

# **STARVOX ELECTRONICS LIMITED**

**(CIN: L32100GJ1986PLC008539)**

## **29<sup>TH</sup> ANNUAL REPORT 2013-14**

**REGISTERED OFFICE**  
306, SARTHIK COMPLEX,  
NR. FUN REPubLUC,  
ISCON CROSS ROAD,  
SATELLITE, AHMEDABAD 380015

**AUDITORS:**

M/S BPA & COMPANY  
CHARTERED ACCOUNTANTS  
AHMEDABAD.

**BANKERS:**

STATE BANK OF INDIA  
BANK OF BARODA

**REGISTRAR AND  
SHARE TRANSFER AGENT:**

PURVA SHAREGISTRY (INDIA) PVT. LTD.  
9 - SHIV SHAKTI INDL. ESTATE,  
J. R. BORICHA MARG, OPP. KASTURBA HOSPITAL,  
LOWER PAREL (E),  
MUMBAI – 400 011.

**BOARD OF DIRECTORS:**

JITENDRA C. MEHTA

MANAGING DIRECTOR

CHANDRAKANT P. MEHTA

NON EXECUTIVE DIRECTOR

GORDHANDAS S. PATEL

NON EXECUTIVE DIRECTOR

BHAVIN PATEL

NON EXECUTIVE DIRECTOR

ASIT R. SHAH

INDEPENDENT DIRECTOR

KANDARP R. KINARIWALA

INDEPENDENT DIRECTOR

ROMITA JAISWAL

SECRETARY

## NOTICE

**Notice** is hereby given that 29<sup>th</sup> Annual General Meeting of members of Starvox Electronics Limited will be held on Thursday, 18<sup>th</sup> September 2014 at 10:00 a.m. at Plot No. 39/1, Opp. Amraiwadi Talawadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad – 380026 to transact the following businesses:

### ORDINARY BUSINESS:

01. To receive, consider and adopt Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2014 and Profit and Loss Account for the year ended on the same date, together with the reports of Board of Directors and Auditors thereon.
02. To appoint a Director in place of Mr. Gordhanbhai Somabhai Patel, who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint statutory auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification the following resolution as an ordinary resolution:

**“RESOLVED THAT pursuant to provisions of section 139 and 142 of Companies Act 2013 M/s Arpan Chudgar & Associates, Chartered Accountants, Ahmedabad bearing Membership no. 131876 be and is hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of sixth annual general meeting of the company, subject to approval of the members from year to year and at such remuneration as shall be fixed by the Board of Directors.”**

### SPECIAL BUSINESS:

04. To consider and if thought fit to pass with or without modification the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Bhavinkumar Arvindkumar Patel (holding DIN 06604431), who was appointed as an Additional Director of the Company by the Board of Directors w. e. f. 20/02/2014 and in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and as per the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

05. To consider and, if thought fit to pass with or without modification the following resolution as a **Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 61 (1) (d) and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the members be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs. 1,00,00,000 (Rupees One Crores) divided into 10,00,000 (Ten Lacs) Equity Shares of Rs. 10/- each to Rs. 4,00,00,000 (Rupees Four Crores) divided into 40,00,000 (Forty Lacs) Equity Shares of Rs. 10/- each by creation of additional 30,00,000 (Thirty Lacs) Equity Shares of Rs. 10/- each ranking pari-passu in all respect with the existing Equity Shares.”

**“FURTHER RESOLVED THAT** pursuant to the provisions of Section 13 and 61 (1) (d) and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, consent of the Members be and is hereby accorded for alteration Share Capital Clause V of the Memorandum of Association of the Company and now shall read as under:

V “The Authorised Share Capital of the Company is Rs. 4,00,00,000/- (Rupees Four Crores only) divided into 40,00,000 (Forty Lacs) Equity Shares of face value of Rs.10 /- (Rupees Ten) each with power to increase or reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

06. To consider and, if thought fit to pass with or without modification the following resolution as a **Ordinary Resolution**

**“RESOLVED THAT** pursuant to provisions of section 203 read with provision of section 196 and 197 of The Act and Schedule V and other applicable provisions, if any, of the Act, consent of the members be and is hereby accorded to re-appoint Mr. Jitendra C. Mehta as Managing Director of the Company w. e. f. 01<sup>st</sup> June 2014 for a period of 3 years on the following terms and conditions:

- (i) Salary of Rs. 28000/- (Rupees Twenty thousand only) per month in the grade of Rs. 28,000/— 1000/- 30000/-.
- (ii) In addition to salary, he shall be entitled to following perquisites:

**Category A:**

- a) Housing: the expenditure by the Company on hiring furnished accommodation for Managing Director will be subject to a ceiling of 60% of the salary over and above 10% payable by the Managing Director.

In Case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.

In case, no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance, subject to ceiling laid down above.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income Tax Rules 1962. This shall be however subject to a ceiling of 10% of the salary of Managing Director.

- b) Medical Reimbursement: Expenses incurred for the Managing Director and Family, subject to a ceiling of 1 months' salary in a year or 3 months' salary over a period of 3 months' salary over a period of 3 years.
- c) Leave Travel Concession: For the Managing Director and for his family, once in a year in accordance with the Rules specified by the Company.
- d) Club Fee: Fees of club subject to maximum of 2 clubs, excluding admission and Life Membership Fee.
- e) Personal Accident Insurance: Premium not exceeding Rs. 4,000/ per annum.

Explanation: For the purpose of category A "Family" means the spouse, the dependent children and dependent parents of the Managing Directors.

**Category B**

- f) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of the perquisites to the extent these singly or together are not taxable under the Income Tax Act. Gratuity payable shall not exceed half a months' salary for each completed year of service.
- g) Encasement of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

**Category C**

- h) Provision of Car for use on Company's business and Telephone at residence will not be considered as perquisite. However personal long-distance call on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

Commission: He shall also be entitled to commission at a rate of 1% of the net profits of the Company computed in a manner laid down under section 197 of Companies Act 2013.

In case the Company has no profits or the profits are inadequate in any financial year during the term of office, the Managing Director shall be entitled to receive the above salary and perquisites as minimum remuneration.

However, total Remuneration by way of salary, commission, perquisites and other allowances shall not exceed 5% of the Net Profits of the Company computed in a manner laid down u/s 197 of the Act for one such Managing Director in any financial year.

The Company will reimburse to the Managing Director such expenses as he may incur on behalf of the Company.

The Managing Director shall be entitled to Earned Privileged Leave on Full pay and allowance as per the Rules of the Company not exceeding one month leave for every eleven months service.

The Managing Directors shall not be liable to retire by rotation.

The Managing Director shall not be entitled to receive any sitting fees for attending the meetings of the board of directors or committee thereof from the date of this appointment.

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be required to give effect to the said appointment of Mr. Jitendra C. Mehta as Managing Director of the Company."

**7. Borrowing Powers u/s 180 (1)(c) of Companies Act 2013**

"RESOLVED THAT pursuant to provisions of Section 180 (1) (C) of the Act and other enabling provisions, if any, of the Act and subject to statutory amendments thereto from time to time and as per clause 61 and 62 of Articles of Association and subject to consent of the members, the Board of Directors of the Company are authorized to borrow any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or

from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in process and debts, and advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount up to which the moneys may be borrowed shall not exceed Rs. 250 crores (Rupees two hundred fifty Crores only) at any point of time on account of the principle.

