

STARVOX ELECTRONICS LIMITED

(CIN: L32100GJ1986PLC008539)

29TH ANNUAL REPORT 2013-14

REGISTERED OFFICE
306, SARTHIK COMPLEX,
NR. FUN REPUBLIC,
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

N O T I C E

Notice is hereby given that 29th Annual General Meeting of members of Starvox Electronics Limited will be held on Thursday, 18th 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 31st 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. 01st 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 29th 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 29th 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 29th Annual General Meeting and the Annual Report for the year 2013-14 are available on the Company's website 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 29th 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, 12th September 2014 and shall end on Saturday, 13th September 2014.

Relevant instructions for e-voting:

- i) The shareholders should log on to the e-voting website 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 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.
- 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 under help section or write an email to 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
- 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 12th September, 2014 (10.00 am) and ends on 13th 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 18th 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 18th 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. 01st 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 30th 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 01st 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 29th Annual Report together with the Audited Statements of accounts for the Financial Year ended on 31st 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:

(Rs. In Lacs)		
Particulars	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.