

**THIRTY SEVENTH ANNUAL REPORT**

**2012-2013**



**STAR DELTA 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 Service 209, Shivai Industrial Estate, 89 Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400072
COMPANY SECRETARY & 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 37th Annual General Meeting of the Company will be held on Saturday, 28th September, 2013 at 11.00 A.M., at their Registered office of the Company at 92-A, Industrial Area, Govindpura, Bhopal to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended 31st March, 2013 and Report of the Director's, Company Secretaries and Auditor's thereon.
2. To declare Dividend on equity shares for the year ended 31st march, 2013.
3. To appoint a Director in place of Shri Rakesh Gupta, 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.

By Order of the Board of Directors

Sd/-

**(KISHORE GUPTA)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 09th June, 2013

**Notes :**

1. 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. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN - FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of members and the Share Transfer Books of the company will remain closed from Tuesday, 24th September 2013 to Saturday, 28th day September 2013 (both days inclusive).
3. The members are required to notify the change in their address, if any, to the Company immediately.
4. Members desiring any information on the Accounts are requested to write to the company atleast 10 days prior to the date of the meeting to enable the management to keep the information ready.
5. Members are requested to bring their copies of the annual report to the meeting.
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 28th September, 2013 to those members or their mandates whose names are registered on the Company's Register of Members :
- Pursuant to the provisions of Section 205A of the Act, as amended, dividend for the financial year 2008-2009 and 2009-2010, 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 and 2009-2010 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. At the ensuing Annual General Meeting Mr. Rakesh Gupta - 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**

<b>NAME OF THE DIRECTOR</b>	<b>Rakesh Gupta</b>	
<b>DATE OF BIRTH</b>	05.08.1962	
<b>DATE OF APPOINTMENT</b>	15.10.1987	
<b>QUALIFICATION</b>	B.Sc. LLB	
<b>RELATION WITH PROMOTERS DIRECTORS</b>	Yes relation with the Promoters	
<b>EXPERTISE IN FUNCTIONAL AREA</b>	Businessman	
<b>DIRECTORSHIP IN OTHER COMPANY</b>	Yes	
	<b>CHAIRMANSHIP</b>	<b>MEMBERSHIP</b>
<b>AUDIT COMMITTEE</b>	-	-
<b>SHAREHOLDER'S GRIEVANCE COMMITTEE</b>	-	1
<b>MEMBERSHIP /CHAIRMANSHIP OF STAR DELTA TRANSFORMERS LIMITED</b>	Whole Time Director	
<b>NUMBER OF SHARES HELD IN STAR DELTA TRANSFORMERS LTD.</b>	562100	
<b>PERCENTAGE OF SHARE HOLDING</b>	18.74%	

Place : Bhopal

Date: 9th June, 2013

By order of the Board of Directors

Sd-

(Kishore Gupta)

Chairman &amp; Managing Director

## DIRECTORS REPORT

To  
THE MEMBERS  
STAR DELTA TRANSFORMERS LIMITED  
BHOPAL

Your directors present before you the 37th Annual Report of the Company together with the Audited Statement of Accounts for the year ending 31st March, 2013.

### 1. FINANCIAL RESULTS AND OPERATION:

	(Rupees in Thousands)	
	2012-2013	2011-2012
Sales and Other Income	716596	668594
Profit before Depreciation.	56834	55630
Depreciation	6326	3810
Profit before Tax	50508	51820
Provision for Tax	10350	17000
Deferred	6580	00
Net Profit after Tax	33578	34820
Profit brought forward from previous Year	5055	1756
Transfer to General Reserve	35000	30000
Income Tax Earlier year	752	-235
Balance carried forward	5056	1756

Your Directors are happy to report that the result achieved by your Company for the year 2012- 2013 are satisfactory.

### 2. OPERATION :

Your company has manufactured 1087.661 MVA of transformers during the year 2012-13 in comparison to 1023.082 MVA of last year.

### 3. LISTING OF EQUITY SHARES OF COMPANY ON BOMBAY STOCK EXCHANGE :

The Board is pleased to inform that the Company has received the listing permission from the Bombay Stock Exchange for trading of its shares on its stock exchange and the trading in equity shares begins w.e.f. 1.10.2012 on the Bombay Stock Exchange.

### 4. 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.

### 5. 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 2013-2014.

**6. 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.

**7. 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.

**8. AUDITORS :**

M/s A.K.KHABYA & CO., Chartered Accountants, the Statutory Auditors of the Company retire at the forthcoming annual General Meeting and are eligible for re-appointment. The retiring Auditors, have furnished a certificate of their eligibility for re-appointment under Section 224 (1B) of the Companies Act, 1956 and have indicated their willingness to continue.

**9. AUDITORS' REPORT :**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence do not call, any further comments.

**10. DIRECTORS RESPONSIBILITY STATEMENT :**

Pursuant to Section 217(2AA) of the companies (Amendment) Act, 2000 the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting Standards had been followed.
- (ii) The directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view.
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the annual accounts on a going concern basis.

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

The statement of particulars with respect to conservation of energy, technology absorption and Foreign Exchange earnings and out go pursuant to provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules, 1988 is annexed hereto as annexure "A" which forms part of this Report .

**12. REPORT ON CORPORATE GOVERNANCE :**

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed

**13. SECRETARIAL AUDIT REPORT :**

The compliance certificate as required under section 383a of the companies act, 1956 has been obtained from Mr. Anish Gupta, practicing company secretary and is form part of the Balance Sheet.

**14. DIRECTORS :**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri Rakesh Gupta will retire by rotation , and being eligible, offer himself for re-appointment.

**15. AMALGAMATION BHOPAL WIRES WITH STAR DELTA :**

The Board or Directors at their meeting held on 11th day of December, 2012, have subject to the approval of the Hon'ble High Court of Madhya Pradesh at Jabalpur, Shareholders, Stock Exchanges where the shares of the company are listed and other relevant regulatory authorities, approved the Scheme of Amalgamation Bhopal Wires Private Limited with Star Delta Transformers Limited. The company is in the process of taking necessary approvals from various authorities including shareholders.

**16. ACKNOWLEDGEMENT :**

Your Directors offer their sincere thanks for the co-operation of the members of the board, bankers' Government agencies and above all the valued employees.

For and on behalf of the Board

Sd/-

**(KISHORE GUPTA)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 9th June, 2013

## ANNEXURE TO DIRECTOR'S REPORT

### ANNEXURE "A"

**STATEMENT CONTAINING PARTICULARS PURSUANT TO COMPANIES  
(DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS)  
RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT.**

**FORM A  
(SEE RULE 2)**

#### A. POWER & FUEL CONSUMPTION

	ELECTRICITY	2012-13	2011-12
I	Purchased Units	449915	363753
	Total Amount (Rs.)	3552873	2818732
	Rate per Unit (Rs.)	7.90	7.75
	Own Generation		
	Diesel Generator, Units	865	1110
	Units per Ltr. of Diesel	34.65	33.05
	Average cost per unit (Rs.)	34.65	33.05
II.	<b>COAL</b>		
	Quantity (MT)	---	---
	Total Cost (Rs.)	---	---
	Average Rate (Rs.)	---	---

#### B. CONSUMPTION PER UNIT OF PRODUCTION

	STANDARD (IF ANY)	2012-2013	2011-2012
Products (With Details)	Transformers	1087.661 MVA	1023.082 MVA
Units KVAH	---	449915	363753
Electricity/MVA	---	413.65	355.55
Coal	---	---	---

### FORM B

#### PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION

1. **Research And Development**  
Research work has been carried out and therefore there is no expenditure on this account.
2. **Technology absorption, adoption and innovation**  
Company has not obtained any technology under a foreign collaboration.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31 st March, 2013.

### a. INDUSTRY STRUCTURE, DEVELOPMENT :

The power sector is a key infrastructure back bone of the country. The demand for power grow at a much faster rate than the average rate of growth of the Indian economy. However, because of limited investment the growth of the sector is not to the expected level. The cheaper and stable power could be secured through large size Power projects and for which essential requirement is for efficient technology and better quality of power transformers & other power plant equipments.

### b. OPPORTUNITIES, THREATS AND RISKS :

There is huge demand of Electrical products in the market due to expected significant growth in power sector. Many power infrastructure projects are envisaged in XIIth five year plans. The company will have good opportunity to secure projects orders. Although there is stiff competition in the market yet because of wide product range the company will be able to secure sufficient orders. Besides, implementation of Electricity Act 2003, Electricity Generation, Trans-mission and distribution sector has been thrown open for Private Sector participation. This will create lot of opportunity for the Growth of the Co.

### c. SEGMENTWISE PERFORMANCE:

The company operates broadly into two segments.