#### 8. Creation of charge on the assets of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in suppression of the resolution passed u/s 293 (1)(a) of Companies Act 1956, and pursuant to the provisions of section 180 (1)(a) of Companies Act 2013 and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time, the consent of the company be and is hereby accorded to the creation by the board of directors of the Company (herein after referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the board by this Resolution) of such mortgages, charges and hypothecation as may be necessary on such of the assets of the company, both present and future, in such manner, as the board / committee of board may direct, together with powers to takeover the management of the company in certain events, to or in favour of financial institution, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate, (hereinafter referred to as "Lending Agencies") and Trustees for the holders of debentures / bonds / and/or other instruments which may be issued on private placement basis or otherwise to secure rupee term loan/ foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 250 Cr together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the company to the Trustees under the Trust Deed and to the Lending Agencies under the respective agreements / Loan Agreements / Debentures Trust Deeds entered / to be entered into by the Company in respect of the said borrowings."

"RESOLVED FURTHER THAT the board be and is hereby authorized to finalize the lending agencies/trustees, the documents for creating the aforesaid mortgages, charges and / or hypothecations and to accept any modification to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution."

#### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her self and the proxy need not be the member of the company. The proxies in order to be effective must be submitted at the registered office of the company not less than 48 hours before the commencement of the meeting duly signed by the member. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriated resolution/ authority, as applicable.
2. The Register of Members of the company will remain closed from September 12, 2014 to September 18, 2014 (both days inclusive) in connection with ensuing Annual General Meeting for Financial Year 2013-14.
3. Members are requested to inform the company of any change in their addresses immediately so as to enable the Company for any further communication at their correct addresses.
4. Member holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holdings in one folio.
5. Members/Proxies are requested to bring the copy of Annual Report and attendance slip duly filled in along with them to the Annual General Meeting, as extra copies will not be supplied at the meeting.
6. The relevant explanatory statement pursuant to the provisions of section 102 of the Companies Act 2013 has been annexed with the notice.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. Electronic copy of the Annual Report for financial year 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report said year is being sent in the permitted mode of dispatch. Members are requested to get their respective Email ID registered with the Company / RTA for prompt and effective communication.

9. Soft copy of Notice of the 29<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 29<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members may also note that the Notice of the 29<sup>th</sup> Annual General Meeting and the Annual Report for the year 2013-14 are available on the Company's website [www.starvoxelectronics.co.in](http://www.starvoxelectronics.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Ahmedabad for inspection during normal business hours on working days.

#### 11. Voting through electronic means

- I. In compliance with provisions 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 members facility to exercise their right to vote at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Securities (India) Limited. (CDSL).
- II. The voting period shall begin on Friday, 12<sup>th</sup> September 2014 and shall end on Saturday, 13<sup>th</sup> September 2014.

#### Relevant instructions for e-voting:

- i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- ii) Click on "Shareholders" tab.
- iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- iv) Now Enter your User ID:
- For CDSL: 16 digits beneficiary ID.
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:
- viii) Members who are first time users, shall follow the steps given below:**
- Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
  - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.
  - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.
  - Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
  - Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
  - Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password reation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- xiii) 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.
- xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii) 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.

**Note for Institutional Shareholders & Custodians**

- xix) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate
- xx) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxi) After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- xxii) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxiii) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxiv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.cdsl.com](http://www.evoting.cdsl.com)
- xxv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- xxvi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- xxvii) The e-voting period commences on 12<sup>th</sup> September, 2014 (10.00 am) and ends on 13<sup>th</sup> September, 2014 (5:00 pm). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18<sup>th</sup> August, 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 shareholder, the shareholder shall not be allowed to change it subsequently.
- xxviii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 18<sup>th</sup> August, 2014.
- xxix) Jagdish Akhani, Practicing Company Secretary, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- xxx) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xxxi) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website <http://www.starvox.co.in> and on the website of CDSL within two(2) days of passing of the resolutions of the AGM of the Company and will be communicated to The Bombay Stock Exchange Limited.
- xxxii) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

**Date: 30.05.2014**  
**Place: Ahmedabad**

**By order of the board,**  
**For, Starvox Electronics Limited**

**Bhavin Patel**  
**Chairman**

## EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

**Item no. 4:**

The Board of directors had appointed Shri Bhavinkumar Arvindkumar Patel as an Additional Director of the Company w. e. f. 20/02/2014 U/S 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) read with the Articles of Association of the Company. He is entitled to hold the office only up to this Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Bhavin Patel as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mr. Bhavinkumar Arvindkumar Patel as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Mr. Mr. Bhavinkumar Arvindkumar Patel, being proposed Director, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Particulars	Details
Name	Bhavinkumar Arvindkumar Patel
Designation	Non Executive Director
Qualification	LL.B, BBA and Inter CS
Experience	4 years of Experience in Legal and Finance field.
Directorship in other Companies	1. Excel Castronics Ltd. 2. Anax Realty Pvt. Ltd.
Remuneration	Sitting Fees only

**Item no. 5:**

Company at present undergoes cut throat competition. The industry analysis envisages better growth opportunities for the companies with better equipments and capital. At present the Company is under process to expand the business. The Company is in dire need of funds for development and expansion of business.

To infuse more funds in the company through equity share capital, it is proposed to increase the Authorized Share Capital of the Company from Rs. 1,00,00,000 (Rupees One crores) divided into 10,00,000 (Ten Lacs) Equity Shares of Rs. 10/- each to Rs. 4,00,00,000 (Rupees Four Crores) divided into 40,00,000 (Forty Lacs) Equity Shares of Rs. 10/- each by creation of additional 30,00,000 (Thirty Lacs) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares.

Pursuant to provisions of section 13(6) read with provision of section 64 of companies Act 2013, it is required to pass ordinary resolution in the general meeting.

**Item no. 6:**

Mr. Jitendra C. Mehta was re-appointed as Managing Director of the Company w. e. f. 01<sup>st</sup> June 2014 for a period of three years subject to approval of the members in general meeting at such terms and conditions mentioned in the resolution and under the Companies Act 2013, Schedules, rules and regulations.

Under the supervision of Mr. Jitendra C. Mehta, Company has improved its working capacity. Looking to the expertise and management skills, the Board of Directors at their board meeting held on 30<sup>th</sup> May 2014, has decided in the interest of the Company to reappoint Mr. Jitendra C. Mehta as a Managing Director of the Company for a term of three years commencing on 01<sup>st</sup> June 2014.

You directors recommend passing of this resolution as set out at Item No. 6 of the accompanying notice. A copy of draft agreement to be entered into with Mr. Jitendra C. Mehta, is available for inspection during business hours on all working days at Registered office of the Company up to the date of Annual General Meeting.

Mr. Jitendra C. Mehta himself and Mr. Chadrakant P. Mehta, being related to him deemed to be interested or concerned in the proposed resolution. No other director is in any way interested or concerned in the proposed resolution.

Hence, the approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Jitendra Mehta as the Managing Director and the remuneration payable to him.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Ordinary Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.



**Item No. 7 & 8:**

At the Extra-ordinary General Meeting of the Company held on September 28, 1989, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(a) and (d) of the Companies Act, 1956, approved power to Borrow money on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and powers to create mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts so borrowed including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014. The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors recommend the Resolutions at Item Nos. 7 and 8 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos. 7 and 8.

**Date: 30.05.2014**

**Place: Ahmedabad**

**By order of the board,  
For, Starvox Electronics Limited**

**Bhavin Patel  
Chairman**

## DIRECTORS' REPORT

Dear Members,

Your Directors feel pleasure in presenting their 29<sup>th</sup> Annual Report together with the Audited Statements of accounts for the Financial Year ended on 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS:

During the year under review, the Company has shown notable performance. The extracts of financial results 2013-14 are as under:

Particulars	(Rs. In Lacs)	
	Current Year 2013 - 14 Rs.	Previous Year 2012 - 13 Rs.
Sales & Other Income	16.85	22.42
Financial Expenses	0.15	0.17
Depreciation	1.10	1.27
Profit / (Loss) Before Taxation	(12.72)	(8.61)
Provision for Income Tax	NIL	NIL
Provision for Deferred Tax	NIL	NIL
Profit after Taxation	(12.72)	(8.61)
Prior Period Adjustment	NIL	NIL
Transfer to General Reserve	NIL	NIL
Surplus brought forward	(65.89)	(57.27)
Balance Carried to Balance Sheet	(78.61)	(65.89)

### OPERATIONS:

During the year, the company has maintained its business operations. However, the tough competitive market has decreased the profitability of the Company. The company anticipates more development in the business in the year to come. The suspension of BSE has been revoked and now the shares of Company are in tradable form at the Bombay Stock Exchange Limited.

