	0.00	0.00	0.00	0.00	<b>1062500.00</b>	1062500.00
	Building and Shed	13701226.41	0.00	0.00	<b>13701226.41</b>	4190794.41	435432.00	0.00	4626226.41	<b>9075000.00</b>	9510432.00
	Building and Shed Unit II	27864412.00	0.00	0.00	<b>27864412.00</b>	2564340.00	930671.00	0.00	3495011.00	<b>24369401.00</b>	25300072.00
	Plant & Machinery	24433810.25	798175.00	0.00	<b>25231985.25</b>	10484051.25	1109831.00	0.00	11593882.25	<b>13638103.00</b>	13949759.00
	Plant & Machinery Unit II	8381060.00	0.00	0.00	<b>8381060.00</b>	1186655.00	398100.00	0.00	1584755.00	<b>6796305.00</b>	7194405.00
	Plant & Machinery (Solar Power Plant)	44061800.00	0.00	0.00	<b>44061800.00</b>	2359129.00	4555990.00	0.00	6915119.00	<b>37146681.00</b>	41702671.00
	Electrical Installation	2367601.86	9429.00	0.00	<b>2377030.86</b>	1081866.86	107963.00	0.00	1189829.86	<b>1187201.00</b>	1285735.00
	Electrical Installation Unit II	587674.00	0.00	0.00	<b>587674.00</b>	35095.00	27915.00	0.00	63010.00	<b>524664.00</b>	552579.00
	Office Equipment	1164136.05	36669.00	0.00	<b>1200805.05</b>	505696.05	47325.00	0.00	553021.05	<b>647784.00</b>	658440.00
	Furniture & Fixtures	1448814.49	524940.00	0.00	<b>1973754.49</b>	777323.49	739436.00	0.00	1516759.49	<b>456995.00</b>	671491.00
	Vehicles	7783535.00	0.00	0.00	<b>7783535.00</b>	3318817.00	121943.00	0.00	3440760.00	<b>4342775.00</b>	4464718.00
	Computer	1027023.43	0.00	0.00	<b>1027023.43</b>	844076.43	151462.00	0.00	995538.43	<b>31485.00</b>	182947.00
	<b>Sub-Total</b>	<b>133917972.33</b>	<b>1369213.00</b>	<b>0.00</b>	<b>135287185.33</b>	<b>27347844.49</b>	<b>8626068.00</b>	<b>0.00</b>	<b>35973912.49</b>	<b>99313272.84</b>	<b>106570127.84</b>
	<b>LEASED ASSETS:</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>133917972.33</b>	<b>1369213.00</b>	<b>0.00</b>	<b>135287185.33</b>	<b>27347844.49</b>	<b>8626068.00</b>	<b>0.00</b>	<b>35973912.49</b>	<b>99313272.84</b>	<b>106570127.84</b>
<b>B.</b>	<b>INTANGIBLEASSETS:</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL(B)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total (A+B)</b>	<b>133917972.33</b>	<b>1369213.00</b>	<b>0.00</b>	<b>135287185.33</b>	<b>27347844.49</b>	<b>8626068.00</b>	<b>0.00</b>	<b>35973912.49</b>	<b>99313272.84</b>	<b>106570127.84</b>
	Previous Year	84751202.33	49166770.00	0.00	133917972.33	21022247.49	6325597.00	0.00	27347844.49	106570127.84	63728954.84

**C. CAPITAL WORKING PROGRESS**

	Building & Shed under Construction Unit II	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Building & Shed under Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	"Intangible Assets under "Development"				0.00					0.00	0.00