- (i) **Manufacturing,** (ii) **Power Infrastructure,** (iii) **Solar,** (iv) **Exports.**

(i) **Manufacturing Division Co.** has a very wide range of Transformer products varying from 10 KVA, 250V/ 1 1KV to 40 MVA, 132 KV for Power Transmission & distribution catering to various Electricity Boards like MPSEB, MSEB, RSEB, CSEB, APSEB, HPSEB, HSEB and their Discoms, Infrastructure Cos. like Angelique International Co. Ltd., Delhi, Genus Infra Power Ltd., Jaipur, Nagarjuna Construction Co. Hyderabad, BGR Energy Ltd., Chennai, Sterling Wilson, Mumbai, Hythro Power (GET Limited), Gurgaon, L & T, ABB Ltd., Blue Star Ltd. Monte Carlo Ltd., Bajaj Electricals Ltd., Lanco Infra Ltd., Steel Plants etc.

(ii) **Power Infrastructure :** Company has made joint venture with M/s. ERA Infrastructure, New Delhi & M/s. Agrawal Power Ltd., Bhopal for Turnkey Projects for laying of 33/11 KV lines and setting up of 33 KV substations including civil work in MPPKVCL, Indore; MPPKVCL, Jabalpur & CSPDCL, Raipur.

The Company has provided Project Management Consultancy (PMC) in the Joint Venture. The Company will further continue to grow in the power infrastructure sector by either securing new orders directly and providing PMC through JV.

(iii) **Solar :** Company has also ventured into Renewable Power Generation, Co. has setup 500 KWp PV On-grid Solar Power Plant in village Gagorni, Rajgarh district of Madhya Pradesh. The plant was commissioned on 12th Oct. 2012 under the REC (Renewable Energy Certificate) Mechanism with annual generation capacity of 7.5 Lakhs units. During F.Y. 2012-13, 415109 Units were produced & generated revenue of Rs. 23,97,417/-. The Company has future plans to setup additional plants for expansion.

(iv) **Exports :** Company has supplied Distribution Transformers to M/s. Angelique International Ltd., New Delhi for MEW Project in Afghanistan and Chapali projects in Nepal. These are considered as deemed export. The Company aims to achieve more export orders in the following years.

**d. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:**

The company has adequate internal control system commensurate with the size of the operations by a committee. The committee periodically reviews the implementation of management policies to ensure that transactions have been accurately recorded and promptly reported.

**e. OUTLOOK:**

Co. is expected to have good demand for Distribution and Power Transformers and power related equipments because massive investments are planned in coming years by the Govt. (Central & States) as well as private sector.

**f. HUMAN RESOURCES & INDUSTRIAL RELATION :**

The company has maintained very harmonious & cordial Industrial relations. There is continuous emphasis on development of human resources through training. The issues pertaining to workers are resolved in harmonious and in cordial manner through regular interactions.

**g. Rating -**

The CARE, a leading Financial Assessment Co. have rated your Company as BBB/Stable for Bank facilities.

Place : Bhopal

Date : 9th June, 2013

For and on behalf of the Board

Sd/-

(KISHORE GUPTA)

CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE TO DIRECTOR'S REPORT****ANNEXURE "B"****REPORT ON CORPORATE GOVERNANCE PURSUANT TO THE CLAUSE 49 OF THE LISTING AGREEMENT****The Company's Philosophy on Corporate Governance**

Corporate Governance is a concept in corporate democracy demanding an accountable business leadership. It is concerned with the direction and control of a corporate entity in an environment of deregulation, liberalization and openness. Health of corporate entities has social implications and high ethical standards in business are necessary to ensure accountability to society. Corporate Governance defines the structure and distribution of rights and responsibilities among the key players in the company such as the Board, Managers, and Shareholders. The core aspect in Corporate Governance is not about power but about ensuring that decisions are made effectively.

**Board of directors**

The company is having 4 directors on its Board consisting of 1 Chairman Managing Director, 1 Executive Director and 2 non executive independent directors. The chairman presides over the Board. The category Composition attendance of each Director at the Board Meeting, last Annual General Meeting and the number of other directorship and chairmanship of each director in various companies is given herein below:

S.No.	Name	Category of Directorship	Date of assuming office
1.	Shri Kishore Gupta	Chairman and Managing Director	31.10.1987
2.	Shri Rakesh Gupta	Executive Director	15.10.1987
3.	Shri Laxmendra Maheshwari	Independent Director	25.06.2009
4.	Shri Shashendra Lahri	Independent Director	25.06.2009

**CONDUCT OF BOARD MEETINGS HELD AND DATES:**

During the financial year 2012-13, the Board of the Company met 15 times. The dates of the meetings were 24.04.2012, 01.05.2012, 30.07.2012, 01.08.2012, 03.08.2012, 01.09.2012, 03.09.2012, 29.09.2012, 01.10.2012, 30.10.2012, 21.11.2012, 11.12.2012, 29.12.2012, 30.01.2013 and 14.03.2013.

The particulars regarding the number of the meeting attended by the Board Member out of the total number of meetings held during their tenure, their attendance in the last Annual General Meeting, their membership in other committees and their association with the other companies as Director are given below:

S.No	Name of Director	Attendance	Membership in other committee of the board	Directorship in other companies	Last AGM Attended
1.	Shri Kishore Gupta	15/15	1	2	Yes
2.	Shri Rakesh Gupta	15/15	1	1	Yes
3.	Shri Laxmendra Maheshwari	05/15	2	3	Yes
4.	Shri Shashendra Lahri	05/15	2	NIL	Yes

**AUDIT COMMITTEE**

The Board of Directors of the Company has constituted an Audit Committee. The terms of reference to the Audit Committee cover the matters specified under the Listing Agreement as well as Section 292 A of the Companies Act 1956.

Presently, the committee consists of 3 Directors, viz;

S.No.	Name of Director	No. of Meeting Attended
1.	Shri Laxmendra Maheshwari	Chairman
2.	Shri Shashendra Lahri	Member
3.	Shri. Kishore Gupta	Member

The committee met 5 times during the year under review on 24.04.2012, 30.07.2012, 01.09.2012, 30.10.2012 and 30.01.2013.

The terms of reference of the Audit Committee include, overseeing of the Company's financial reporting process, recommending the appointment and removal of the external auditors, fixation of the audit fees with management, the annual financial statements, the adequacy of internal control systems, internal audit function, reviewing the company's financial and risk management policies, review of the expenses vis-à-vis budget, report on compliances with statutory requirements, reviewing compliances as regards the Company's Whistle Blower Policy etc. The audit committee reviews the adequacy of internal control systems etc. as mentioned in the scope and powers of the Audit Committee in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The minutes of the Audit Committee are circulated to the Board, discussed and taken note of at the Board Meeting.

The attendance record of the members at the meeting is as under.

Name of Director	No. of Meeting Attended
Shri Laxmendra Maheshwari - Chairman	5/5
Shri Shashendra Lahri - Member	5/5
Shri. Kishore Gupta - Member	5/5

#### SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Board of Directors of Company has constituted Shareholders / Investors Grievance Committee. Presently, the Committee consists of 3 Directors & Chairman of the Committee is non-executive director viz;

S.No.	Name of Director	No. of Meeting Attended
1.	Shri Laxmendra Maheshwari	Chairman
2.	Shri Shashendra Lahri	Member
3.	Shri. Rakesh Gupta	Member

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/ investors service. The committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investor's complains and the reporting of the same of the Board of Directors

Shri Mayank Gupta was appointed as Compliance Officer of the Company w.e.f. 21.11.2012

During the year 2012-2013, the Company has received no complaints/Grievance. Their were no complaint pending at the end of the year.

Received From	Received during 2012-13	Redressed during 2012-13	Pending as on 31.03.2013
SEBI	NIL	NIL	NIL
Stock Exchange	NIL	NIL	NIL
MCA	NIL	NIL	NIL
Director from Investors	NIL	NIL	NIL

#### REMUNERATION OF DIRECTOR

The remuneration of the chairman/ Whole time Director or Managing Director is minimum remuneration, under the provision of schedule XIII, of the Companies Act, 1956.

##### (i) Management Staff :

Remuneration of employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary based on the grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performance etc.

##### (ii) Non-Executive Directors :

The Company pays sitting fees to all the Non Executive Directors of the Company. The sitting fees paid is within the limits prescribed under the Companies Act, 1956. Details of the Sitting fees paid during the Financial Year 2012-13 are as under :

Name of Director	Sitting Fees
Shri Laxmendra Maheshwari	Rs. 8000/-
Shri Shashendra Lahri	Rs. 8000/-

##### (iii) Executive Directors :

As on 31st March, 2013, Mr. Kishore Gupta, Managing Director and Mr. Rakesh Gupta were the the only Executive Director in the Company.

