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## STARVOX ELECTRONICS LIMITED

### NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of STARVOX ELECTRONICS LTD. will be held on Thursday, the 23rd day of September, 2010, at 10.00 A.M. at the registered office of the Company at Plot No. 39, Opp. Amraiwadi Talavadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad – 380 026, to transact the following business:

#### ORDINARY BUSINESS

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on 31st March, 2010 together with the Directors' and Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Shirish G. Patel a Director, who retires by rotation and being eligible offers himself for re-appointment
- 3) To appoint a Director in place of Shri Hasmukh R. Modi a Director, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To re-appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/S M. C. Gupta & Co., Company Secretaries, Ahmedabad, be and are hereby appointed as Secretary in Whole-time practice to issue to the Company the Compliance Certificate as required under Sub-rule (1) of Rule 3 of Companies (Compliance Certificate) Rules, 2001 under Section 383A of the Companies Act, 1956 for the financial year 2010-2011 at a remuneration which may be determined by the Board of Directors of the Company in consultation with the said Company Secretaries."

By order of the Board Of Directors  
**Jitendra C. Mehta**  
Managing Director

Place : Ahmedabad  
Date : 30th July, 2010

#### Note:

- 1) **A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**  
**A proxy in order to be valid should be lodged at the Registered Office of the Company, not later than 48 hours of the time of the Annual General Meeting of the Company.**
- 2) The Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, 16<sup>th</sup> September, 2010 to Thursday, 23<sup>rd</sup> September, 2010 (both days inclusive ).
- 3) Members are requested to bring their copy of Annual Report at the Meeting.
- 4) Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed.

#### EXPLANATORY STATEMENT

##### Item No. 5 :

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 :

Pursuant to Sub-section (1) of 383A of the Companies Act, 1956, every Company having a paid-up Capital of Rs. 10 Lacs and above is required to file with the Registrar of Companies, a Compliance Certificate from a Secretary in Whole-time practice and a copy of such Certificate shall be attached to the Director's Report referred to in Section 217 of the Act.

The Board of Directors of your Company recommends the appointment of M/S M. C. Gupta & Co., Company Secretaries, Ahmedabad for the financial year 2010-2011 to furnish a Compliance Certificate for the Company.

None of the Director of the company is in any way concerned or interested in the resolution.

By order of the Board Of Directors  
**Jitendra C. Mehta**  
Managing Director

Place : Ahmedabad  
Date : 30th July, 2010

**STARVOX ELECTRONICS LIMITED****DIRECTORS' REPORT**

Dear Shareholders,

Your Directors present herewith their Twenty Fifth Annual Report for the year ended 31st March 2010 together with the Audited Accounts and the Auditors' Report thereon.

**FINANCIAL RESULTS**

	<b>(Rs.)</b>	
	Current Year 2009-2010	Previous Year 2008-2009
Total Income	15,84,612	28,93,257
Financial Expenses		
Depreciation	2,09,611	2,18,242
Profit/ (Loss) Before Taxation	(8,74,997)	1,97,093
Less: Provision for Income Tax	NIL	NIL
Less: Provision for Deferred Tax	NIL	NIL
Less: Fringe Benefit Tax	NIL	(8,497)
Profit After Taxation	(8,74,997)	1,88,596
Less; Prior Period adjustment	NIL	NIL
Transfer to General Reserve	NIL	NIL
Surplus Brought Forward	(69,29,992)	(71,18,588)
Balance carried to balance Sheet	(78,04,989)	(69,29,992)

The sales and other income during the year has decreased from Rs.28,93,257 to Rs. 15,84,612. Your Directors are making additional efforts to enhance the sale of SMPS and other Products by concerted marketing efforts. Your Company has current year loss of Rs.8,74,997/- against profit of Rs. 1,88,596/- of the previous year. The accumulated losses as at 31st March, 2010 stands increased to Rs. 78,04,989/- from 69,29,992/-.

In view of accumulated losses, your Directors express their inability to recommend any dividend on Equity Shares of the Company for the year under review.

Pursuant to the authority granted by the members at the Extraordinary General meeting held on 4<sup>th</sup> June, 2010, the Company has sold its factory premises without significant disturbances in the business activities at Gandhinagar and shifted its Registered office and works to Ahmedabad.