### DIVIDEND:

Due to lack of profits, the Directors do not recommend dividend.

### DEPOSIT:

The Company has not accepted any deposits from Public under section 58A during the year under review.

### DIRECTORS:

Mr. Gordhanbhai Patel, Director of the Company who is liable to retire by rotation at this Annual General Meeting and being eligible for reappointment, offers himself for reappointment. Mr. Shirish Patel and Mr. Hasmukh Modi, have resigned from the Company due to their preoccupation. Board takes on record their valuable contribution in the Company. During the year Mr. Bhavinkumar Arvidkumar Patel was appointed as Additional Director w. e. f. 19.02.2014 and on request from members received, his name is recommended for appointment as Director.

### STATUTORY AUDITORS:

As per Section 139 of the Companies Act, 2013 and Rules as Companies (Audit & Auditors) rules, 2014, the statutory auditor of the Company, being chartered accountant shall hold the office in such capacity up to six years. Accordingly the term of office of M/s BPA & Co., Chartered Accountant, Ahmedabad, expires. Hence the board recommends the appointment of M/s Arpan Chudgar & Associates, Chartered Accountant, Ahmedabad as Statutory Auditor of the Company for the financial year 2014-15. The Company has received a letter to the effect that their appointment, if made, will be within the prescribed limits under section 139 (1) and section 141 of the Companies Act 2013. The said auditors will be appointed as the auditors of the Company at the ensuing Annual General Meeting. Hence, your Directors propose to appoint the Auditors as set out in the notice accompanying the Annual Accounts.

The observations contained in the Audi report submitted by M/s BPA & Co, Chartered Accountant, Ahmedabad are self explanatory and does not require any further explanation.

#### COMPLIANCE CERTIFICATE:

In pursuant to General Circular 08/2014 dated 04/04/2014 and sub section (1) of 383A of the Companies Act 1956 section and Companies (Compliance Certificate) Rules 2001, the Company has obtained Compliance Certificate from J. Akhani & Associates, Practicing Company Secretaries, Ahmedabad and that the Company has complied with the provisions of section 383A of the Companies Act 1956 and copy of such Compliance Certificate is annexed to this report.

#### ENVIRONMENT, HEALTH AND SAFETY

The Company accords the highest priority to health and environment and safety. The Company takes at most care for the employees and ensures compliance with the Environment Act.

#### CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement, the Company complies with all the conditions prescribed. As part of the Clause 49 requirement, Management Discussion and Analysis Report and Corporate Governance Report have been prepared and are annexed to Directors Report for the year 2013-14.

#### DIRECTORS' RESPONSIBILITY STATEMENT:

The directors declare and confirm:

- (A) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (B) that the Directors have 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 of the state of affairs of the Company at the end of the financial year ended on 31<sup>st</sup> March, 2014 and of the profit of the company for the that year.
- (C) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31<sup>st</sup> March 2014 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities.
- (D) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2014 on a going concern basis.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSOPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details relating to technology absorption and foreign exchange earnings and outgo as prescribed under the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 are as under.

Sr. No	Particulars	Foreign Exchange outgo (INR)	
		2013-14	2012-13
1	Raw Materials imported	172685	145631
2	Travelling Expenses	-	-

#### PARTICULARS OF EMPLOYEES:

There is no employee in the Company drawing remuneration for which information is required to be furnished under section 217 (2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

#### APPRECIATION:

The Directors feel pleasure thanking all the stakeholders who have reposed their faith in the management and the company and for their valuable support and cooperation.

PLACE: AHMEDABAD

DATE: 30.05.2014

BY ORDER OF THE BOARD FOR  
STARVOX ELECTRONICS LIMITED

JITENDRA MEHTA  
MANAGING DIRECTOR

## CORPORATE GOVERNANCE REPORT

### I. Company's Philosophy on Code of Governance:

As per the listing agreement clause 49 this report on Corporate Governance is given in order to enable the shareholders to get a true and fair view of the company's policies and procedures. The main aim of the company is to act in the best interest of its shareholders, customers, employees and society.

Your company has been providing a true and fair view of its accounts and policy matters to the shareholders through full transparency and full disclosure. For the company, its' shareholders interests are on the first priority while taking any decision.

### II. Board of Directors and Composition:

During the year under review, six Board Meetings were held during the year 2013 - 14. The dates on which the meeting held were as follows: 30/05/2013, 08/08/2013, 20/09/2013, 11/11/2013, 03/02/2014 and 20/2/2014. The maximum time gap between any two meetings was not more than four calendar months. None of the directors of the company was a member of more than 10 committees nor was the chairman of more than 5 committees across all companies in which he/she was a director.

Sr. No	Name of Director	Designation	Attendance Particulars		Total Nos. of other Directorship and Membership	
			BM	AGM	Directorship	Memberships
1	Jitendra Mehta	ED	6	1	1	2
2	Hasmukhlal Modi	NED	-	-	1	-
3	Chandrakant Mehta	NED	6	1	1	-
4	Gordhanbhai Patel	NED	6	1	1	-
5	Shirish Patel	NED	-	-	1	-
6	Kandarp Kinariwala	ID	6	1	3	2
7	Asit Shah	ID	6	1	1	2
8	Bhavin Patel	NED	1	-	1	-

\* ED – Executive Directors, NED – Non Executive Director, ID – Independent Director.

\*\* Mr. Has Mukh Modi and Mr. Shirish Patel, Directors of the Company resigned from the Company w. e. f. 19.02.2014.

### III. Audit Committee:

The Board of Directors of Starvox Electronics Limited has constituted an Audit Committee, comprising of directors as mentioned below. The terms of reference of the committee are as provided under the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The committee verifies the accounting policies framed by the company and gives suggestions for modification of the same as and when required. The committee also overlooks the internal audit section of the company. The committee met on the following dates to approve the financial results and go through the company's accounting policies and presentations.

#### Composition and Attendance of Audit Committee:

Name of Members of Audit Committee	Designation	30.05.13	08.08.13	11.11.13	03.02.14
Mr. Kandarp Kinariwala	Chairman	✓	✓	✓	✓
Mr. Asit shah	Director	✓	✓	✓	✓
Mr. Jitendra Mehta	Director	✓	✓	✓	✓

### IV. Shareholders and Investor Grievance Committee:

The Company has a Shareholder's/Investor's Grievance Committee comprising of Shri Asit Shah, Shri Kandarp Kinariwala and Shri Jitendra Mehta, directors of the company. The Committee inter alia approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfer. The Committee also looks into redressal of shareholders complaints like transfer/transmission of shares, non- receipt of Annual Report, non receipt of declared dividends, etc. Shri Asit shah acts as the Chairman of the Committee. The Board has designated Shri Jitendra Mehta as the Compliance Officer.

There were no investor's complaints pending with the Company as on 31/03/2014.

**V. Remuneration Committee**

The Company has not set up the Remuneration committee. The company has not entered into any pecuniary transactions with the executive & non-executive director's vis-a-vis the company.