Details of remuneration paid to Executive Directors during the year ended March 31, 2013 are given below :

Name of Director	Designation	Salary & Perquisites	Commission (Rs.)	Total (Rs.)
Shri Kishore Gupta	Chairman & MD	14,40,000	-	14,40,000
Shri Rakesh Gupta	Executive Director	9,60,000	-	9,60,000

#### GENERAL BODY MEETING

(a) The details of the annual general meeting held in last three years with details of special resolution are furnished below:-

Date	Time	Venue	Details of Resolution
31.08.2010	11:00 AM	92-A, GOVINDPURA BHOPAL	1. Listing with Bomby Stock Exchange 2. Commence new business activities
30.09.2011	11:00 Am	92-A, GOVINDPURA BHOPAL	Appointment of Mr. Mayank Gupta on Place of profit u/s 314 of the Act
29.09.2012	11:00 AM	92-A, GOVINDPURA BHOPAL	Alteration of Articles u/s 31

**(b) The particulars of Extra-Ordinary General Meetings held during the last three years are as under:**

Year	Date and Time	Details of Resolution
2009-10	(1) 8.5.2009 at 1.30 P.M. (2) 23.3.2010 at 1.00 P.M.	Increase in remuneration of Directors Amendment in the object clause of Memorandum of Association
2010-11	NIL	NIL
2011-12	22.06.2011 at 10.30 A.M.	Appointment of Director holding an office or place of profit u/s 314

**(c) Postal Ballot**

During the year-ended 31.03.2013, there have been no resolutions passed by the company's shareholders through postal ballot. At the ensuing Annual General Meeting, there are no resolutions proposed to be passed by postal ballot.

**(d) Extra Ordinary General Meeting**

During the year details of Extra Ordinary General Meeting of the members of the Company is furnished below:-

Year	Date and Time	Details of Special Resolution
2012-13	NIL	NIL

**DISCLOSURE**

- a) Disclosure on materially significant related party transaction i.e. transaction of the Company of the material nature, with the promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

For Related Party transaction refers to Note No. 27 of notes forming part of Accounts of annex of the Balance sheet and profit and loss Account.

- b) Details of non-compliance by the company, penalties and strictures imposed on the Company by stock Exchange or SEBI or other authority on any matter related to capital markets during last three years:

There was no non compliance by the company on any matter related to capital market, SEBI or any other statutory authority and no penalties were imposed or no strictures were passed on the company by such authorities during the last 3 years ended 31.03.2013

- c) **Code of Conduct**

The Board has laid down a code of conduct for all the Board Members and senior Management of the company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

- d) **Whistle Blower Policy**

The Company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

- e) **Secretarial Audit**

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical and the total number of dematerialized shares held with NSDL and CDSL.

f) Details of Companies with mandatory requirements and adoption of the non -mandatory requirements of this clause:  
The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements they are complied with to the maximum extent.

**g) CEO CERTIFICATION**

As required under Section V of the clause 49 of the Listing Agreement with the Stock Exchanges the Managing/ Whole Time Directors and Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls in the prescribed format for the year ended March 31, 2013.

**h) MEANS OF COMMUNICATION**

- (i) The quarterly results of the Company are sent to the Stock Exchange immediately after the Board approves them. The Company proposes that all quarterly, half-yearly and full year audited results be published at least in 2 newspapers. The quarterly results are further submitted to all the Stock Exchanges immediately after the conclusion of the respective meetings.
- (ii) The Company has its own website [www.stardeltatransformers.com](http://www.stardeltatransformers.com) wherein the financial results, Annual Reports and other material information for the information of investors are uploaded.
- (iii) The Management Discussion and Analysis Report forms a part of this Annual Report.

**GENERAL INFORMATIONSTO SHAREHOLDERS**

**(a) Annual General Meeting**

Date: 28th September, 2013

Venue: 92-A, Govindpura, Industrial Area, Bhopal (Registered office of the company)

Time: 11:00 A.M

**(b) Financial Calendar**

- For 1st quarter ended on 30th June 2013 : on or before 15th August 2013
- For 2nd quarter ended on 30th September 2013 : on or before 15th November 2013
- For 3rd quarter ended on 31st December 2013 : on or before 15th February 2014
- For last quarter ended on 31st March 2014 : on or before 15th May 2014
- AGM** for the year ended on March 31st, 2013 : on or before 30th Sept. 2014

**(c) Book Closure**

The Share Transfer Books and the Register of Members will remain closed from Tuesday 24th day September, 2013 to Saturday 28th day September, 2013 (both days inclusive).

**(d) Listing in Stock Exchanges & Stock Codes**

The company's shares are listed at Madhya Pradesh, Ahmedabad and Delhi stock exchange. The Stock Exchange codes are :

S.No.	Name of Stock Exchange	Stock Exchange Code No.
1.	Bombay Stock Exchange, Mumbai (w.e.f. 1.10.2012)	590129
2.	Madhya Pradesh Stock Exchange Ltd., Indore	STAR DELTA
3.	Ahmedabad Stock Exchange Ltd., Ahmedabad	55596
4.	Delhi Stock Exchange Limited, New Delhi	9196

The Company has paid the listing fees to all the stock exchanges.

**(e) Stock Data:**

The Company's shares are listed at Indore, Ahmedabad, Delhi and Bombay stock exchange. There are no trading at Indore, Ahmedabad and Delhi Stock Exchange. The trading at Bombay Stock Exchange was started w.e.f. 1st October, 2012. The stock data at Bombay Stock Exchange is as below :

Month	High	Low	No. of Shares	No. of Trades	Amount of Trade
October, 2012	445.00	249.75	97,396	2,337	3,85,76,709
November, 2012	520.95	427.05	5,03,645	18,613	24,19,24,769
December, 2012	526.50	443.10	54,053	1,179	2,68,50,867
January, 2013	538.50	447.70	57,649	1,089	2,78,21,477
February, 2013	515.00	431.00	38,465	1,129	1,80,85,162
March, 2013	480.00	278.85	1,66,698	6,017	7,59,24,255

**(f) Distribution of Shareholding as on 31st March 2013 was as under:**

NO OF SHARE HELD		NO. OF SHAREHOLDERS		NO. OF SHARES HELD	
FROM	TO	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
1	500	387	64.933	42093	1.400
501	1000	72	12.080	66595	2.220
1001	5000	101	16.946	217302	7.240
5001	10000	11	1.846	80273	2.670
10001	100000	20	3.356	510237	17.000
100001	AND ABOVE	5	0.839	2083700	69.470
<b>TOTAL</b>		<b>596</b>	<b>100.000</b>	<b>3000200</b>	<b>100.000</b>

**(g) Category wise Distribution Schedule as on 31st March 2013 was as under:**

Category	No. Of Shares Held	% Of Holding
Financial Institutions	—	—
Foregin Financial Institution	—	—
Mutual Funds	—	—
Bodies Corporate	107749	3.59
Directors & Relatives	2189800	74.99
Resident Indians	702651	21.42
Non-resident Indians	—	—
Clearing Members	—	—
<b>Total</b>	<b>3000200</b>	<b>100.00</b>



**(h) Percentage of Shares held in physical & dematerialized form:**

**ISIN No. : INE541K01014**

As on 31st March, 2013, 94.09% of the equity shares of the Company has been dematerialized.

**(i) Plant Location:**

The company's plant is located at the following address:

92-A Industrial Area,  
Govindpura, BHOPAL-462023

**(j) Address for Correspondence:**

92-A Industrial Area,  
Govindpura, BHOPAL-462023

**(k) Address of Registrar & Share Transfer Agents:**

The company ensure that the share transfers, which are received in physical are duly, effected within a period of one month from the date their lodgment. The Board has constituted share transfer Committee, which meets at regular intervals for affecting transfer of shares. The committee is duly authorized to effect transfer; issue of duplicate shares etc. there was no pending complaint and the share transfer as on 31.03.2013.

The company has appointed M/s. System Support Services as Registrar and Share Transfer Agent. The share transfer work is done at the office of Registrar at 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400 072.

For Star Delta Transformers Limited

Sd-

**(KISHORE GUPTA)**

**CHAIRMAN & MANAGING DIRECTOR**

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

## **CEO / CFO CERTIFICATION**

To,  
The Board of Directors,  
Star Delta Transformers Limited,  
Bhopal

We certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2013 and that to the best of our knowledge and belief:
- (i) these statement do not contain any material untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the period, which are fraudulent, illegal or violate the Company's Code of Conduct.

- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors & the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies
- d) We have indicated to the Auditors and the Audit Committee that:
- (i) significant changes in the Internal Control Process during the year.
  - (ii) significant changes in Accounting Policies during the year.
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting .

This statement is in accordance with the fact that the Board including the Audit Committee shall provide the necessary superintendence and control over the Managing Director.

Sd-

**(KISHORE GUPTA)**

CHAIRMAN &amp; MANAGING DIRECTOR

Sd-

**(RAKESH GUPTA)**

EXECUTIVE DIRECTOR

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

## DECLARATION

As provided under the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31st March 2013.