<b>10 INVENTORIES</b>					<b>(Amount in Rs.)</b>				
		<b>AS AT 31st MARCH, 2014</b>			<b>AS AT 31st MARCH, 2013</b>				
Raw Materials			<b>26100558.00</b>			<b>27686859.00</b>			
Goods In Progress			<b>119361544.00</b>			<b>100604730.00</b>			
Finished Goods			<b>696205.00</b>			<b>180000.00</b>			
Scrap Material			<b>19686752.00</b>			<b>15564900.00</b>			
Solar Power Stock			<b>4036200.00</b>			<b>1407000.00</b>			
			<b>169881259.00</b>			<b>145443489.00</b>			
<b>LESS:</b> Cenvat on Stock Utilised			<b>0.00</b>			<b>0.00</b>			
<b>TOTAL</b>			<b>169881259.00</b>			<b>145443489.00</b>			
<b>11 TRADE RECEIVABLES</b>									
<b>(Unsecured and Considered Good)</b>		<b>AS AT 31st MARCH, 2014</b>			<b>AS AT 31st MARCH, 2013</b>				
Over Six Months			<b>12989307.57</b>			<b>11952093.57</b>			
Others			<b>109450650.34</b>			<b>138540568.00</b>			
<b>TOTAL</b>			<b>122439957.91</b>			<b>150492661.57</b>			
<b>12 CASH AND BANK BALANCES</b>									
		<b>AS AT 31st MARCH, 2014</b>			<b>AS AT 31st MARCH, 2013</b>				
Cash in Hand		1365604.00			1798493.00				
Cash in Imprest		377938.00	1743542.00		197330.00	1995823.00			
Cheques in hand			67393460.00			12739237.00			
Balance with scheduled Banks									
(i) In Current Accounts		184361.28				109336.83			
(ii) In Deposit Accounts		0.00				0.00			
(iii) In Earmarked Accounts:									
- Unpaid Dividend Account		62050.00				28337.00			
- Balances held as Margin Money or Security against Borrowings, Guarantees, and Other Commitments #		27852376.00				11333794.00			
- SBI SDT Employees Gratuity Account		<b>62787.00</b>	<b>28161574.28</b>			<b>44924.00</b>			
<b>TOTAL</b>			<b>97298576.28</b>			<b>26251451.83</b>			
#Fixed Deposits with banks held as Margin Money amounting to Rs. 11333794/- (Previous year Rs.10333794/-) with maturity more than 12 months.									
<b>13 SHORT TERM LOANS AND ADVANCES</b>									
<b>(Unsecured and Considered Good)</b>		<b>AS AT 31st MARCH, 2014</b>			<b>AS AT 31st MARCH, 2013</b>				
Advance To Suppliers		8140091.00			3976475.00				

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Advance for Services/Testing	<u>565456.50</u>	8705547.50	<u>599347.50</u>	4575822.50
Security Deposits		5385449.00		5568529.00
Loans and Advances to Employees		458935.00		480111.00
Balance with Customs, Central Excise & Income Tax Authorities		20951511.00		26174662.00
Prepaid Expense		9303946.50		4781647.50
<b>TOTAL</b>		<b>44805389.00</b>		<b>41580772.00</b>
<b>14 OTHER CURRENT ASSETS</b>				
		<b>AS AT</b>		<b>AS AT</b>
		<b>31st MARCH, 2014</b>		<b>31st MARCH, 2013</b>
Interest Accrued on Deposits		<u>1579914.00</u>		<u>4647331.00</u>
<b>TOTAL</b>		<b>1579914.00</b>		<b>4647331.00</b>
<b>15 REVENUE FROM OPERATIONS</b>	<b>2013-14</b>		<b>2012-13</b>	
Sale of Products		698493772.00		761123108.00
Sales of Solar Power		7938372.00		2398473.00
Income from Services		21255204.00		22315057.00
Other operating revenues		8412656.00		3485733.00
		736100004.00		789322371.00
Less: Excise Duty /Service Tax		72379646.00		74078970.00
<b>TOTAL</b>		<b>663720358.00</b>		<b>715243401.00</b>
<b>15.1 PARTICULARS OF SALE OF PRODUCTS</b>	<b>2013-14</b>		<b>2012-13</b>	
Transformers		698493772.00		761123108.00
<b>TOTAL</b>		<b>698493772.00</b>		<b>761123108.00</b>
<b>15.2 PARTICULARS OF SALE OF POWER</b>	<b>2013-14</b>		<b>2012-13</b>	
Sales Solar Power		7938372.00		2398473.00
<b>TOTAL</b>		<b>7938372.00</b>		<b>2398473.00</b>
<b>15.3 PARTICULARS OF INCOME FROM SERVICES</b>	<b>2013-14</b>		<b>2012-13</b>	
Civil Work		0.00		72331.00
Labour Charges		2339600.00		1058500.00
Sales (Import Transfer)		8148908.00		0.00
Erection & Commissioning charges		0.00		50000.00
Freight		8985370.00		16764949.00
Business Auxiliary services		1147417.00		4283937.00
Testing charges		633909.00		85340.00
		<b>21255204.00</b>		<b>22315057.00</b>
<b>15.4 PARTICULARS OF OTHER OPERATING REVENUES</b>	<b>2013-14</b>		<b>2012-13</b>	
Sale of scrap		8412656.00		3485733.00
		<b>8412656.00</b>		<b>3485733.00</b>
<b>16 OTHER INCOME</b>	<b>2013-14</b>		<b>2012-13</b>	
<b>Interest</b>		1693456.00		1300671.00
From Others		1693456.00		1300671.00