**DEPOSITS**

During the year, the Company has not accepted any deposits pursuant to the provisions of Section 58-A of the Companies Act, 1956 and rules made thereunder.

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

The particulars regarding conservation of energy in Form-A are not applicable, as the Company is engaged in manufacturing and assembly of Electronic Items. During the year, the Company has spent Foreign Currency of Rs. 37,698 on account of Purchase of Raw Materials.

**PARTICULARS OF EMPLOYEE**

There is no employee, who is in receipt of remuneration exceeding the limits specified under Section 217 (2-A) of the Companies Act, 1956.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- 1) In the preparation of the account for the financial year ended 31st March, 2010, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and of the profit or loss of the Company for the year under review.
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate record in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) The Directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

**DIRECTORS**

Shri Shirish G. Patel and Shri Hasmukh R. Modi, Directors retire by rotation and being eligible offer themselves for reappointment.

You are requested to re-appoint them.

Shri Rajan A Patel ceased to be a Director of the Company on account of death w.e.f. 06/11/2009. The Board of Directors places on record its appreciation of services and guidance provided by him during his association with the company.

**CORPORATE GOVERNANCE**

The paid up Share Capital of the Company is less than Rs. 300 Lacs and therefore a report on Corporate Governance pursuant to clause 49 of the Listing Agreement is not annexed.

**AUDITORS**

M/S BPA & Company, Chartered Accountants, Ahmedabad the statutory Auditor's retire at the ensuing Annual General Meeting. You are requested to reappoint them and fix their remuneration.

**COMPLIANCE CERTIFICATE**

In accordance with Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from a Secretary in Whole-time Practice that the Company has complied with the provisions of the Companies Act, 1956 and a copy of such certificate is annexed to this report.

**AUDITORS REPORT**

With regards to auditors observations in their report the Company has made valuation of Stock - In - Trade at cost as the market value of such Stock in Trade is not ascertainable and it is regular practice since many years. It has no material impact on valuation.

**APPRECIATION**

The Board of Directors places on record its appreciation for the services and support provided by the Employees of the Company and the co-operation received from the Bankers, Government Departments, Customers and other associates and look forward to their continued support in the years to come.

Place : Ahmedabad  
Date : 30th July 2010

For and on behalf of Board of Directors  
**Jitendra C. Mehta**  
Chairman

## STARVOX ELECTRONICS LIMITED

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### COMPLIANCE CERTIFICATE

Registration No. of the Company : L32100GJ1986PLC008539  
Nominal Capital : Rs. 1,00,00,000/-

The Members,  
Starvox Electronics Limited,  
Plot No. 39, Opp. Amraiwadi Talavadi,  
AEC Zonal Office Road,  
Amraiwadi,  
Ahmedabad-380 026

We have examined the registers, records, books and papers of **M/S. STARVOX ELECTRONICS LIMITED**, 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, 2010. In our opinion and to the best of our information and according to the examinations 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 all registers as stated in "Annexure A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in "Annexure B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made there under.
3. The Company, being public limited company, comments are not required.
4. The Board of Directors met six times on 9<sup>th</sup> April, 2009, 30<sup>th</sup> June, 2009, 31<sup>st</sup> July, 2009, 24<sup>th</sup> September, 2009, 31<sup>st</sup> October, 2009 and 30<sup>th</sup> January, 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained in Loose Leaf Form, for the purpose.
5. The Company has closed its Register of Member from 17<sup>th</sup> September, 2009 to 24<sup>th</sup> September, 2009 (both days inclusive) and complied with the provision of Section 154 of the Companies Act, 1956.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 24<sup>th</sup> September, 2009 after giving notice to the members of the Company and the resolutions passed thereat were recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced loans to its Directors or persons or firms or companies referred in Section 295 of the Companies Act, 1956.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. During the financial year, there were no instances falling within the purview of Section 314 of the Act. Hence, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13. The Company :
  - (i) has not made any allotment and was not required to deliver the share certificates no request was received for transfer of shares.
  - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the year.
  - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.