For Star Delta Transformers Limited

Sd-

**(KISHORE GUPTA)**

CHAIRMAN &amp; MANAGING DIRECTOR

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

## AUDITORS' REPORT ON CORPORATE GOVERNANCE

The Board of Directors,  
Star Delta Transformers Limited  
Bhopal - 462023

We have reviewed the implementation of Corporate Governance Procedure by the Company during the year ended 31st March, 2013, with the relevant record and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We further state that our examination of such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A.K. Khabya & Co  
Chartered Accountants  
Firm Registration No. 001994C

Sd/-  
M.N.G. PILLAI  
Partner  
M.No. 074051

Place : BHOPAL

Date : 9<sup>th</sup> June, 2013

**Anish Gupta & Associates**  
**Company Secretaries**

4-3 Antumn Gruve, Opp. Lokhandwala School, Lokhandwala Township, Kandivali E, Mumbai-400 101  
Telefax : 022 29659720 email : guptamintu@hotmail.com. / anish@csanishgupta.com

**FORM**

[SEE RULE 3]

**Compliance Certificate**

Registration No. : 10-001393  
Nominal Capital : Equity - Rs. 3,12,50,000/  
Preference - Rs. 5,00,000/-  
Paid up Capital : Equity - Rs. 3,00,02,000/-

To,  
**The Members**  
**Star Delta Transformers Limited**  
**Bhopal**

We have examined the registers, records, books and papers of **M/s Star Delta Transformers Limited having its Registered Office situated at 92-A Industrial Area, Govindpura, Bhopal - 462023** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31st March, 2013** (Financial Year). 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 of the Acts and rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under except as mentioned in Annexure B.
3. The company being a Public limited company has the minimum paid-up capital.
4. The Board of Directors duly met 15 (Ten) times respectively on **24.04.2012, 01.05.2012, 30.07.2012, 01.08.2012, 03.08.2012, 01.09.2012, 03.09.2012, 29.09.2012, 01.10.2012, 30.10.2012, 21.11.2012, 11.12.2012, 29.12.2012, 30.01.2013 and 14.03.2013**, in respect of these meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members during the financial year under review from Tuesday 24th day September, 2013 to Saturday 28th day September, 2013.
6. The Annual General Meeting for the Financial Year ended 31st March, 2012 was held on 29th September, 2012 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary meeting were held during the financial year under review, however documents related to EOGM held on 22.6.2011 was not provided to us for verification during compliance audit for the financial year 31.3.2011.
8. During the period under review, the company has not given any loan to firms and companies in which directors are interested referred to in the Section 295 of the Act.

9. The Company has entered into contracts falling within the purview of Section 297 of the Act, in compliance with the provision of the Act. The Company has also obtained the Central Government approval for transaction with its related parties under section 297 vide Regional Director order dated 19.04.2010.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company has obtained necessary approvals from its Directors and members for giving remuneration to relative of directors under Section 314 of the Act, however no Central Government approval was required.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
  - (i) delivered all certificate on allotment of shares and lodgment of transfer of shares after complying with procedures of the act.
  - (ii) not deposited amount in a separate Bank Account as dividend declared in the Annual General Meeting held on 29.09.2012 during the financial year under review was directly paid to the members of the Company.
  - (iii) posted warrants/chques to member of the company for the dividend declared during the financial year under review.
  - (iv) the company was not required to transfer any amounts in respect of any dividend, interest etc as given under section 205C of the Companies Act, 1956, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund during the period under review.
14. The Board of Directors of the company is duly constituted and during the year no appointment of additional directors, alternate directors and directors to fill casual vacancies has been made.
15. The company has not appointed any Managing Director, Whole Time Director, Managers pursuant to section 269 read with Schedule XIII of the Act during the period under review.
16. The company has not appointed any sole-selling agents during the financial year under review.
17. The company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms and companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares or other securities during the financial year under the review.
20. The company has not bought back any shares during the financial year ending 31st March, 2013.
21. There was no redemption of preference shares or debentures during the financial year under review.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The borrowings made by the Company during the financial years are within the limit as prescribed by the provisions of section 293(1)(d) of the Act.
25. The company has not made any loans to or investments, guarantee in other bodies corporate during the period under review

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 financial year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the financial year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The company has not altered its articles of association during the financial year under review.
31. There was no prosecutions initiated against or show cause notices received by the company during the financial year under review for offences under the Act.
32. The company has not received any amount as security from its employees during the financial year under certification.
33. The company has deposited contribution towards Provident Fund with the prescribed authority during the financial year under review.

**For ANISH GUPTA & ASSOCIATES**

Company Secretaries

**Sd/-**

**Anish Gupta**

Proprietor

M. No. FCS 5733

C.P. No. 4092

Place : Mumbai

Date : 9<sup>th</sup> June, 2013

#### **ANNEXURE-A**

##### **Registers maintained by the Company**

1. Register of Members u/s 150 of the Act.
2. Register and Returns u/s 163 of the Act.
3. Books of Accounts and other Records u/s 209 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Contracts u/s 301.
7. Register of Share Transfer.
8. Register of Charges.

## ANNEXURE-B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2013.

Sr. No.	Form No./ Return	Field under Section	For	Challan No.	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
01.	Form 23AC and 23ACA XBRL	220	31.03.2012	Q06652481	14.02.2013	No	Yes
02.	Form 66	383 A	31.03.2012	Q03148046	28.11.2012	No	Yes
03.	Form 66	383 A	31.03.2011	P88793591	07.09.2012	No	Yes
04.	Form 20B	159	29.09.2012	Q06255558	29.01.2013	No	Yes
05.	Form 23	192	29.09.2012	B62681606	28.11.2012	No	Yes
06.	Form 32	303(2)	01.08.2012	B44888535	07.08.2012	Yes	-
07.	Form 23	192	30.09.2011	B57947749	20.09.2012	No	Yes
08.	Form 23	192	22.06.2012	B57947509	20.09.2012	No	Yes
09.	Form 32	303(2)	01.10.2012	B58666157	01.10.2012	Yes	-
10.	Form 8	131	21.11.2012	B63610091	11.12.2012	Yes	-
11.	Form 23B	224(1B)	31.03.2013	B17277377	13.12.2012	Yes	-
12.	Form 23B	224(1B)	31.03.2012	S11346020	27.07.2012	Yes	-

**For ANISH GUPTA & ASSOCIATES**

Company Secretaries

Sd/-

**Anish Gupta**

Proprietor

M. No. FCS 5733

C.P. No. 4092

Place : Mumbai

Date : 9<sup>th</sup> June, 2013

## INDEPENDENT AUDITOR'S REPORT

To The Members of,  
**M/S STAR DELTA TRANSFORMERS LIMITED,**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Star Delta Transformers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accounts of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free material misstatements.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on the date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of



India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that :

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
- (e) On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act;
- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For A. K. KHABYA & CO.**  
Firm Reg. No. 001994C  
Chartered Accountants

**Sd/-**

**CA. M. N. G. PILLAI**  
Partner  
Membership No.74051

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

**ANNEXURE TO THE AUDITOR'S REPORT**

**(Annexure as referred to in paragraph 3 of our report of even date of M/s STAR DELTA TRANSFORMERS LIMITED on the Account for the year ended on 31st March, 2013)**

- (i) (a) On the basis of available information the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us all the assets have been physically verified by the management as per a program of verification in a periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
- (ii) (a) As explained to us the inventories have been physically verified during the year by the management In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification as compared to the book records.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence provisions of Clause (iii) (b), (c) and (d) of Paragraph 4 are not applicable to the Company.
- (b) The company has taken unsecured loan from two company covered in the register maintained under section 301 of the Companies Act, 1956. In respect to the said loans, the maximum amount outstanding at any time during the year was Rs. 15080000/- and the year end balance is Rs. 1997654/-.
- (c) According to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions on which loans have been taken by the company are not, prima facie, prejudicial to the interest of the company.
- (d) Wherever stipulated the company has been regular in the payment of principal amount and interest.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not come across any major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500000/- in respect of each party during the year have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the purview of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, during the year.
- (vii) Though the company does not have a formal internal audit system as required by the Companies Act, 1956, its internal control procedure ensure internal checking of financial records, which in our opinion is reasonable and commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the accounts and records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed cost records have been maintained. We have, however not, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (ix) (a) According to the records of the company, undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty cess and other material statutory dues applicable to it have been regularly deposited with the appropriate authority.
- According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the records of the company examined by us and information and explanations given to us, no statutory dues were outstanding on account of any dispute as on 31st March, 2013.
- (x) The company has no accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore Paragraph 4(xii) of the Order is not applicable.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In terms of the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions and therefore paragraph 4(xv) of the Order is not applicable.
- (xvi) The company has not raised any new term loan during the year and accordingly paragraph 4(xvi) of the Order is not applicable.

- (xvii) According to the cash flow statement and other records examined by us and information and explanations given to us, on an overall basis, the funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xviii) The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act and therefore paragraph 4(xviii) of the Order is not applicable.
- (xix) The company has not issued any debentures and therefore paragraph 4(xix) of the Order is not applicable.
- (xx) The company has not raised any money by way of public issues during the year and therefore paragraph 4(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us and in our opinion, no fraud on or by the company has been noticed or reported during the year.

For **A.K. KHABYA & CO.**  
Chartered Accountants  
Firm Reg. No. 001994C

Sd/-

**CA. M.N.G. PILLAI**

Partner.