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<b>Dividend</b>		<b>0.00</b>		0.00
<b>Net gain on sale of Investments</b>		<b>0.00</b>		0.00
<b>Other non Operating Incomes*</b>		<b>467044.00</b>		<b>51877.00</b>
		<b>467044.00</b>		<b>51877.00</b>
<b>TOTAL</b>		<b>2160500.00</b>		<b>1352548.00</b>
* Net of expenses directly attributable to such income				
<b>16.1 PARTICULARS OF OTHER NON OPERATING INCOMES</b>	<b>2013-14</b>		<b>2012-13</b>	
CST for Previous Year		<b>4963.00</b>		0.00
VAT Refund F.Y. 2009-10		<b>441770.00</b>		0.00
Misc. Balances written off		<b>20311.00</b>		51877.00
<b>TOTAL</b>		<b>467044.00</b>		<b>51877.00</b>
<b>17 COST OF MATERIAL CONSUMED</b>	<b>(Amount in Rs.)</b>			
	<b>2013-14</b>		<b>2012-13</b>	
Opening Stock		<b>27686859.00</b>		41095433.00
Add: Purchases		<b>618321310.00</b>		616654748.00
		<b>646008169.00</b>		657750181.00
Less : Cenvat & VAT Consumed		<b>83942898.00</b>		89435735.00
		<b>562065271.00</b>		568314446.00
Less: Closing stock		<b>26100558.00</b>		27686859.00
<b>TOTAL</b>		<b>535964713.00</b>		<b>540627587.00</b>
<b>18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>	<b>2013-14</b>		<b>2012-13</b>	
<b><u>Inventories at the end of the year</u></b>				
Finished goods		<b>696205.00</b>		180000.00
Work-in-progress		<b>119361544.00</b>		100604730.00
Scrap		<b>19686752.00</b>		15564900.00
Solar Power		<b>4036000.00</b>		1407000.00
		<b>143780701.00</b>		<b>117756630.00</b>
<b><u>Inventories at the beginning of the year</u></b>				
Finished goods		<b>180000.00</b>		0.00
Work-in-progress		<b>100604730.00</b>		97661818.00
Scrap		<b>15564900.00</b>		0.00
Solar Power		<b>1407000.00</b>		8259080.00
		<b>117756630.00</b>		105920898.00
		<b>(26024071.00)</b>		(11835732.00)
<b>19 EMPLOYEE BENEFITS EXPENSES</b>	<b>2013-14</b>		<b>2012-13</b>	
Salaries and Wages		<b>13554935.00</b>		13173079.00
Contribution to Provident and Other Funds		<b>694751.00</b>		626378.00
Staff Welfare Expenses		<b>751142.00</b>		460813.00
<b>TOTAL</b>		<b>15000828.00</b>		<b>14260270.00</b>

