

30th

ANNUAL REPORT

OF

STARLITE

COMPONENTS

LIMITED

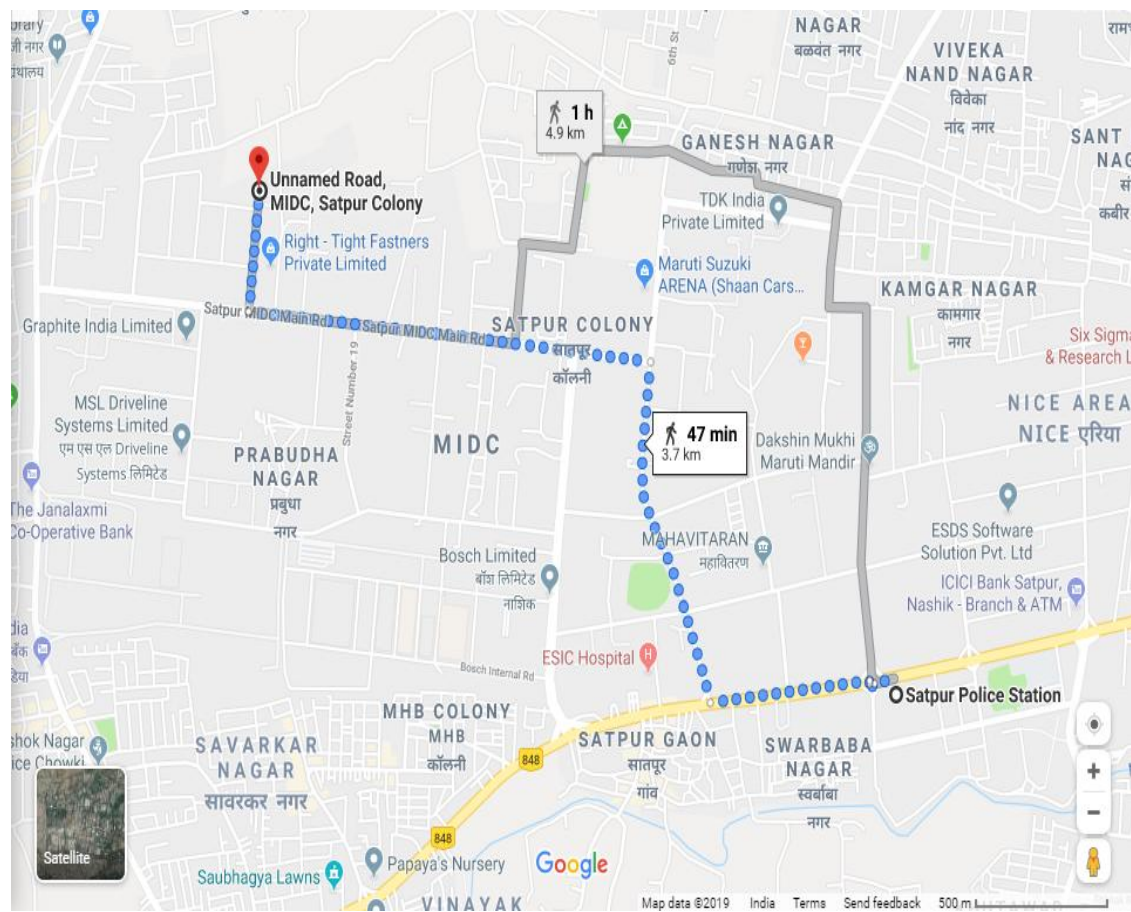
DIRECTORS AND KEY MANAGERIAL PERSONNEL

<u>NAME OF THE DIRECTOR</u>	<u>DESIGNATION</u>
Mr. Arvind Bharati	:Managing Director, Chairperson
Mr. Sajid Shaikh	:Chief Financial Officer
Mr. Sreekumar Menon	:Non- Executive Independent Director
Ms. Sujata Paradkar	:Non- Executive Independent Director
Mr. Anand Sapkal	:Non- Executive Independent Director

**Starlite Components Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 29th January, 2020. CA Naren Sheth (IBBI-IPA-001/IP-P00133/2017-18/10275) is appointed as Interim Resolution Professional by NCLT vide its Order dated 29th January, 2020.

Statutory Auditors	: -	M/S. Jain Chhajer & Associates, Chartered Accountants 2 nd Floor, Shree Gurudeo Tower, Above Shirpur Co-Op. Bank, Canada Corner, Nashik-422 005
Registrar & Share Transfer Agent	: -	Universal Capital Securities Pvt. Ltd , 21/ 25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves, Road, Andheri (East), Mumbai, Maharashtra -400093
Internal Auditor	: -	M/S. SKVM And Co., Chartered Accountants, Nasik
Secretarial Auditor	: -	M/S. Amit R. Dadheech & Associates, Company Secretaries, Mumbai
Registered Office	: -	Plot No. F-108, MIDC Area, Satpur Nashik- 422007.
CIN	: -	L31200MH1991PLC063980
Name Of Bankers	: -	CITI Bank ICICI Bank Ltd. State Bank Of India HDFC Bank Ltd.