Details of Director's Shareholding in the Company are as follows:

Sr. No.	Details of present directors	No. of Shares
1.	Kandarp Kinariwala	100
2.	Jitendra Mehta	63900
3	Hasmukhlal Modi	56000
4	Shirish Patel	56700
5	Asit Shah	200
6	Chandrakant Mehta	NIL
7	Gordhanbhai Patel	NIL

**General Body Meetings:**

Year	Date	Time	Venue
2012-13	26/09/13	10.00 am	Registered office of the Company
2011-12	27/09/12	10.00 am	Registered office of the Company
2010-11	22/09/11	10.00 am	Registered office of the Company

The Company has not passed any Special Resolution in AGM during last 3 years.

During the year ended on 31<sup>st</sup> March, 2014 there have been no resolutions passed by the Company's shareholders through postal ballot. The company till date does not propose any resolution to be passed through Postal Ballot.

**VI. Disclosures:****a) Disclosure on materially significant related party transactions:**

The details of transaction with related parties have been disclosed with notes on accounts. However there are no transactions with related parties conflicting with the interest of the company at large.

**b) Details of non-compliance by the company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities on any matter related to capital markets during the last 3 years: **None in last three years.******c) Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices:**

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the company has formulated, adopted and implemented the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices including whistle blower policy.

**VII. Means of Communication:**

The Company has published its quarterly / half-yearly results in news papers in vernacular and English News Paper and has also updated the same on the website of the Company [www.starvox.co.in](http://www.starvox.co.in)

**VIII. General Shareholder Information:****a) Annual General Meeting Details**

**Date** : 18/09/2014, Thursday.

**Time** : 10.00 a.m.

**Venue** : Plot No. 39/1, Opp. Amraiwadi Talawadi, AEC Zonal office road, Amraiwadi, Ahmedabad – 380026.

**b) Financial Year [Tentative]:**

Financial year : 01/04/2014 to 31/03/ 2015.

- Results for the quarter ending on June 30, 2014 : Second week of August, 2014.

- Results for the quarter ending on September 30, 2014 : Last week of October, 2014.

- Results for the quarter ending on December 31, 2014 : Last week of January, 2015.

- Results for the quarter ending on March 31, 2015 : Last week of May, 2015.

**c) Date of Book closure:**

The Share Transfer Books of the Company shall remain closed from 12<sup>th</sup> September 2014 to 18<sup>th</sup> September 2014. (Both the days inclusive.)

**d) Dividend Payment Date:** The Board of Directors does not recommend Dividend.**e) Listing on Stock Exchanges**

1) The Stock Exchange, Mumbai 2) The Stock Exchange, Ahmedabad \*

\* The Company is under process to delist the equity shares of the Company from Ahmedabad Stock Exchange being regional stock exchange. The securities if delisted from the Regional Stock Exchange will not in any harm the stakeholder's interest.

**f) Stock / Company Code:**

The Company has established Demate Connectivity with CDSL.

ISIN - INE443P01012.

Scrip code – 517172

**g) Market Price Data and Performance in Comparison to broad based indices:**

As the trading in Equity shares of the Company has commenced from 13.06.2014 at Bombay Stock Exchange, hence no market data could be presented with regard to share price and transactions for the year ended on 31.03.2014.

**h) Registrar & Transfer Agents:**

The Company has not appointed Registrar & Transfer Agent. All the share transfer related work is being carried out by the Share Transfer Department. The details of Registrar and Share Transfer Agent are as under:

**Purva Sharegistry India Pvt. Ltd**

No. 9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg,  
Opp. Kasturba Hospital,  
Lower Parel - Mumbai.  
(O) 022 – 2301 8261 / 2301 2518

**h) Share Transfer System & Dematerialization of Shares:**

Shares transfer would be registered and returned within a period of 15 days from the date of receipt, if the documents are valid in all respects. The share transfer committee generally meets every fortnight. As per Latest Benpose Total 938,800 shares are in physical form and 13400 shares are in Demate form.

**i) Distribution of Shareholding:**

The distribution of Shareholding as on 31.03.2014 is as follows:

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	Number of Shares	Share Amount in Rupees	Share Amount % to Total
Less than 5000	626	96.6	336300	31,26,000	34.31
5001 to 10000	6	0.9	38300	3,83,000	4.20
10001 to 20000	9	1.4	143650	14,36,500	15.77
20001 to 30000	2	0.3	56250	5,62,500	6.17
30001 to 40000	1	0.2	37500	3,75,000	4.12
40001 to 50000	2	0.3	86600	8,66,000	9.51
50001 to 100000	1	0.2	60000	6,00,000	6.59
100001 to above	1	0.2	241000	17,61,000	19.33
<b>TOTAL</b>	<b>648</b>	<b>100.00</b>	<b>999,600</b>	<b>91,10,000</b>	<b>100.00</b>

Categories of Shareholders as on 31.03.2014 are as follows :

Sr. No.	Categories	No. of Shareholders	Voting Strength	No. of Shares
1	Individuals	597	34.00	339850
2	Bodies Corporate	4	30.17	301600
3	Promoters/Directors & relatives	46	27.17	271550
4	Employees	-	-	-
5	Non Resident Indians	-	-	-
6	Bank	2	8.66	86600
	<b>Total</b>	<b>648</b>	<b>100.00</b>	<b>999,600</b>

j) **Dematerialization of shares and liquidity**

The Company has established Demate Connectivity with CDSL. The shares of the company are available for Demate. At present 13400 equity shares of the Company are in Demate form. The rest 938800 Shares are in physical form.

k) **Outstanding GDRs / ADRs / Warrants and other convertible instruments etc.**

The Company has not issued any ADR, GDR or convertible instruments till date.

l) **Registered office and Plant Location:**

**Registered office:** 306, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad – 380015.

**Place Location:** Plot No. 39/1, Opp. Amraiwadi Talawadi, AEC Zonal office road, Amraiwadi, Ahmedabad – 380026.

m) **Correspondence Address**

The stakeholders may approach the company on:

Starvox Electronics Limited

306, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad – 380015.

(O) 079 - 26 92 95 54 / 22 74 36 71

Email id: starvoxelectronics@gmail.com website: www.starvox.co.in

## COMPLIANCE CERTIFICATE

(Pursuant to section 383A of the Companies Act, 1956)

**Authorized Share Capital: Rs. 1,00,00,000/-**

**Paid Up Share Capital : Rs. 91,10,000/-**

To,  
The Members,  
M/s. STARVOX ELECTRONICS LIMITED  
(CIN: L32100GJ1986PLC008539)  
Ahmedabad.

We have examined the registers, records, books and papers of M/s. Starvox Electronics Ltd (the Company) as required to be maintained under the Companies Act, 1956 (the Act) 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 certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in **Annexure - "A"** to this certificate, as per the provisions of the act and the rules made there under and all entries there in have been duly recorded.
2. The Company has duly 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.
3. The Company being public limited company, comments are not required.
4. The Board of the Directors duly met six times respectively on 30.05.2013, 08.08.2013, 20.09.2013, 11.11.2013, 03.02.2014 and 20.02.2014 in respect of such meetings proper notices were given and proceeding were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Register of Members of the Company for the financial year 2012-13 remained closed from September 20, 2013 to September 26, 2013 (both the days inclusive).