<b>20 FINANCE COSTS</b>	<b>2013-14</b>		<b>2012-13</b>	
(a) INTEREST EXPENSES ON:				
Borrowings ( Bank)		<b>9993465.35</b>		8691007.43
Other Borrowings		<b>481165.00</b>		3506959.00
(b) Bank Charges		<b>3623834.39</b>		2731215.24
<b>TOTAL</b>		<b>14098464.74</b>		<b>14929181.67</b>
<b>21 DEPRICIATIONANDAMORTISATIONEXPENSES</b>	<b>2013-14</b>		<b>2012-13</b>	
Depriciation and Amortisation		<b>8626068.00</b>		<b>6325597.00</b>
<b>TOTAL</b>		<b>8626068.00</b>		<b>6325597.00</b>
<b>22 OTHER EXPENSES</b>	<b>2013-14</b>		<b>2012-13</b>	
Manufacturing Expenses:				
Carriage inward	<b>4783076.00</b>		5911765.00	
Consumption of tools	<b>366373.00</b>		392392.00	
Entry tax	<b>1526907.00</b>		2406897.00	
Power & Fuel Charges	<b>5141992.00</b>		5356770.00	
Job Work	<b>25608392.00</b>		26679908.00	
Labour Charges	<b>1803538.00</b>		3015109.00	
Machinery maintenance	<b>1281489.00</b>		1268341.00	
X'mer repair under guarantee	<b>126746.00</b>		214850.00	
Testing Expenses	<b>2936446.00</b>	43574959.00	1289876.00	46535908.40
<b>Selling &amp; Distribution Expenses:</b>				
VAT	<b>23907678.00</b>		34308218.00	
Consumption of Packing material	<b>589584.00</b>		456133.00	
Commission on sales	<b>730372.00</b>		830852.00	
Carriage outward	<b>10173614.00</b>		8432662.00	
Advertisement & Publicity	<b>76452.00</b>		32453.00	
Tender Expenses	<b>102534.00</b>		215532.00	
Cess expenses	<b>0.00</b>		141849.00	
Municipal taxes (Niryat Kar)	<b>0.00</b>		60716.00	
Late Delivery damages	<b>1019032.00</b>		4421431.00	
Godown Rent	<b>0.00</b>		5000.00	
Entertainment Expenses	<b>26544.00</b>	36625810.00	23722.00	48928568.00
<b>Administrative Expenses</b>				
Building Maintenance	328475.00		126824.00	
Computer maintenance	154620.00		70610.00	
Electrical maintenance	263835.00		168581.00	
Entry Tax After Assessment F.Y. 2009-10	28536.00		0.00	
Furniture maintenance	7201.00		8506.00	
Office Equipment maintenance	16130.00		33450.00	
Vehicle maintenance	388402.00		141485.00	
Conveyance Expenses	542321.00		459270.00	
Books & periodicals	630.00		625.00	