ROUTE MAP FOR ANNUAL GENERAL MEETING FOR FINANCIAL YEAR 2020-21



NOTICE TO MEMBERS

Starlite Components Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 29th January, 2020. CA Naren Sheth (IBBI-IPA-001/IP-P00133/2017-18/10275) is appointed as Interim Resolution Professional by NCLT vide its Order dated 29th January, 2020. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the Board of Directors of the Company stand suspended and the same have been vested with and are being exercised by the Interim Resolution Professional

Notice is hereby given that the Thirtieth Annual General Meeting (30th AGM) of the Members of Starlite Components Limited (Company) is scheduled to be held on Wednesday, September 29, 2021 at 3.00 P.M. at Plot No. F-108, MIDC Area, Satpur, Nashik - 422 007, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2021 along with the reports of Board of Directors and the Auditors thereon for the financial year ended March 31, 2021.

Date: September 06, 2021

Place: Nasik

Registered Office:

Plot No. F-108, MIDC Area, Satpur,
Nashik - 422 007

**For and On Behalf of Board of Directors
of**

**Starlite Components Limited
(Company under Corporate Insolvency
Resolution Process)**

-sd

**Mr. Naren Sheth,
Resolution Professional (IHP)
Registration No.(IBBI-IPA-001/IP-
P00133/2017-18/10275)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Under the Companies Act, 2013, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 500,000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
2. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
3. The Company has notified closure of Register of Members and Share Transfer Books from, Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive) for convening the Annual General Meeting of the Company.
4. Members are requested to bring their copy of the Notice at the time of attending the Annual General Meeting.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company's Registrar and Transfer Agent, Universal Capital Service Private Limited, Mumbai, details of such folio together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Member/s after making requisite changes thereon.
7. Non-resident Indian Shareholders are requested to inform the Company immediately:
 - a. Change in residential status on return to India for permanent settlement.
 - b. Particulars of bank account maintained in India with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
 - c. Copy of Reserve Bank of India permission.
8.
 - a. Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
 - b. Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID number, to their respective Depository Participants.
9. *Members may avail dematerialization facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialized.*
10. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office at least 7 days before the date of the meeting, so that the required information can be made available at the meeting.

11. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. 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/Registrar & Share Transfer Agent i.e. M/s Universal Capital Services Private Limited, Mumbai.
13. Members may also note that the Notice of the Annual General Meeting will also be available on the Company's website: www.starlitecomponents.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@starlitecomponents.com

DIRECTORS' REPORT

To,
The Members of
Starlite Components Limited.

Starlite Components Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) pursuant to terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 29th January 2020. CA Naren Sheth was appointed as Interim Resolution Professional by NCLT vide its Order dated 29th January 2020. Its affairs, business and assets are being managed by the Interim Resolution Professional CA Naren Sheth who was appointed vide order dated 29th January 2020 by Hon'ble NCLT, Mumbai Bench.

Under Section 17 of the Insolvency & Bankruptcy Code;

- the management of the affairs of the company shall vest in the Interim Resolution Professional.
- the powers of the Board of Directors shall stand suspended and be exercised by the Interim Resolution Professional.
- the officers and managers of the company if any shall report to the Interim resolution professional and provide access to such documents and records of the company as may be required by the Interim Resolution Professional.
- the financial institutions maintaining accounts of the company shall act on the instructions of the Interim Resolution Professional in relating to such accounts furnish all information relating to the company available with them to the Interim Resolution Professional.

The Committee of Creditors have yet to approve a resolution plan for the Company

1. Financial Results -

(Amount in Rs. Lakhs)

PARTICULARS	CURRENT (2020-21)	YEAR PREVIOUS YEAR (2019-20)
Revenue from operations	185.27	1,475.75
Other income	16.54	933.70
Total Income	201.81	2,409.45
Finance expenses	0.06	22.58
Depreciation	55.35	61.95
Total Expenses	325.33	3,950.60
Profit / (Loss) Before Tax	(123.52)	(1,541.14)
Less : Current Tax	-	-
Less: Deferred Tax Liability	(2.56)	(1.35)
Profit / (Loss) after Tax	(120.97)	(1,539.80)

2. Dividend:

Directors do not recommend any dividend in the current financial year.

3. **Brief description of the Company's working during the year / State of Company's affair**

Due to tightened market conditions and slump in the sales of the products of the company over the period of time there has been a considerable decline in the turnover of the Company, eventually the Company has sustained losses of Rs.12,352,000/- during the year as compared to a loss of Rs. 1,54,114,000/- in the FY 2019-20. Further, the Company has achieved a turnover of Rs. 18,527,000/- against Rs. 1,47,575,000/- in the previous year. These figures clearly demonstrate the current market condition of the Company in the middle of overall market slowdown and fall in the demand for the products of the Company due to the new entrants in the market and the increasing competition.

4. **Share Capital:**

At present the securities of the Company are listed on BSE Limited and the Company has been regular in paying the listing fees and other statutory payments to the Stock Exchange and other intermediaries.

