

THIRTY EIGHTH ANNUAL REPORT

**2013-2014**



**STARDELTA TRANSFORMERS LTD.**

## STAR DELTA TRANSFORMERS LIMITED

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

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**STAR DELTA TRANSFORMERS LIMITED**

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

**NOTICE**

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

**ORDINARY BUSINESS:**

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

**SPECIAL BUSINESS**

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

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

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

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

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

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

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

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

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

By Order of the Board of Directors

**Sd/-**

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

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

**Notes :**

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

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

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

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

## Item No. 5

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

## Item No. 6

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

**Item No. 7**

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

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

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

By Order of the Board of Directors

**Sd/-**

**(KISHORE GUPTA)**

**(DIN : 00014205)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

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

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

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

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

Step-3 Now Enter your User ID

(a) For CDSL: 16 digits beneficiary ID

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

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

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

Step-5 If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an Earlier voting of any company, then your existing password is to be used

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

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

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

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

Step-8 Members holding shares in physical form will then reach directly the EVSN selection screen. However members holding shares in Demat form will now reach Password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case(a-z), one numeric value (0-9) and a special character (@, #, \$, %, &, \*). Kindly note that this password is also to be used by the demat holders for voting for resolutions of the company or of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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



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

Step-12 After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

## DIRECTORS REPORT

To  
THE MEMBERS  
STAR DELTA TRANSFORMERS LIMITED  
BHOPAL

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

### 1. FINANCIAL RESULTS AND OPERATION:

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

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

### 2. OPERATION :

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

### 3. DIVIDEND :

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

### 4. FUTURE OUTLOOK :

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

### 5. FIXED DEPOSITS:

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

### 6. PARTICULAR OF EMPLOYEES:

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