**2013-2014**

Insurance	<b>366775.00</b>		348997.00	
Legal expenses	<b>1153161.00</b>		389770.00	
Listing fee	<b>26545.00</b>		27163.00	
Lease Rent	<b>76560.00</b>		0.00	
Professional charges	<b>726970.41</b>		640252.19	
Professional tax	<b>5000.00</b>		5000.00	
Rates, Fees & Taxes	<b>301667.00</b>		460927.00	
Directors Sitting Fees	<b>20000.000</b>		16000.00	
Payment to Auditors*	<b>104000.00</b>		81531.00	
Postage & Telegraph	<b>86511.00</b>		72100.00	
Stationary & Printing	<b>301583.00</b>		335381.00	
Subscription	<b>38279.00</b>		137609.00	
Sundry Expenses	<b>219437.00</b>		302287.00	
Telephone expenses	<b>222340.00</b>		262746.00	
Travelling expenses	<b>1620226.00</b>		2132629.00	
Vehicle running expenses	<b>79368.00</b>		94501.00	
Water Charges	<b>2500.00</b>		0.00	
Donation	<b>60,000.00</b>	<b>7141072.45</b>	<b>0.00</b>	6316244.19
<b>TOTAL</b>		<b>87341841.45</b>		<b>101780720.59</b>
<b>* PAYMENT TO AUDITORS AS:</b>	<b>2013-14</b>		<b>2012-13</b>	
Audit Fee		40000.00		44944.00
Tax Audit Fee		15000.00		16854.00
Other Service charges		49000.00		19733.00
<b>TOTAL</b>		<b>104000.00</b>		<b>81531.00</b>
<b>23 EXCEPTIONAL ITEMS :</b>				
Previous Year Income		0.00		1750000.00
<b>24 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS</b>				
	<b>2013-14</b>		<b>2012-13</b>	
<b>24.1 DETAILS OF FIXED ASSETS HELD FOR SALE</b>		NIL		NIL
<b>24.2 VALUE OF IMPORTS CALCULATED ON CIF BASIS</b>				
Raw Materials & Components		<b>49788723.00</b>		<b>51837884.00</b>
Spares Parts		NIL		NIL
Capital Goods		NIL		NIL
<b>24.3 DETAILS OF CONSUMPTION OF IMPORTED &amp; INDIGENOUS ITEMS</b>	<b>2013-14</b>		<b>2012-13</b>	
	<b>Rs.</b>	<b>% OF CONSUMPTION</b>	<b>Rs.</b>	<b>% OF CONSUMPTION</b>
<b>A. Imported:</b>				
Raw material & Components	<b>49788723.00</b>	<b>9.59</b>	<b>51837884.00</b>	<b>9.59</b>

Spare Parts	0.00	0.00	0.00	0.00
<b>TOTAL(A)</b>	<b>49788723.00</b>		<b>51837884.00</b>	
<b>B. INDIGENOUS:</b>				
Raw material & Components	486175990.00		488789703.00	90.41
Spare Parts	0.00	0.00	0.00	0.00
<b>TOTAL(B)</b>	<b>486175990.00</b>		<b>488789703.00</b>	
<b>TOTAL CONSUMPTION (A+B)</b>	<b>535964713.00</b>		<b>540627587.00</b>	
	<b>2013-14</b>		<b>2012-13</b>	
<b>24.4 EXPENDITURE IN FOREIGN CURRENCY:</b>		<b>NIL</b>		<b>NIL</b>
<b>24.5 EARNING IN FOREIGN EXCHANGE</b>		<b>NIL</b>		<b>NIL</b>
<b>25 EARNING PER SHARE (EPS)</b>	<b>2013-14</b>		<b>2012-13</b>	
i) Net Profit after tax as per Statement of profit and loss attributable to equity shareholder		<b>30585162.81</b>		34576403.74
ii) Weighted Average number of equity shares used as denomination for calculating EPS		<b>3000200.00</b>		3000200.00
iii) Basic and diluted earning per share (‘)		<b>10.19</b>		<b>11.52</b>
iv) Face value per equity share(‘)		10.00		10.00
	<b>2013-14</b>		<b>2012-13</b>	
<b>26 AMOUNT REMITTED IN FOREIGN CURRENCY DURING THE YEAR ON ACCOUNT OF DIVIDEND</b>		<b>NIL</b>		<b>NIL</b>

- 27 As per accounting standard 17 (AS17) on Segment Reporting, segment information should be provided for reportable segment where the segment revenue constitutes more than 10% of total revenue. The company operates in two segments viz. manufacturing of transformers and generation of power from Solar Plant. However the revenue from Solar Power generation is less than 10% of total revenue hence not separately disclosed under "Segment reporting".
- 28 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