Due to financial crunches, the Company could not pay Annual Listing Fees for the year 2020-21 the Stock Exchange. The Shares of the Company were placed in Z category by BSE Limited.

During the year under review, the Authorized Share Capital of the Company was 1,80,00,000 Equity Shares of Rs. 10/- each amounting to Rs. 18,00,00,000/-.

Subscribed, Issued and Paid up Capital of the Company was 17100000 Equity Shares of Rs.10/- amounting to Rs. 17,10,00,000/-.

5. **Change In Nature Of Business, If Any -**

No change has taken place during the year in the nature of Company's business.

6. **Material Changes & Commitments Affecting The Financial Position Which Have Occurred Between Date Of Year End To The Date Of Report -**

There have been no material changes affecting the financial position which have occurred between dates of year end to the date of Report.

7. **Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future :**

The Company is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from January 29th, 2020.

M/s. Shree Enterprises one of the Operational Creditor had filed an application with Hon'ble NCLT Mumbai for initiation of Corporate Insolvency resolution process against the Company u/s.9 of the Insolvency and Bankruptcy Code, 2016.

The Hon'ble NCLT Mumbai after hearing the application vide its order dated 29/01/2020 admitted the application of the said operational creditor for initiation of Corporate Insolvency resolution process (CIRP) and has appointed CA Naren Sheth (Reg. No. Registration No. IP/P- 00133- IBBI/IPA- 0013113- 1300133/2017-2018/10275) as Interim Resolution Professional (IRP).

8. Details of Adequacy of Internal Financial Controls With Reference To The Financial Statements -

Company has well devised Internal control systems adopted by the Management to assist in achieving management's objective of ensuring the orderly and efficient conduct of its business, including, adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The system of internal control is under continuing supervision by Management to determine that it is functioning as prescribed and is modified, as appropriate, for changes in conditions. Company endeavors to create the control environment with budgetary controls and an effective internal audit function.

Specific control procedures include –

- Control over movement of physical Assets, Goods & Services including Purchase and Payable, Sales and Receivables, Inventories etc.
- Control over timely Accounting, Legal compliances & Compliance of Accounting standards.
- Asset acquisitions & disposal – both tangible & intangible.
- Control over borrowings & liabilities.
- Control over expenses including employee benefits, taxes etc.
- Control over financial transactions.
- Comparing and analyzing the financial results with corresponding budgeted figures.

The controls include Preventive, Detective & Corrective controls. These controls are reviewed periodically & upgraded whenever necessary.

9. The Names Of Companies Which Have Become Or Ceased To Be Its Subsidiaries, Joint Ventures Or Associate Companies During The Year

Sr. no	Name of Company	CIN	Type of association	Date of joining / Cessation
-----Nil-----				

10. Report on the Performance of the Subsidiaries, Associate Companies and Joint Venture

The Company does not has any Subsidiaries and Joint Venture Companies but Company has only one Associate Company.

11. Deposits

The Company has not accepted any Deposits during the year within the meaning of Section 73 of Companies Act, 2013 and rules made thereunder

12. Auditors -

A. Statutory Auditors -

The Members of the Company at their 27th AGM held on September 29, 2018 have approved the appointment of M/s. Jain Chhajer & Associates, Chartered Accountants, Nasik (Firm Registration No. 127911W) as the Statutory Auditor of the Company for a

period of 5 (Five) consecutive year from the conclusion of the 27th AGM till the conclusion of 32nd AGM to be held in the calendar year 2023 on such remuneration as may be mutually agreed by the Board and the Auditor.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away by Companies Amendment Act, 2017 vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of the appointment of Auditors, who were appointed in the Annual General Meeting, held on.

B. Secretarial Auditors –

The Board has appointed M/s. Amit R. Dadheech & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed herewith as *Annexure 1* to this Report.

C. Internal Auditors:

Pursuant to the provisions of Section 138 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has appointed to M/S. SKVM And Co., Chartered Accountants, Nasik, as internal auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes and assessing the internal control strengths of all areas.

13. Audit Reports:

- A. Statutory Auditors Report - The observations made by the Auditors of the Company in their report are self-explanatory and the management need not make a comment on the same.
- B. Secretarial Audit report- The observations made by the Secretarial Auditors of the Company in their report for the year ended 31st March, 2021 are self-explanatory. Below are the responses of the Management on the observations made by the Secretarial Auditor:-
 1. Even after several efforts, the Company could not find any candidate who will work as whole time Company Secretary, therefore the Company was not able to appoint a Company Secretary in compliance with the relevant provisions of Companies Act, 2013. However, efforts are being made to find out a suitable candidate for the position of whole time Company Secretary.
 2. The actions taken against the Company is due non compliance with the SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2017/92 dated August 1, 2017 by M/s. Comet Filament Limited, a Company promoted by the same Promoters.
 3. Due to actions taken against the Promoters in relation to non-compliance with the aforesaid SEBI Circular by one of the Group Company i.e. Comet Filament Limited, the process of issuance and allotment of shares to Promoter and Promoter Group on preferential basis for cash and pursuant to conversion of