Membership No. 74051

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura, Bhopal

**BALANCE SHEET AS AT 31st March, 2013**

Particulars	NOTES	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
<b>EQUITY AND LIABILITIES</b>					
Amount in Rs.					
<b>Share Holder's Fund</b>					
Share Capital	1	30002000.00		30002000.00	
Reserve and Surplus	2	254820091.28	<b>284822091.28</b>	221998729.54	252000729.54
<b>Share Application Money Pending Allotment</b>		-			-
<b>Non-Current Liabilities</b>					
Long Term Borrowing	3	33455624.01		2179705.58	
Deferred Tax Liabilities (net)	4	20580000.00	<b>54035624.01</b>	14000000.00	16179705.58
<b>Current Liabilities</b>					
Short Term Borrowings	5	14905282.95		88583719.86	
Trade Payables	6	109838582.00		122396590.00	
Other Current Liabilities	7	8490020.00		10241392.00	
Short Term Provisions	8	2894233.00	<b>136128117.95</b>	6195815.00	227417516.86
<b>Total</b>			<b>474985833.24</b>		<b>495597951.98</b>
<b>ASSETS</b>					
<b>Non-Current Assests</b>					
<b>Fixed Assets</b>	9				
Tangible Assets		106570127.84		63728954.84	
Intangible Assets		0.00		0.00	
Capital Work in Progress		0.00		591809.00	
Intangible Assets Under Development		0.00	<b>106570127.84</b>	0.00	<b>64320763.84</b>
Non-Current Investment		0.00		0.00	
Long Term Loans And Advances		0.00	<b>0.00</b>	0.00	0.00
<b>Current Assets</b>					
Current Investment		0.00		0.00	
Inventories	10	145443489.00		147016331.00	
Trade Receivables	11	150492661.57		209268802.07	
Cash and Bank Balances	12	26251451.83		17656851.52	
Short Term Loans Advances	13	41580772.00		53823206.55	
Other Currents Assets	14	4647331.00	<b>368415705.40</b>	3511997.00	431277188.14
<b>Total</b>			<b>474985833.24</b>		<b>495597951.98</b>

Significant Accounting Policies A to O  
Notes On Financial Statements 1 to 30

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Membersip No. 074051  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner

Place : Bhopal  
Date : 9<sup>th</sup> June, 2013

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura, Bhopal

**STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	NOTES	For the year ended on 31st March, 2013	For the year ended on 31st March, 2012
<b>INCOME</b>		<b>Amount in Rs.</b>	
Revenue From Operations	15	715243401.00	667606269.00
Other Income	16	1352548.00	987873.00
<b>Total Revenue</b>		<b>716595949.00</b>	<b>668594142.00</b>
<b>EXPENDITURE</b>			
Cost Of Materials Consumed	17	540627587.00	518428456.00
Purchases Of Stock In Trade		-	-
Changes In Inventories Of Finished Goods, Work-In-Progress and Stock In-Trade	18	(11835732.00)	(30367759.00)
Employee Benefits Expenses	19	14260270.00	13266283.00
Finance Costs	20	14929181.67	15714546.46
Depreciation And Amortisations Expenses	21	6325597.00	3810271.00
Other Expenses	22	101780720.59	95922814.85
<b>Total Expenses</b>		<b>666087624.26</b>	<b>616774612.31</b>
<b>Profit Before Extra Ordinary items and Tax</b>	23	<b>50508324.74</b>	<b>51819529.69</b>
<b>Exceptional Item (Income)</b>			
Income From Previous year		1750000.00	
<b>Tax Expenses</b>			
Current Tax expense for current year		10350000.00	17000000.00
Current Tax expense relating to prior years		751951.00	(234855.00)
Net Current tax expense		11101921.00	16765145.00
Deferred tax		6580000.00	0.00
<b>Profit For The Year</b>		<b>34576403.74</b>	<b>35054384.69</b>
Earnings Per Equity Shares Of Face Value Of Rs. 10 each			
Basic and Diluted	25	11.52	11.68
Significant Accounting Policies	A to O		
Notes On Financial statements	1 to 30		

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Membership No. 074051  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner

Place : Bhopal  
Date : 9<sup>th</sup> June, 2013

## STAR DELTA TRANSFORMERS LIMITED

92-A, Industrial Area, Govindpura, Bhopal - 462 023

### CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Description	Amount in Rs.	
	For the year ended on 31st March, 2013	For the year ended on 31st March, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax & extra-ordinary items	50508324.74	51819529.69
<b>Adjustments for :</b>		
Depreciation and amortisation	6325597.00	3810271.00
(Profit)/Loss on sale/ write off of assets	0.00	(5999.00)
Finance Costs	14929181.67	15714546.46
Provisions		(4440773.00)
Interest Income	(1300671.00)	(955048.00)
Dividend Income	0.00	0.00
Liabilities / provisions no longer required written/back	0.00	0.00
<b>Operating Profit before Working Capital Changes</b>	<u>19954107.67</u>	<u>14122997.46</u>
<b>Changes in Working Capital:</b>		
Adjustments for (increase)/ decrease in operating assets:		
Inventories	1572842.00	(54554543.00)
Trade receivables	58776140.50	(52314718.00)
Short-term Loans and advances	12242434.55	(499114.55)
Long term loans and advances	0.00	0.00
Other Current Assets	(1135334.00)	(840318.00)
Other Non-Current Assets	0.00	0.00
	<u>71456083.05</u>	<u>108208693.55</u>
	141918515.46	(42266166.40)
Adjustments for increase/ (decrease) in operating Liabilities:		
Trade Payables	(12558008.00)	39883081.00
Other Current Liabilities	(1751372.00)	194480.00
Short Term Borrowings		
Other Long Term Liabilities	0.00	0.00
Short Term Provisions	0.00	2207847.00
Long Term Provisions	0.00	0.00
	<u>(14309380.00)</u>	<u>42285408.00</u>
<b>Cash Generated from Operations before Tax &amp; Extraordinary Item</b>	127609135.46	19241.60
Previous Year Income	1750000.00	
<b>Cash Generated from Operations before Tax</b>	129359135.46	
Net Income Tax (paid) / refunds	14403503.00	12324372.00
<b>NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES [A]</b>	<u>114955632.46</u>	<u>(12305130.40)</u>

**B CASH FLOWS FROM INVESTMENT ACTIVITIES**

Capital Expenditure on Fixed Assets	(48574961.00)		(2149112.00)	
Capital work in progress			(591809.00)	
Sale of Fixed Assets	0.00		6000.00	
Interest Received	1300671.00	(47274290.00)	955048.00	(1779873.00)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES [B]</b>		<b>(47274290.00)</b>		<b>(1779873.00)</b>

**C CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from issue of Share Capital	0.00		0.00	
Security Premium received	0.00		0.00	
Proceeds from Long-term borrowings	31275918.43		0.00	
Repayment of Long Term Borrowings			(550157.79)	
Net Increase/(Decrease) in Working Capital borrowings	(27926090.91)		36676159.14	
Proceeds from Other Short Term Borrowings			900000.00	
Repayment of Other Short Term Borrowings	(45752346.00)		0.00	
Finance Cost	(14929181.67)		(15714546.46)	
Dividends Paid	(1500100.00)		(1500100.00)	
Tax on Dividend	(254942.00)	(59086742.15)	(254942.00)	19556412.89
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES [C]</b>		<b>(59086742.15)</b>		<b>19556412.89</b>

Net Increase/(decrease) in cash and cash equivalents (A + B + C)		<b>8594600.31</b>		<b>5471409.49</b>
Cash & cash equivalents at the beginning of the year		17656851.52		12185442.03
Cash and cash equivalents at the end of the year*		26251451.83		17656851.52

*Comprises		0.00		0.00
a) Cash on hand		1798493.00		3040129.00
b) Cheques, drafts on hand		12739237.00		4041236.00
c) Balance with Banks:				
(i) In current Assets		109336.83		21301.52
(ii) In deposit accounts with original maturity of less than 3 months		0.00		0.00
(iii) Others		11604385.00		10554185.00

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

Sd/-  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Sd/-  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

Sd/-  
**A.K. KHABYA & CO.**  
CHARTERED ACCOUNTANTS  
Membersip No. 074051  
Firm Reg. No. 001994C  
**M.N.G. PILLAI**  
Partner

Place : Bhopal  
Date : 9<sup>th</sup> June, 2013



## STAR DELTA TRANSFORMERS LIMITED

### SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Preparation of Financial Statements

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the company.

#### B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates, if any, are recognised in the period in which the results are known/materialized.

#### C. Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production/ upto the date the asset is put to use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

#### D. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. All costs, including costs till commencement of commercial production net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised.

#### E. Depreciation and Amortisation:

Depreciation on fixed assets acquired upto 31/03/1996 has been provided on WDV method at the rates prescribed in the schedule "XIV" of The Companies Act, 1956. Depreciation on assets acquired after 01/04/1996 has been provided on SLM in the manner provided in schedule "XIV" of The Companies Act, 1956 and no depreciation has been charged on the assets sold during the year.

#### F. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### G. Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Non monetary foreign currency items are carried at cost.

- (d) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### H. Investment

Current investment are carried at cost . Long Term investments are stated at cost. Provision for diminution in the value of investments is made only if such a decline is other than temporary.