**29 RELATED PARTY TRANSACTIONS :**

Name of Related Parties	Relationship	Salary	Dividend	Business Transaction	Interest	Unsecured Loan taken	Total Transaction	Outstanding as on 31/03/2013
M/s Bhopal Wires Pvt. Ltd.	Associate	0	0	28469169	0	0	28469169	0
M/s Neha industries	Associate	0	0	76602887	0	0	76602887	6389747 Dr.
M/s ARK Transformers Pvt. limited	Associate	0	30000	0	0	0	229765	2177442
Shri Kishore Gupta	Key Management Personal	1440000	291750	0	0	0	1731750	0
Shri Rakesh Gupta	Key Management Personal	960000	281050	0	0	0	1241050	0
Shri Mayank Gupta	Key Management Personal	720000	214150	0	0	0	934150	0
Shri L. N. Gupta	Relative of Key Management Personal	0	2300	0	0	0	2300	0
Smt. Archana Gupta	Relative of Key Management Personal	0	134150	0	0	0	134150	0
Ku. Manali Gupta	Relative of Key Management Personal	0	35000	0	0	0	35000	0
Smt. Manju Gupta	Relative of Key Management Personal	0	120750	0	0	0	120750	0
Ku. Tusharika Gupta	Relative of Key Management Personal	0	5000	0	0	0	5000	0
Mr. Archit Gupta	Relative of Key Management Personal	0	10000	0	0	0	10000	0

**30 CONTINGENT LIABILITIES AND COMMITMENTS**

As at  
31st March, 2014

As at  
31st March, 2013

(i) Contingent Liabilities

(A) Claims against the company not acknowledged as debts

NIL

NIL

(B) Guarantees

(i) guarantees to banks and financial institutions against credit facilities extended to third parties

NIL

NIL

(ii) Performance Guarantees

(a) In respect of joint ventures

NIL

NIL

(b) In respect of others

2380.49 Lacs

1068.61 Lacs

(iii) Outstanding guarantees furnished to Banks and financial institution including in respect of letters of credits

(a) In respect of joint ventures

NIL

NIL

(b) In respect of others

246.35 Lacs

250.26 Lacs

(C) Others Money for which the company is contingently liable

(i) Liability in respect of bills discounted with banks (Including third party bills discounting)

NIL

NIL

## (II) Commitments

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:

Tangible assets	NIL	NIL
Intangible assets	NIL	NIL

(B) Uncalled Liability on shares and other investments partly paid

NIL	NIL
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(C) Others commitments

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Place : Bhopal

Date : 30<sup>th</sup> May, 2014

**STAR DELTA TRANSFORMERS LIMITED**

Regd. Office: 92-A, Industrial Area, Govindpura, Bhopal - 462 023, Madhya Pradesh

**ATTENDANCE SLIP**

38th Annual General Meeting as on 30th September, 2014

I / We hereby record my / our presence at the 38th ANNUAL GENERAL MEETING of the Company held at 92-A, Industrial Area, Govindpura, Bhopal-462 023, Madhya Pradesh on Tuesday, 30th day of September, 2014 at 11.00 a.m.

Full Name of member \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Client ID No. \_\_\_\_\_ D. P. ID No. \_\_\_\_\_

Full Name of Proxy \_\_\_\_\_

Member's / Proxy's Signature \_\_\_\_\_

**Note:** A Shareholder / Proxy wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly filled and signed.

----- TEAR HEAR -----

**STAR DELTA TRANSFORMERS LIMITED**

Regd. Office: 92-A, Industrial Area, Govindpura, Bhopal - 462 023, Madhya Pradesh

DP ID	
Client ID	

Registered Folio No.	
----------------------	--

**PROXY FORM**

I / We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

being a Member / Members of the above named Company, hereby appoint Shri. / Smt. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ in the

District of \_\_\_\_\_ as my / our Proxy to attend and vote for me / us and on my / our behalf at the 38th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, 30th day of September, 2014 at 11.00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix Rs. 1/- Revenue Stamp Signature
--

**Note:** The Proxy must be deposited at the Registered Office at 92-A, Industrial Area, Govindpura, Bhopal - 462 023, Madhya Pradesh, not less than FORTY EIGHT HOURS before the time fixed for holding this Meeting.

**BOOK-POST  
PRINTED MATTER**

If, undelivered please return to:

**Regd. Office:**

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura,

Bhopal - 462 023

Madhya Pradesh