6. The Annual General Meeting for the Financial year ended on 31/03/2013 was held on 26/09/2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in minutes book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has neither advanced any loans nor any guarantee nor security in connection with loan to its Directors and / or persons or firms or companies referred in section 295 of the Companies Act 1956 and / or section 185 of the Companies Act, 2013 to the extent made applicable.
9. As confirmed by the management, the Company has entered into contracts falling within the purview of section 297 of the Act and the required entries have duly been made in the register maintained for the purpose.
10. The Company has made necessary entries in the Registers maintained under section 301 of the Companies Act 1956.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Board of Directors have duly approved and issued duplicate share Certificates during the year under review.
13. The Company:
  - i) Has delivered all certificates on lodgment thereof for transfer of shares in accordance with the provisions of Act. There was no allotment of securities during the financial year.
  - ii) Has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) Was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - iv) Has no amount lying in the books of accounts in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - v) Has duly complied with the requirements of section 217 of the Act.
14. The Board of the Directors of the Company is duly constituted and the appointment of additional Directors has been duly made. Except that there was no appointment of alternate Directors or Directors to fill casual vacancy during the financial year.
15. The Company has not made any appointment of Managing Director / Whole Time Director / Manager during the year the year under review.
16. The Company has not appointed any Sole Selling agents during the financial year.
17. The Company was not required obtain any approvals from the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the act during the financial year.
18. The Directors have disclosed their interest in the other firms/ 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, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
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 of the Act, during the financial year.
24. The amount borrowed by the Company from banks and others during the financial year ending on 31<sup>st</sup> March 2014 is within the borrowing limits of the Company and that necessary resolutions as per section 293 (1)(d) of the Act 1956 has been passed at the extra ordinary general meeting of the company held on 28<sup>th</sup> September 1989. The Company has fulfilled criteria of section 180 (1) (c) of the Companies Act, 2013 to the extent made applicable.
25. The Company has not given any loans or advances or given guarantee or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose under section 372A of the Companies Act 1956.
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 state during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.



28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. As confirmed by the management, there was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or any other punishment imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any trust for its employees hence, the provisions of Section 418 of the Companies Act, 1956 is not applicable.

PLACE: AHMEDABAD  
DATE: 30/05/2014

FOR J. AKHANI & ASSOCIATES  
COMPANY SECRETARIES  
JAGDISH AKHANI  
PROPRIETOR  
CP NO. 9179  
MEMBERSHIP NO: FCS 7540

## ANNEXURE "A" - REGISTERS AS MAINTAINED BY THE COMPANY

Sr.	U/S.	Name of Register
1.	150	Register of Members.
2.	301	Register of Contracts
3.	301(3)	Register of Disclosure of Interest.
4.	303	Register of Directors, Managing Director etc.
5.	307	Register of Directors' Shareholding.
6.	193	Minutes of the Meetings of Board of Directors and committees.
7.	193 (1)	Minutes Book of Proceedings of General Meeting.

## ANNEXURE "B"

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

Sr. No.	E-Forms	Under Section	Purpose
1.	66	383A	Compliance certificate for the year ended on 31/03/2013 vide Challan No. Q14958896 filed on 21.10.2013
2.	23AC-ACA	220	Annual Accounts for the Financial year ended on 31/03/2013 vide Challan No. Q15887300 dated 23/10/2013
3.	20B	159	Annual Return made up to the date of 26/09/2013 vide Challan No. Q23431174 filed on 15/11/2013.

- With Regional Director: Nil.
- With Central Government & Other Authorities : Nil

PLACE: AHMEDABAD  
DATE: 30/05/2014

FOR J. AKHANI & ASSOCIATES  
COMPANY SECRETARIES  
JAGDISH AKHANI  
PROPRIETOR  
CP NO. 9179  
MEMBERSHIP NO: FCS 7540

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## DECLARATION OF CODE OF CONDUCT

In accordance with Clause 49 (ID) of the listing agreement with the stock Exchange, I, Kantiji Thakor, Director of the Company do hereby declare that the Board of Directors have laid down a Code of conduct for the Board Members and Senior Management of the Company and the Board Members have affirmed compliance with the said code of conduct for the year ended on 31<sup>st</sup> March 2013.

**Place: Ahmedabad**  
**Date: 30/05/2014**

**Jitendra Mehta**  
**Managing Director**

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## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members of  
**Starvox Electronics Limited**  
Ahmedabad.

We have examined the compliance of conditions of Corporate Governance by **Starvox Electronics Limited** ("the Company"), for the year ended on **31 March 2014**, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except as stated below.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

We further state that 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.

**Place : Ahmedabad**  
**Date : 30/05/2014**

**For BPA & COMPANY.**  
**Chartered Accountants**  
**(F.R.NO. 109685W)**

**B.M.VASHI**  
**Partner**

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
**STARVOX ELECTRONICS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Starvox Electronics Limited("the Company"), which comprise the Balance Sheet as at March 31, 2014, and 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**

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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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.

### **Auditor's 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 Accountants 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 from material misstatement.

An audit involves performing procedures 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 financial statements give the information required by the Act in the manner so required; Subject to:

**Claims against the Company not acknowledged as debt:: a) Custom Duty on Capital Goods Rs. 89,606 b) Custom Duty on Raw Material Rs. 42,411 c) Royalty Claims by NRDC Rs. 85,000** 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; and
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.
- 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**

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order. 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) **in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; except AS-2 and AS-22.**
- e) on the basis of written representations received from the directors as on March 31, 2014, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Ahmedabad  
Date : 30th May,2014

**For, BPA & Company**  
(Chartered Accountants)  
Firm Reg. No. 109685W

**CA. Bharat Vashi**  
Partner  
Membership No. 31122

**ANNEXURE TO THE AUDITOR'S REPORT**

Referred to in paragraph 3 of our Report of even date to the members of STARVOX ELECTRONICS LIMITED  
for the year ended 31st March, 2014

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1 (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information;
- (b) We are informed that fixed assets are physically verified by the management during the year and there were no major discrepancies noticed;
- (c) In our opinion, there was no substantial disposal of fixed assets during the year, which would affect the going concern of the company;
- 2 (a) As informed to us, the management has conducted physical verification of inventory during the year. In our opinion, the frequency of verification is reasonable;
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business;
- (c) In our opinion and on the basis of examinations of inventory records, the company is maintaining proper records of inventory. As informed to us, no material discrepancies were noticed by the management on such physical verification;
- 3 (a) The company has not granted unsecured loan to parties as covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum amount involved during the year was 'NIL' and outstanding from such parties was 'NIL'.
- (b) In our opinion, the rate of interest and other terms and conditions, wherever specified, of unsecured loans granted by the company, are not prima facie prejudicial to the interest of the company as explained in the notes to accounts.
- (c) The company has not taken loans from parties as listed in the register maintained under section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions, wherever specified, of unsecured loans taken by the company, are not prima facie prejudicial to the interest of the company.
- (d) According to the information and explanation given to us, there is no specific stipulation as to the repayment of the principal amount and is regular in the payment of interest of such loans if any;
- (e) According to the information and explanations given to us, there is no overdue amount in respect of such loans;
- 4 In our opinion, the Company has reasonable internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. There is no continuing failure to correct major weaknesses in internal control.
- 5 (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956 have been entered;
- (b) According to the information and explanation given to us, in respect of transactions exceeding the value of the five lacks rupees made with such parties during the year, each of these transactions have been made at the price which are reasonable having regard the prevailing market prices at the relevant time;
- 6 According to the information and explanations given to us, the company has not accepted deposits from the public within the meaning of the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business. Internal audit is carried out by an Independent firm of Chartered Accountants.

- 8** *The Company has not maintained cost records and not obtained Cost Compliance certificate.*
- 9** (a) As informed to us, applicable undisputed statutory dues including Income-tax, Sales-tax, have been regularly deposited by the company with the appropriate authority in all cases during the year.
- (b) Following dues payable to various Government Authorities are disputed and hence not paid or provided for by the Company:

Sr. No.	Particulars	Amount	Level at which the dispute is pending.
1	Custom duty on Capital goods.	89606	CEGAT has remanded the matter and hearing is completed at department.
2	Custom duty on Raw material.	42411	Hon. Supreme Court
3	Royalty claims by NRDC.	85000	Arbitrator.