#### I. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Scrap material is valued at net realisable value.

#### J. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods, services, sales tax, service tax and excise duty adjusted for discount (net) and Value Added Tax (VAT). Dividend income is recognised when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable or as certified by financial institution.

For construction contracts revenue is recognised on percentage completion method based on the percentage of actual cost incurred upto the reporting date to the total estimated cost of the contract. Income from erection, commissioning and other project management services is recognised on work done based on percentage of completion method.

#### K. Employee Benefits

- (i) Short-term employee benefits are recognised as an expenses at the undiscounted amount in the profit and loss account in the year in which the related service is rendered and as per the policy consistently followed by the Company.
- (ii) The gratuity liability in respect of employees of the company has been covered through LIC policy, the annual premium paid/ payable for such policy is accounted for as a revenue expenditure.

#### L. Claims by/against the Company

- (i) Claims for liquidated damages against the Company are recognised in accounts based on management's assessment of the probable outcomes with reference to the available information supplemented by experience of similar transactions.
- (ii) Claims for export incentives/duty drawbacks/duty refunds and insurance claims etc., if any, are taken into account on accrual basis.
- (iii) Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same from customers. However, escalation is restricted to intrinsic value.

#### M. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to profit and loss account.

**N. Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that is a virtual certainty that the asset will be realised in future.

**O. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**Sd/-**  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

**Sd/-**  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Place : Bhopal

Date : 9<sup>th</sup> June, 2013

## STAR DELTA TRANSFORMERS LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		(Amount in Rs.)			
		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
<b>1</b>	<b>SHARE CAPITAL</b>				
	<b>Authorised Share Capital:</b>				
	3125000 equity shares of Rs.10/- each	31250000.00		31250000.00	
	50000 Preference Shares of Rs.10/- each	500000.00		500000.00	
			<b>31,750,000.00</b>		<b>31,750,000.00</b>
	<b>Issued, Subscribed and Paid up:</b>				
	3000200 Equity Share of Rs.10/- each	30,002,000.00		30,002,000.00	
	fully paid up		<b>30,002,000.00</b>		<b>30,002,000.00</b>
<b>1.1</b> The details of Shareholders holding more than 5% shares:					
		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2013	
	Name of Shareholder	No. of shares	% held	No. of shares	% held
	MR. KISHORE GUPTA	583,500	19.45	583,500	19.45
	MR. RAKESH GUPTA	562,100	18.73	562,100	18.73
	MRS. ARCHANA GUPTA	268,300	8.94	268,300	8.94
	MRS. MANJU GUPTA	241,500	8.05	241,500	8.05
	MR. MAYANK GUPTA	428,300	14.28	428,300	14.28
<b>1.2</b> The reconciliation of the number of shares outstanding is set out below:					
<b>Particulars</b>		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
		No. of shares		No. of shares	
	Equity Shares at the beginning of the year	3,000,200		3,000,200	
	Equity Shares at the end of the year	3,000,200		3,000,200	
<b>2</b>	<b>RESERVES AND SURPLUS</b>	(Amount in Rs.)			
		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
	<b>Capital Redemption Reserve</b>				
	As per last Balance Sheet	200000.00		200000.00	
	<b>TOTAL</b>		<b>200000.00</b>		<b>200000.00</b>
	<b>Securities Premium Account</b>				
	As per last Balance Sheet	5712000.00		5712000.00	
	<b>TOTAL</b>		<b>5712000.00</b>		<b>5712000.00</b>

<b>Capital Reserve A/c</b>				
As Per last balance sheet	1031000.00		1031000.00	
<b>TOTAL</b>		<b>1031000.00</b>		<b>1031000.00</b>
<b>General Reserve *</b>				
As per last Balance Sheet	210000000.00		180000000.00	
Add: Transferred from Profit and Loss Account	35000000.00		30000000.00	
<b>TOTAL</b>		<b>245000000.00</b>		<b>210000000.00</b>
<b>Profit and Loss Account</b>				
As per last Balance Sheet	5055729.54		1756386.85	
Add: Profit for the year	34576403.74		35054384.69	
	39632133.28		36810771.54	
Less: Appropriations				
Transferred to General Reserve	35000000.00		30000000.00	
Dividend	1500100.00		1500100.00	
Tax on Dividend	254942.00	2877091.28	254942.00	5055729.54
<b>TOTAL</b>		<b>254820091.28</b>		<b>221998729.54</b>

**3 LONG TERM BORROWINGS**

(Amount in Rs.)

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
	Non current	current	Non current	current
<b>Secured</b>	-	-	-	-
<b>From Bank</b>				
<u>HDFC Car loan A/c</u> (Against hypothecation of car)	978571.63	625244.38	1603816.01	575889.57
<u>State Bank of India Term Loan A/c</u>	29451808.00	2400000.00	0.00	0.00
	<b>30430379.63</b>	<b>3025244.38</b>	<b>1603816.01</b>	<b>575889.57</b>
<b>Unsecured</b>	-	-	-	-
<b>TOTAL</b>	<b>30430379.63</b>	<b>3025244.38</b>	<b>1603816.01</b>	<b>575889.57</b>

3.1 Term Loan from State Bank of India is Secured by First charge on the entire fixed assets of the Company including Land and Buildings situated at S.No. 13/2/2 Village Gagorni, District Rajgarh.

3.2 Car Loan from HDFC Bank is secured by hypothecation of the Car purchased.

**4 DEFERRED TAX LIABILITY(Net)**

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
<b>Deferred Tax Liability</b>				
Related to Fixed Assets		20580000.00		14000000.00
<b>Deferred Tax Assets</b>		0.00		0.00
<b>TOTAL</b>		<b>20580000.00</b>		<b>14000000.00</b>

**5 SHORT TERM BORROWINGS**

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
<b>Secured</b>				
<b>working Capital Loans</b>				
<b>From Banks</b>				
State Bank of India PCC A/c		12907628.95		40833719.86
<b>Unsecured</b>				
<b>Other Loans And Advances</b>				
<b>Loans Repayable on demand from other parties</b>				
Bilpower Limited Mumbai	0.00		21800000.00	
Tarapur Transformers Ltd.	0.00		15000000.00	
<b>Loans and advances from Related Parties</b>				
ARK Transformers Private Limited	1997654.00			
Majestic Leasing Co. Ltd. New Delhi	0.00	1997654.00	10950000.00	47750000.00
<b>TOTAL</b>		<b>14905282.95</b>		<b>88583719.86</b>

**5.1** Working Capital loan is secured by first charge entire current assets of the Company and by first mortgage/charge on immovable properties situated at 92-A, Industrial Area, Govinpura, Bhopal. All credit facilities from State Bank of India including Term Loan as per Note 3 above is collaterally secured by Equitable Mortgage of house property at E-1/207 owned by Shri Kishore Gupta and Shri Rakesh Gupta, both directors of the Company also by their personal guarantee.

**6 TRADE PAYABLES**

(Amount in Rs.)

	31st MARCH, 2013	31st MARCH, 2012
<b>Micro Small And Medium Enterprises</b>	<b>78659264.00</b>	<b>94726168.00</b>
<b>Others</b>	<b>31179318.00</b>	<b>27670422.00</b>
<b>TOTAL</b>	<b>109838582.00</b>	<b>122396590.00</b>

**6.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31 March, 2013		As at 31 March, 2012	
		Rs.		Rs.
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year		78659264.00		94726168.00
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year		-		-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		-		-
(iv) The amount of interest due and payable for the year		-		-

(v) The amount of interest accrued and remaining unpaid at the end of the accounting year		-		-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid		-		-
<b>6.2</b> The details of amounts outstanding to Micro, Small and Medium Enterprises determined to the extent such Parties have been identified based on available information collected by the Management. This has been relied upon by the Auditors.				
<b>6.3 Others:</b>				
Creditors for Supplies	28968427.00		25329287.00	
Creditors for Expenses	430075.00		484549.00	
Outstanding Expenses	1780816.00	31179318.00	1856586.00	27670422.00

**7 OTHER CURRENT LIABILITIES**

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Interest accrued but not due on borrowings		-		-
Unclaimed Dividend #		20500.00		24300.00
Creditors for Capital Goods		-		-
Advance Received against Court Order		2114830.00		2114830.00
Other Payables *		6354690.00		8102262.00
<b>TOTAL</b>		<b>8490020.00</b>		<b>10241392.00</b>

\*Includes Statutory dues, Security deposits & Advance from customers.