- (iv) was not required to transfer any amount to the Investor Education and Protection Fund during the said financial year being unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
- (v) has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of Directors, Additional director, Alternate Directors and Directors to fill casual vacancies during the financial year.
15. The Company has not appointed Managing Director during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and 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 / securities during the financial year.
21. The Company has not redeemed preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Companies Act, 1956 during the financial year.
24. The amount borrowed by the Company from banks and others during the financial year ending 31<sup>st</sup> March, 2010 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 28th September, 1989.
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the 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 prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the financial year for offenses under the Act.
32. As confirmed by the Management, the Company has not received any money as security from its employees during the financial year.
33. The provisions of section 418 of the Companies Act, 1956 are not applicable to the Company. The Company is depositing the provident fund with the office of the Provident Fund Commissioner.

Place : Ahmedabad  
Date : 30th July, 2010

For **M. C. Gupta & Co.**  
Company Secretaries  
**MAHESH C. GUPTA**  
Proprietor  
C. P. No. : 1028

**STARVOX ELECTRONICS LIMITED**

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**ANNEXURE - A**

**Registers as maintained by the Company :**

**Statutory Registers :**

1. Register of Members u/s 150
2. Register of Charges u/s 143
3. Minutes of the General Meeting u/s 193
4. Minutes of the Board Meetings u/s 193
5. Register of Contracts u/s 301 (3)
6. Register of Directors, Managing Director etc. u/s 303
7. Register of Director's Shareholding u/s 307
8. Register of Investment, Loans and Guarantee u/s 372A

**Other Registers :**

1. Register of Share Transfer
2. Attendance Register of General Meetings
3. Attendance Register of Board Meetings
4. Register of Power of Attorney

**ANNEXURE - B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2010.

Sr. No.	Form No./ Return	Filed u/s	Short Particulars	Receipt No.	Date of Filing
1.	FORM-66	383A	Filling of Compliance Certificate	P39622329	03-11-2009 Rs. 1000/-
2.	FORM-20B	159	Annual Return For The Year 2008	P44689297	08-01-2010 Rs. 4500/-
3.	FORM-20B	159	Annual Return For The Year 2009	P44689446	08-01-2010 Rs. 1500/-
4.	FORM 23AC	220	Balance Sheet for the year ended 31-03-2009	P44697241	09-01-2010 Rs. 1500/-
5.	FORM 32	303	Cessation of Mr. Rajan Patel on accopunt of Death	A80391600	12-03-2010 Rs. 2500/-

## AUDITORS' REPORT

To,

The Members of

**STARVOX ELECTRONICS LIMITED**

1. We have audited the attached Balance Sheet of **STARVOX ELECTRONICS LIMITED** as at **31<sup>st</sup> March 2010** the **Profit & Loss Account** and also the **Cash Flow Statement** for the Year ended on that date annexed thereto. These financial statements are the responsibility of the Companies Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluation the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Govt. Of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above 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 accounts as required by law have been kept by the company, so far as appears from our examination of these books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with this report is in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to Section 211 (3C) of the Companies Act, 1956. ***Except AS-2 Valuation of Inventories wherein Stock-in-Trade is valued at cost. As informed to us, there is no material difference in between the market price & cost and hence, Company has decided to continue to follow the consistent Accounting Policy and AS-22 Taxes on Income (Refer Note No. 12).***
  - e) On the basis of written representation received from the Directors, as on 31<sup>st</sup> March 2010 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31<sup>st</sup> March 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to :
    - I. **Note No. 7 (a) to (e) relating to non provision of :**

a) <b>Custom Duty on Capital Goods</b>	<b>Rs. 89,606</b>
b) <b>Custom Duty on Raw Material</b>	<b>Rs. 42,411</b>
c) <b>Royalty Claims by NRDC</b>	<b>Rs. 85,000</b>
d) <b>Claims From SBI for loan</b>	<b>Unascertainable</b>

give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- I. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2010.
- II. In the case of the Profit and Loss Account, of the profit for the Year ended on that date.
- III. In the case of the Cash Flow Statement of the Cash Flow for the Year ended on that date.

For **BPA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**B. M. VASHI**  
**PARTNER**  
**M. No. 31122**

Place : Ahmedabad  
 Date : 30th May 2010