In the Current year the Dispute with SBI has been Compromised.

- 10** In our opinion, the accumulated losses at the end of the financial year are more than fifty percent of its networth. However the company has incurred any cash losses both in current year as well as in the immediately preceding financial year.
- 11** According to information & explanations given to us, the company has no defaulted in repayment of dues to financial institution / bank or debenture holders.
- 12** In our opinion and as per information & explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13** In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of this clause are not applicable to the company.
- 14** According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debenture and other securities. Company has not made investments in equity shares of the other companies during the year.
- 15** According to the information & explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16** The Company has not taken any term loans during the year.
- 17** According to the Cash Flow statement and other records examined by us and the information & explanation given to us, on the overall examination of the balance sheet of the company, we report that the company has not used funds raised on long-term basis for short-term investment and vice versa.
- 18** The company has not made any preferential allotment of share to parties or companies covered in the register maintained under section 301 of the companies act, 1956.
- 19** The company has not created securities by way of issue of debentures.
- 20** The company has not raised any money through public issue during the year.
- 21** Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place: Ahmedabad  
Date : 30th May,2014

**For, BPA & Company**  
(Chartered Accountants)  
Firm Reg. No. 109685W

**CA. Bharat Vashi**  
Partner  
Membership No. 31122

## Balance Sheet as at 31 March, 2014

Particulars		Note No	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	9110000	9110000
	(b) Reserves and surplus	4	(6465284)	(5193157)
			<b>2644716</b>	<b>3916843</b>
<b>2</b>	<b>Current liabilities</b>			
	<b>Other Short Term Liabilities</b>	5		
	(a) Trade payables	5(a)	523337	517611
	(b) Other current liabilities	5(b)	0	0
	(c) Short-term Provisions	5(c)	0	0
			<b>523337</b>	<b>517611</b>
	<b>TOTAL</b>		<b>3168053</b>	<b>4434454</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	6	843188	1226228
	(b) Long-term loans and advances	7	15100	14730
			<b>858288</b>	<b>1240958</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	8	785452	1075034
	(b) Trade receivables	9	418884	387475
	(c) Cash and cash equivalents	10	841534	1511615
	(d) Short-term loans and advances	11	263895	219372
			<b>2309765</b>	<b>3193496</b>
	<b>TOTAL</b>		<b>3168053</b>	<b>4434454</b>
	<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1 TO 22		

In terms of our report attached.

Place : Ahmedabad  
Date : 30th May, 2014

**For, BPA & COMPANY**  
**Chartered Accountants**  
**(F.R.NO. 109685W)**  
**B.M.VASHI**  
**Partner**

**For and on behalf of the**  
**Board of Directors**

**Jitendra C. Mehta**  
**Managing Director**

**Directors**  
**C.P.Mehta K.R.Kinariwala A.R.Shah**

### Profit and Loss for the year ended 31 March, 2014

Particulars		Note No	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
1	Revenue from operations (net)	12	1508642	1962190
2	Other income	13	176107	280194
<b>3</b>	<b>Total revenue (1+2)</b>		<b>1684749</b>	<b>2242384</b>
<b>4</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	14	760670	576234
	(b) (Increase)/Decrease in stock	15	(47598)	20202
	(c) Employee benefits expense	16	1358322	1334117
	(d) Interest Expense	17	15022	16965
	(e) Depreciation expense	6	110459	127503
	(f) Other expenses	18	760001	1029245
	<b>Total expenses</b>		<b>2956876</b>	<b>3104266</b>
<b>5</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>(1272127)</b>	<b>(861882)</b>
6	Extraordinary items		0	0
<b>7</b>	<b>Profit / (Loss) for the year</b>		<b>(1272127)</b>	<b>(861882)</b>
<b>8</b>	<b>Earnings per share</b>	21.3		
	(a) Basic		(1.40)	(0.95)
	(b) Diluted		(1.40)	(0.95)
	<b>Notes forming part of the financial statements</b>	1 TO 22		

In terms of our report attached.

Place : Ahmedabad  
Date : 30th May, 2014

**For, BPA & COMPANY**  
**Chartered Accountants**  
**(F.R.NO. 109685W)**  
**B.M.VASHI**  
**Partner**

**For and on behalf of the**  
**Board of Directors**

**Jitendra C. Mehta**  
**Managing Director**

**Directors**  
**C.P.Mehta    K.R.Kinariwala    A.R.Shah**

## Cash Flow Statement for the year ended 31 March, 2014

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(1272127)	(861882)
<i>Adjustments for:</i>		
Depreciation and amortisation	110459	127503
(Profit) / loss on sale / write off of assets	167580	0
Interest Expense	15022	16965
Interest income	(122449)	(255086)
Provision for Income Tax	0	0
<b>Operating profit / (loss) before working capital changes</b>	<b>(1101515)</b>	<b>(972500)</b>
Changes in working capital:		
Inventories	289582	17097
Trade receivables	(31409)	(108087)
Loans and advances	(44893)	47323
Trade payables	5727	(143181)
Other long-term liabilities	0	0
Cash flow from operations	<b>(882509)</b>	<b>(1159348)</b>
Net income tax (paid) / refunds	0	0
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(882508)</b>	<b>(1159348)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets	0	(719700)
Proceeds from sale of fixed assets	105000	0
Interest income	122449	255086
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>227449</b>	<b>(464614)</b>
<b>C. Cash flow from financing activities</b>		
Interest Expense	(15022)	(16965)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(15022)</b>	<b>(16965)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(670081)</b>	<b>(1640927)</b>
Cash and cash equivalents at the beginning of the year	1511615	3152542
<b>Cash and cash equivalents at the end of the year</b>	<b>841534</b>	<b>1511615</b>
Cash on hand	252	6645
Balances with banks in current accounts	(242302)	(95856)
Fixed Deposits with Bank	1083584	1600826

In terms of our report attached.

Place : Ahmedabad  
Date : 30th May, 2014

**For, BPA & COMPANY**  
**Chartered Accountants**  
**(F.R.NO. 109685W)**  
**B.M.VASHI**  
**Partner**

**For and on behalf of the**  
**Board of Directors**

**Jitendra C. Mehta**  
**Managing Director**

**Directors**  
**C.P.Mehta    K.R.Kinariwala    A.R.Shah**



## Notes forming part of the financial statements

### 1 Corporate information

**STARVOX ELECTRONICS LIMITED** was established in 1986 as a public limited Company for manufacturing of (1) Switch Mode Power Supply (SMPS) Units (2) DC-DC Converters (3) Transformers & Chokes (Magnetic Pats for SMPS & DC-DC). Company is having its Registered Office and Factory at Plot No. 39, Opp. Amraiwadi Talavadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad - 380 026 (Gujarat). At Present Company is manufacturing SMPS Power supplies, SMPS based Automatic Battery Chargers and other related products.

### 2 Significant accounting policies

#### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### 2.3 Inventories

Inventories are valued as under :

a) Raw Material, Stores & Packing Items	At Cost
b) Stock in Process	At Estimated Cost
c) Finished Goods	At Ex-Factory price Excluding ED & ST
d) Dead Stock	At Estimated Cost

#### 2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks.

#### 2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.6 Depreciation and amortisation

Fixed Assets are stated at cost and depreciation is provided on straight line method at the rate specified in Schedule XIV of Companies Act, 1956.

#### 2.7 Revenue recognition

Sales are excluding sales tax and value added tax.

#### 2.8 Other income

Interest income is accounted on accrual basis.

#### 2.9 Tangible fixed assets

Fixed Assets are stated at cost

#### 2.10 Foreign currency transactions and translations

Foreign Currency transactions are recorded at the Exchange rate prevailing at the time of purchase and any fluctuation thereon is accounted at the time of actual payments.