**8 SHORT TERM PROVISIONS**

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Provision for Superannuation/Gratuity/Leave Encashment		0.00		0.00
Provision for Income Tax (Net of Advance Tax & TDS)		1139191.00		4440773.00
Proposed Dividend		1500100.00		1500100.00
Tax on dividend		254942.00		254942.00
<b>TOTAL</b>		<b>2894233.00</b>		<b>6195815.00</b>

**Star Delta Transformers Limited**

92'A' Industrial Area ,Govindpura, Bhopal

9. FIXED ASSETS

**SCHEDULE OF FIXED ASSETS AS ON 31st MARCH, 2013**

Schedule-5

S.N.	Description of Assets	GROSS BLOCK				DEPRICIATION				NET BLOCK	
		As on 01-04-2012	Addition	Deduction Adjustment	As at 31-03-2013	As at 01-04-2012	For the Year	Deduction Adjustment	Upto 31-03-2013	As at 31-03-2013	As at 31-03-2012
<b>A.</b>	<b>TANGIBLE ASSETS:</b>										
	<b>OWN ASSETS:</b>										
	Land	34378.84	0.00	0.00	34378.84	0.00	0.00	0.00	0.00	34378.84	34378.84
	Land (Solar Power Plant)	0.00	1062500.00	0.00	1062500.00	0.00	0.00	0.00	0.00	1062500.00	0.00
	Building and Shed	13701226.41	0.00	0.00	13701226.41	3754552.41	436242.00	0.00	4190794.41	9510432.00	9946674.00
	Building and Shed Unit II	25321617.00	2542795.00	0.00	27864412.00	1690211.00	874129.00	0.00	2564340.00	25300072.00	23631406.00
	Plant & Machinery	23320709.25	1113101.00	0.00	24433810.25	9400002.25	1084049.00	0.00	10484051.25	13949759.00	13920707.00
	Plant & Machinery Unit II	8341200.00	39860.00	0.00	8381060.00	789414.00	397241.00	0.00	1186655.00	7194405.00	7551786.00
	Plant & Machinery (Solar)	0.00	44061800.00	0.00	44061800.00	0.00	2359129.00	0.00	2359129.00	41702671.00	0.00
	Electrical Installation	2367601.86	0.00	0.00	2367601.86	974088.86	107778.00	0.00	1081866.86	1285735.00	1393513.00
	Electrical Installation Unit II	363511.00	224163.00	0.00	587674.00	13415.00	21680.00	0.00	35095.00	552579.00	350096.00
	Office Equipment	1055853.05	108283.00	0.00	1164136.05	460909.05	44787.00	0.00	505696.05	658440.00	594944.00
	Furniture & Fixtures	1441446.49	7368.00	0.00	1448814.49	667381.49	109942.00	0.00	777323.49	671491.00	774065.00
	Vehicles	7783535.00	0.00	0.00	7783535.00	2579381.00	739436.00	0.00	3318817.00	4464718.00	5204154.00
	Computer	1020123.43	6900.00	0.00	1027023.43	692892.43	151184.00	0.00	844076.43	182947.00	327231.00
	<b>Sub-Total</b>	<b>84751202.33</b>	<b>49166770.00</b>	<b>0.00</b>	<b>133917972.33</b>	<b>21022247.49</b>	<b>6325597.00</b>	<b>0.00</b>	<b>27347844.49</b>	<b>106570127.84</b>	<b>63728954.84</b>
	<b>LEASED ASSETS:</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>84751202.33</b>	<b>49166770.00</b>	<b>0.00</b>	<b>133917972.33</b>	<b>21022247.49</b>	<b>6325597.00</b>	<b>0.00</b>	<b>27347844.49</b>	<b>106570127.84</b>	<b>63728954.84</b>
<b>B.</b>	<b>INTANGIBLE ASSETS:</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL(B)</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (A+B)</b>	<b>84751202.33</b>	<b>49166770.00</b>	<b>0.00</b>	<b>133917972.33</b>	<b>21022247.49</b>	<b>6325597.00</b>	<b>0.00</b>	<b>27347844.49</b>	<b>106570127.84</b>	<b>63728954.84</b>
	Previous Year	81839888.33	2932641.00	21327.00	84751202.33	17233302.49	3810271.00	21326.00	21022247.49	63728954.84	64606585.84
<b>C.</b>	<b>CAPITAL WORK IN PROGRESS</b>										
	Building & Shed under Construction Unit II	591809.00	1335611.00	1927420.00	0.00	0.00	0.00	0.00	0.00	0.00	591809.00
	Building & Shed under Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Intangible Assets under Development				0.00					0.00	0.00



10 INVENTORIES		(Amount in Rs.)			
		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Raw Materials			27686859.00		41095433.00
Goods In Progress			100604730.00		97661818.00
Finished Goods			180000.00		0.00
Scrap Material			15564900.00		8259080.00
Solar Power Stock			1407000.00		0.00
			145443489.00		147016331.00
LESS: Vat on Stock Utilised			0.00		0.00
<b>TOTAL</b>			<b>145443489.00</b>		<b>147016331.00</b>
11 TRADE RECEIVABLES					
(Unsecured and Considered Good)		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Over Six Months			11952093.57		859882.07
Others			138540568.00		208408920.00
<b>TOTAL</b>			<b>150492661.57</b>		<b>209268802.07</b>
12 CASH AND BANK BALANCES					
		AS AT 31st MARCH, 2012		AS AT 31st MARCH, 2012	
Cash in Hand		1798493.00		3040129.00	
Cash in Imprest		197330.00	1995823.00	143330.00	3183459.00
Cheques in hand			12739237.00		4041236.00
Balance with scheduled Banks					
(i) In Current Accounts		109336.83			21301.52
(ii) In Deposit Accounts		0.00			0.00
(iii) In Earmarked Accounts:					
- Unpaid Dividend Account		28337.00			32137.00
- Balances held as Margin Money or Security against Borrowings, Guarantees, and Other Commitments #		11333794.00			10333794.00
- SBI SDT Employees Gratuity Account		44924.00	11516391.83		44924.00
<b>TOTAL</b>			<b>26251451.83</b>		<b>17656851.52</b>
#Fixed Deposits with banks held as Margin Money amounting to Rs. 11333794/- (Previous year Rs.10333794/-) with maturity more than 12 months.					
13 SHORT - TERM LOANS AND ADVANCES					
(Unsecured and considered good)		AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Advance To Suppliers		3976475.00		10437082.00	

**2012-2013**

Advance for Services/Testing	<u>599347.50</u>	4575822.50	<u>771995.50</u>	11209077.50
Security Deposits		5568529.00		4346298.00
Loans and Advances to Employees		480111.00		499708.00
Balance with Customs, Central Excise & Income Tax Authorities		26174662.00		25111878.00
Prepaid Expense		4781647.50		10470717.05
Others - Custom Duty Advance Licence		0.00		2185528.00
<b>TOTAL</b>		<u>41580772.00</u>		<u>53823206.55</u>

**14 OTHER CURRENT ASSETS**

(Amount in Rs)

	AS AT 31st MARCH, 2013		AS AT 31st MARCH, 2012	
Interest Accrued on Deposits		<u>4647331.00</u>		<u>3511997.00</u>
<b>TOTAL</b>		<u>4647331.00</u>		<u>3511997.00</u>

**15 REVENUE FROM OPERATIONS**

2012-13

2011-12

Sale of Products		761123108.00		688874499.00
Sales of Solar Power		2398473.00		0.00
Income from Services		22315057.00		23743074.00
Other operating revenues		3485733.00		5762024.00
		<u>789322371.00</u>		<u>718379597.00</u>
Less: Excise Duty /Service Tax		74078970.00		50773328.00
<b>TOTAL</b>		<u>715243401.00</u>		<u>667606269.00</u>

**15.1 PARTICULARS OF SALE OF PRODUCTS**

2012-13

2011-12

Transformers		761123108.00		688874499.00
<b>TOTAL</b>		<u>761123108.00</u>		<u>688874499.00</u>

**15.2 PARTICULARS OF SALE OF POWER**

2012-13

2011-12

Sales Solar Power		2398473.00		0.00
<b>TOTAL</b>		<u>2398473.00</u>		<u>0.00</u>

**15.3 PARTICULARS OF INCOME FROM SERVICES**

2012-13

2011-12

Civil Work		72331.00		4964308.00
Labour Charges		1058500.00		1952208.00
Erection & Commissioning charges		50000.00		2179791.00
Freight		16764949.00		10324500.00
Business Auxiliary services		4283937.00		2101811.00
Testing charges		85340.00		2220456.00
		<u>22315057.00</u>		<u>23743074.00</u>

**15.4 PARTICULARS OF OTHER OPERATING REVENUES**

2012-13

2011-12

Sale of scrap		3485733.00		5762024.00
		<u>3485733.00</u>		<u>5762024.00</u>

**16 OTHER INCOME**

2012-13

2011-12

Interest				
From Others		1300671.00		955048.00
		<u>1300671.00</u>		<u>955048.00</u>

Dividend		0.00		0.00
Net gain on sale of Investments		0.00		0.00
Other non Operating Incomes*		51877.00		32825.00
		51877.00		32825.00
<b>TOTAL</b>		<b>1352548.00</b>		<b>987873.00</b>