#### 2.11 Employee benefits

Employee benefits include provident fund, ESI, gratuity fund and leave encashment..

Leave Encashment is paid every year and charged to P&L Account. For Gratuity Company is contributing to Gratuity Trust Fund to LIC and any difference on actual payment is accounted at the time of payment.

## Notes forming part of the financial statements

## Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
<b>(a) Authorized :</b>				
Equity shares of Rs.10/- each with voting rights	1000000	10000000	1000000	10000000
<b>(b) Issued :</b>				
Equity shares of Rs.10/- each with voting rights	999600	9996000	999600	9996000
<b>(c) Subscribed and fully paid up :</b>				
Equity shares of Rs.10/- each with voting rights	822400	8224000	822400	8224000
<b>(d) Subscribed but not fully paid up :</b>				
Equity shares of Rs. 10/-each with voting rights, Rs.5/-_not paid up	177200	886000	177200	886000
<b>Total</b>	<b>999600</b>	<b>9110000</b>	<b>999600</b>	<b>9110000</b>

## (I) Reconciliation of the No of shares and amount outstanding at the beginning and at the end of the reporting period :

Particulars	Opening Balance	Other changes	Closing Balance
<b>Equity shares with voting rights</b>			
<b>Year ended 31 March, 2014</b>			
- Number of shares	999600	0	999600
- Amount (RS. 10/-)	9110000	0	9110000
<b>Year ended 31 March, 2013</b>			
- Number of shares	999600	0	999600
- Amount (RS. 10/-)	9110000	0	9110000

## (ii) Details of shares holding more than 5% shares :

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
JITENDRA C. MEHTA	63900	6.39	63900	6.39
MICRA INVESTMENT S S.A.	60000	6.00	60000	6.00
ARJUN LEASING & FINANCE PVT.LTD.	241000	24.10	241000	24.10
HASMUKH R.MODI	56000	5.60	56000	5.60
SHIRISH G.PATEL	56700	5.67	56700	5.67

## (iii) Details of calls unpaid :

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
<b>Equity shares with voting rights</b>				
Aggregate of calls unpaid by Others	177200	886000	177200	886000

**Note 4 Reserves and surplus :**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
<b>(I) STATE CASH SUBSIDY FOR INVESTMENT IN FIXED ASSETS</b>		
Opening balance	1182728	1182728
Add: Additions / transfers during the year	NIL	NIL
Less: Utilisations / transfers during the year	NIL	NIL
Closing balance	1182728	1182728
<b>(II) INVESTMENT ALLOWANCE UTILISED RESERVE</b>		
Opening balance	213276	213276
Add: Additions / transfers during the year	NIL	NIL
Less: Utilisations / transfers during the year	NIL	NIL
Closing balance	213276	213276
<b>(III) Surplus/(Deficit) in Statement of Profit &amp; Loss</b>		
Opening Balance	(6589161)	(5727278)
Add : Profit/(Loss) for the year	(1272127)	(861883)
Closing balance	(7861288)	(6589161)
<b>Total Closing balance</b>	<b>(6465284)</b>	<b>(5193157)</b>

**Note : 5 Other Short Term Liabilities :**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
<b>a) Trade Payables :</b>		
Advance (Liability)	50000	50000
Sundry Creditors	60261	121797
Creditors for Expenses	411976	344914
Duties & Taxes	1100	900
	<b>523337</b>	<b>517611</b>
<b>b) Other current liabilities</b>	<b>0</b>	<b>0</b>
<b>c) Short-term provisions</b>	<b>0</b>	<b>0</b>
<b>Net Amount of Provision</b>	<b>0</b>	<b>0</b>

## Note 6 Fixed assets

Tangible assets	Gross block			Accumulated Depreciation block				Net block	
	Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation/ amortisation expense	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>A. Tangible assets</b>									
1 Plant and Machineries	2318828	0	0	2318828	2151579	24710	0	2176289	167249
2 Furniture and Fixtures	504283	0	0	504283	464708	3298	0	468006	39575
3 Vehicles	1281042	0	561342	719700	295083	70830	288761	77152	985959
4 Office equipment(Computer Systems)	499573	0	0	499573	472092	9783	0	481875	27481
5 Others (Dies, Jigs & Moulds) etc.	234248	0	0	234248	228284	1838	0	230122	5964
<b>Total</b>	<b>4837974</b>	<b>0</b>	<b>561342</b>	<b>4276632</b>	<b>3611746</b>	<b>110459</b>	<b>288761</b>	<b>3433444</b>	<b>1226228</b>
<b>Previous year</b>	<b>4118274</b>	<b>719700</b>	<b>0</b>	<b>4837974</b>	<b>3484243</b>	<b>132812</b>	<b>5309</b>	<b>3611746</b>	<b>634031</b>

**Note 7 Long-term loans and advances**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Security deposits(Telephone, Mobile,with creditors, Govt. Inst etc) Unsecured, considered good	15100	14730
<b>Total</b>	<b>15100</b>	<b>14730</b>

**Note 8 Inventories**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Raw materials	636328	953339
(b) Stores and spares	15603	19293
(c) Packing Materials	7473	10158
(d) Dead Stock	0	13794
(e) Work-in-progress (Refer Note below)	126048	78450
<b>Total</b>	<b>785452</b>	<b>1075034</b>

Note: Details of inventory of work-in-progress

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Product DC POWER SUPPLY (SMPS) UNITS	126048	78450
<b>Total</b>	<b>126048</b>	<b>78450</b>

**Note 9 Trade receivables**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	49940	2055
Other Trade receivables Unsecured, considered good	368944	385420
<b>Total</b>	<b>418884</b>	<b>387475</b>

**Note 10 Cash and cash equivalents**

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Cash on hand	252	6645
(b) Balances with banks		
(i) In current accounts	(242302)	(95856)
(ii) In deposit accounts - Bank FDRs	541792	1040826
(iii) Balances held as security against OD facility	541792	560000
<b>Total</b>	<b>841534</b>	<b>1511615</b>

**Note 11 Short-term loans and advances**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	16470	8884
(b) Balances with government authorities Unsecured, considered good		
(i) VAT credit receivable	0	0
(ii) Service Tax credit receivable	0	0
(iii) TDS Receivable on FDR Interest	58361	45010
(iv) TDS Receivable on Service Charges	84689	51009
(c) Other loans and advances (Interest Receivable on Bank FDRs) Secured, considered good	89375	112969
(d) Other loans and advances (to employees)	15000	1,500
<b>Total</b>	<b>263895</b>	<b>219372</b>

**Note 12 Revenue from operations**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Sale of products	1248442	1585090
(b) services Charges Income	260200	377100
<b>Total</b>	<b>1508642</b>	<b>1962190</b>

**NOTE**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Sales of <b>DC POWER SUPPLY (SMPS) UNITS</b>	1248442	1585090
<b>Total - Sale of products</b>	<b>1248442</b>	<b>1585090</b>
<b>Service Charges for DC POWER SUPPLY (SMPS)</b>	260200	377100
<b>Total - Sale of services</b>	<b>260200</b>	<b>377100</b>

**Note 13 Other Income**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Interest income on Bank Fixed Deposits	122449	255086
Excess provision written off	33549	0
Misc. Income 19786	6917	
Sundry Creditors written off	0	18191
Credit Balance of Debtors written off	208	0
Exchange Rate Difference	115	0
<b>Total - Other non-operating income</b>	<b>176107</b>	<b>280194</b>

**Note 14 Cost of materials consumed**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Opening stock	996584	993479
Add: Purchases	423490	579339
	<b>1420074</b>	<b>1572818</b>
Less: Closing stock	659404	996584
<b>Cost of material consumed</b>	<b>760670</b>	<b>576234</b>
Material consumed comprises:		
Printed Circuit Boards	55688	31979
Capacitors	53618	45954
Diodes68334	26655	
Transistors	126950	37338
Transformers & Chokes	74224	124237
Sheet Metal Parts	140054	108332
Other items	241802	201739
<b>Total</b>	<b>760670</b>	<b>576234</b>

**Note 15 (Increase)/Decrease in stock**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Inventories at the end of the year:		
Work-in-progress	126048	78450
Inventories at the beginning of the year:		
Work-in-progress	78450	98652
<b>Net( increase) / decrease</b>	<b>(47598)</b>	<b>20202</b>

**Note 16 Employee benefits expense**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Salaries and wages	1211912	1188504
Contributions to provident and other funds	146100	145370
Staff welfare expenses	310	243
<b>Total</b>	<b>1358322</b>	<b>1334117</b>

**Note 17 Interest Expense**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Interest expense on: Bank's Overdraft facility	15022	16965
<b>Total</b>	<b>15022</b>	<b>16965</b>

### Note 18 Other expenses

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Power and fuel	44400	35223
Repairs and maintenance - Buildings	0	20363
Repairs and maintenance - Others	16688	1896
Insurance	14139	17811
Communication	61264	42287
Travelling and conveyance Expenses	21126	32586
Printing and stationery Expense	17149	8549
Legal and professional Expense	29490	132958
Payments to auditors	14887	16460
Bad trade and other receivables, loans and advances written off	2055	21080
Selling Expense	35693	21989
Advertisement Expense	37936	27310
Vehicle Expense	41226	57607
Entertainment Expense	38483	31570
Listing Fees	28411	61789
Provident .Fund. A/C 2,21,22	8395	8482
SBI (Compromise)	0	338712
Technical Consultancy Charges	105000	92000
Miscellaneous expenses	243659	60573
<b>Total</b>	<b>760001</b>	<b>1029245</b>

### Notes

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(i) Payments to the auditors Comprises		
As auditors - statutory audit	14887	16460
<b>Total</b>	<b>14887</b>	<b>16460</b>

### Note 19 Extraordinary items

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
NIL	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



### Note 20 Additional information to the financial statements

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
1 Claims against the Company not acknowledged as debt		
(i) Custom duty on Capital Goods	89606	89606
(ii) Custom duty on Raw Material	42411	42411
(iii) Royalty claim by NRDC	85000	85000

2 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2014		As at 31 March, 2013	
Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
₹	(indicate amount with currency)	PAYABLE TO	(indicate amount with currency)
NIL	NIL	NIL	NIL

3 Value of imports calculated on CIF basis

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Raw materials	41273	26006

4 Expenditure in foreign currency

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Travelling Expense	NIL	NIL

5 Details of consumption of imported and indigenous items

Particulars	For the year ended 31 March, 2014	
	Amount ₹	%
(i) <b>Imported</b>		
Raw materials	172685	22.70
	(145631)	(25.27)
(ii) <b>Indigenous</b>		
Raw materials	587985	77.30
	(430603)	(74.73)

**Note 21 Disclosures under Accounting Standards**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
<b>1 Employee benefits</b>		
Contribution to Pro. Fund & Pension	62398	63023
Contribution to ESI	33552	32347
Contribution to Group Gratuity Trust	50150	50000
Staff Welfare Expense	310	243
<b>Total</b>	<b>146410</b>	<b>145613</b>

**2 Related party transactions : Details of related parties:****Description of relationship**

Key Management Personnel (KMP)

Mr. Jitendra C.Mehta(Mg. Director)

Relatives of KMP

Mr. Kunal Mehta( Son of KMP)

**Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:**

Particulars	Relative of KMP
Purchase of goods	41273 (26006)
Balances outstanding at the end of the year	NIL
Trade payables	NIL
Note: Figures in bracket relates to the previous year	NIL

**3 Earnings per share**

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
<b>Basic</b>		
Net profit / (loss) for the year from continuing operations	(1272127)	(861882)
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(1272127)	(861882)
Weighted average number of equity shares	911000	911000
Par value per share	10	10
Earnings per share from continuing operations - Basic	(1.40)	(0.95)
<b>Diluted (excluding extraordinary items)</b>		
Net profit / (loss) for the year from continuing operations	(1272127)	(861882)
Weighted average number of equity shares for Basic EPS	911000	911000
Par value per share	10	10
Earnings per share, from continuing operations, excluding extraordinary items - Diluted	(1.40)	(0.95)

**Notes forming part of the financial statements**  
**Note 22 Previous year's figures**

**Particulars**

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**ATTENDENCE SLIP**

STARVOX ELECTRONICS LIMITED

(L32100GJ1986PLC008539)

(Regd. Office: 306, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad - 380015)

L. F. NO. : \_\_\_\_\_

NAME OF THE SHAREHOLDER / PROXY \_\_\_\_\_

ADDRESS: \_\_\_\_\_

Hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the company to be held on Thursday, 18<sup>th</sup> September 2014 at 10.00 a.m. at Plot No. 39/1,Opp. Amraiwadi Talawadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad – 380026.

SIGNATURE OF SHAREHOLDER / PROXY\*

\*Strike out whichever is not applicable.

**PROXY FORM**

STARVOX ELECTRONICS LIMITED

(CIN: L32100GJ1986PLC008539)

(Regd. Office: 306, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad - 380015)

Name of the Member : \_\_\_\_\_

Registered Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Folio No /client ID \_\_\_\_\_ DP ID: \_\_\_\_\_

I / We, being the member of Starvox Electronics holding \_\_\_\_\_ Shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email id: \_\_\_\_\_ Signature: \_\_\_\_\_

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on the 18<sup>th</sup> Day of September 2014 at 10.00 am at Plot No 39/1, opp. Amraiwadi Talawadi, AEC Zonal office Road, Amraiwadi, Ahmedabad-380026 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To Adopt of Audited Accounts
2. Appointment of Director liable to retire by rotation
3. Appointment of Chartered Accountant
4. Confirmation of Appointment of Mr. Bhavin Patel
5. Increase in Authorized Equity Share Capital
6. Appointment of Managing Director
7. Increase in Borrowing powers u/s 180 (1)(C) of Companies Act 2013
8. Creation of Charge on Assets of the Company u/s 180(1)(a) of Companies Act 2013

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

Signature of shareholder \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

Revenue Stamp of Re. 1/-
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Note: This proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

TO,

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FROM:

**STARVOX ELECTRONICS LIMITED**



**(CIN: L32100GJ1986PLC008539)**

**REGISTERED OFFICE**

306, SARTHIK COMPLEX, NR. FUN REPUBLUC, ISCON CROSS ROAD,  
SATELLITE, AHMEDABAD 380015

## Form B

### Format of Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	Starvox Electronics Ltd.
2.	Annual financial Statement for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit Qualification	Qualified.
4.	Frequency of qualification	Repetitive in respect of Accounting Standard 22.
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<b>Observation:</b> Regarding Deferred Tax Liability pursuant to AS 2 and 22 (Refer page no. 15 point d of Annual Report.)
	Additional comments from the board/audit committee chair:	As the company is loss making company and due to virtual certainty, deferred tax liability has not been provided.
5.	To be Signed by:	
	1. Director	Jitendra Mehta 
	2. Audit Committee Chairman	Mr. Kandarp Kinariwala 
	3. Auditor of the Company	Refer our Audit Report dated 30 <sup>th</sup> May 2014 On the standalone financial statements of the Company  For BPA & COMPANY CHARTERED ACCOUNTANTS (FIRM REG. No.: 109685W)  BHARAT VASHI (PARTNER) MEMBERSHIP No.: 031122  Ahmedabad: 30.05.2014