\* Net of expenses directly attributable to such income

16.1 PARTICULARS OF OTHER NON OPERATING INCOMES	2012-13	2011-12
Profit on sale of vehicle	0.00	5999.00
Entry Tax Refund	0.00	25594.00
Misc. Balances written off	51877.00	1232.00
<b>TOTAL</b>	<b>51877.00</b>	<b>32825.00</b>
<b>17 COST OF MATERIAL CONSUMED</b>	(Amount in Rs.)	
	2012-13	2011-12
Opening Stock	41095433.00	17411172.00
Add: Purchases	616654748.00	609028733.00
	657750181.00	626439905.00
Less : Cenvat & VAT Consumed	89435735.00	66916016.00
	568314446.00	559523889.00
Less: Closing stock	27686859.00	41095433.00
<b>TOTAL</b>	<b>540627587.00</b>	<b>518428456.00</b>
<b>18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>	2012-13	2011-12
<u>Inventories at the end of the year</u>		
Finished goods	180000.00	0.00
Work-in-progress	100604730.00	97661818.00
Scrap	15564900.00	8259080.00
Solar Power	1407000.00	0.00
	117756630.00	105920898.00
<u>Inventories at the beginning of the year</u>		
Finished goods	0.00	8342500.00
Work-in-progress	97661818.00	63439018.00
Scrap	8259080.00	3771621.00
	105920898.00	75553139.00
	(11835732.00)	(30367759.00)
<b>19 EMPLOYEE BENEFITS EXPENSES</b>	2012-13	2011-12
Salaries and Wages	13173079.00	12204005.00
Contribution to Provident and Other Funds	626378.00	588289.00
Staff Welfare Expenses	460813.00	473989.00
<b>TOTAL</b>	<b>14260270.00</b>	<b>13266283.00</b>

20	FINANCE COSTS	2012-13		2011-12	
	(a) INTEREST EXPENSES ON:				
	Borrowings ( Bank)		8691007.43		8529791.50
	Other Borrowings		3506959.00		4734863.00
	(b) Bank Charges		2731215.24		2449891.96
	<b>TOTAL</b>		14929181.67		15714546.46
21	DEPRICIATION AND AMORTISATION EXPENSES	2012-13		2011-12	
	Depriciation and Amortisation		6325597.00		27347844.49
	<b>TOTAL</b>		6325597.00		27347844.49
22	OTHER EXPENSES		2012-13		2011-12
	<b>Manufacturing Expenses:</b>				
	Carriage inward	5911765.00		5355072.00	
	Consumption of tools	392392.00		493414.00	
	Consumption of stores	0.00		2666.00	
	Entry tax	2406897.00		2921185.00	
	Power & Fuel Charges	5356770.00		4333571.00	
	Job Work	26679908.00		20912544.00	
	Labour Charges	3015109.00		6216882.00	
	Machinery maintenance	1268341.00		1470394.00	
	T'mer repair under guarantee	214850.00		13785.00	
	Testing Expenses	1289876.00	46535908.40	1946478.50	43665991.50
	<b>Selling &amp; Distribution Expenses:</b>				
	VAT	34308218.00		27204945.00	
	Consumption of Packing material	456133.00		849553.00	
	Commission on sales	830852.00		901177.00	
	Carriage outward	8432662.00		8174516.00	
	Advertisement & Publicity	32453.00		109741.00	
	Tender Expenses	215532.00		124100.00	
	Cess expenses	141849.00		16932.00	
	Municipal taxes (Niryat Kar)	60716.00		167256.00	
	Late Delivery damages	4421431.00		7645371.00	
	Godown Rent	5000.00		27000.00	
	Entertainment Expenses	23722.00	48928568.00	27612.00	45248203.00
	<b>Administrative Expenses</b>				
	Building Maintenance	126824.00		683482.00	
	Computer maintenancè	70610.00		89981.00	
	Electrical maintenance	168581.00		528906.00	
	Furniture maintenance	8506.00		16807.00	
	Office Equipment maintenance	33450.00		15940.00	
	Vehicle maintenance	141485.00		156247.00	
	Conveyance Expenses	459270.00		414138.00	

Books & periodicals	625.00		3355.00	
Insurance	348997.00		549564.35	
Legal expenses	389770.00		64173.00	
Listing fee	27163.00		25000.00	
Professional charges	640252.19		523528.00	
Professional tax	5000.00		2500.00	
Rates, Fees & Taxes	460927.00		534043.00	
Directors Sitting Fees	16000.00		16000.00	
Payment to Auditors*	81531.00		124633.00	
Postage & Telegraph	72100.00		64833.00	
Stationary & Printing	335381.00		324790.00	
Subscription	137609.00		43351.00	
Sundry Expenses	302287.00		320331.00	
Telephone expenses	262746.00		233412.00	
Travelling expenses	2132629.00		2139148.00	
Vehicle running expenses	94501.00		133957.00	
Donation	0.00	6316244.19	501.00	7008620.35
<b>TOTAL</b>		<b>101780720.59</b>		<b>95922814.85</b>
<b>* PAYMENT TO AUDITORS AS:</b>		<b>2012-13</b>		<b>2011-12</b>
Audit Fee		44944.00		44944.00
Tax Audit Fee		16854.00		16854.00
Other Service charges		19733.00		62835.00
<b>TOTAL</b>		<b>81531.00</b>		<b>124633.00</b>
<b>23 EXCEPTIONAL ITEMS :</b>				
Previous Year Income		1750000.00		0.00
<b>24 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS</b>				
		<b>2012-13</b>		<b>2011-12</b>
<b>24.1 DETAILS OF FIXED ASSETS HELD FOR SALE</b>		NIL		NIL
<b>24.2 VALUE OF IMPORTS CALCULATED ON CIF BASIS</b>				
Raw Materials & Components		51837884.00		55017909.00
Spares Parts		NIL		NIL
Capital Goods		NIL		NIL
<b>24.3 DETAILS OF CONSUMPTION OF IMPORTED &amp; INDIGENOUS ITEMS</b>		<b>2012-13</b>		<b>2011-12</b>
		Rs.	% OF	Rs.
<b>A. Imported:</b>			<b>CONSUMPTION</b>	
Raw material & Components		51837884.00	9.59	55017909.00
				10.61

Spare Parts	0.00	0.00	0.00	0.00
<b>TOTAL (A)</b>	<b>51837884.00</b>		<b>55017909.00</b>	
<b>B. INDIGENOUS:</b>				
Raw material & Components	488789703.00	90.41	463410547.00	89.39
Spare Parts	0.00	0.00	0.00	0.00
<b>TOTAL (B)</b>	<b>488789703.00</b>		<b>463410547.00</b>	
<b>TOTAL CONSUMPTION (A+B)</b>	<b>540627587.00</b>		<b>518428456.00</b>	
	<b>2012-13</b>		<b>2011-12</b>	
<b>24.4 EXPENDITURE IN FOREIGN CURRENCY:</b>		<b>NIL</b>		<b>NIL</b>
<b>24.5 EARNING IN FOREIGN EXCHANGE</b>		<b>NIL</b>		<b>NIL</b>
<b>25 EARNING PER SHARE (EPS)</b>	<b>2012-13</b>		<b>2011-12</b>	
i) Net Profit after tax as per Statement of profit and loss attributable to equity shareholder		<b>34576403.74</b>		<b>35054384.69</b>
ii) Weighted Average number of equity shares used as denomination for calculating EPS		<b>3000200.00</b>		<b>3000200.00</b>
iii) Basic and diluted earning per share (')		<b>11.52</b>		<b>11.68</b>
iv) Face value per equity share(')		<b>10.00</b>		<b>10.00</b>
	<b>2012-13</b>		<b>2011-12</b>	
<b>26 AMOUNT REMITTED IN FOREIGN CURRENCY DURING THE YEAR ON ACCOUNT OF DIVIDEND</b>		<b>NIL</b>		<b>NIL</b>

- 27 As per accounting standard 17 (AS17) on Segment Reporting, segment information should be provided for reportable segment where the segment revenue constitutes more than 10% of total revenue. The company operates in two segments viz. manufacturing of transformers and generation of power from Solar Plant. However the revenue from Solar Power generation is less than 10% of total revenue hence not separately disclosed under "Segment reporting".
- 28 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

## 29 RELATED PARTY TRANSACTIONS :

Name of Related Parties	Relationship	Salary	Dividend	Business Transaction	Interest	Unsecured Loan taken	Total Transaction	Outstanding as on 31/03/2013
M/s Bhopal Wires Pvt. Ltd.	Associate	0	0	44781146	0	0	44781146	59637952
M/s Neha industries	Associate	0	0	111150149	0	0	111150149	907366
M/s Majestic Leasing Co. limited	Associate	0	0	0	1174849	1050000	2224849	0
M/s ARK Transformars Pvt. limited	Associate	0	30000	0	219616	2900000	3149616	1997654
Shri Kishore Gupta	Key Management Personal	1440000	291750	0	0	0	1731750	0
Shri Rakesh Gupta	Key Management Personal	960000	281050	0	0	0	1241050	0
Shri Mayank Gupta	Key Management Personal	720000	214150	0	0	0	934150	0
Shri L. N. Gupta	Relative of Key Management Personal	0	2300	0	0	0	2300	0
Smt. Archna Gupta	Relative of Key Management Personal	0	134150	0	0	0	134150	0
Ku. Manali Gupta	Relative of Key Management Personal	0	35000	0	0	0	35000	0
Smt. Manju Gupta	Relative of Key Management Personal	0	120750	0	0	0	120750	0
Ku. Tusharika Gupta	Relative of Key Management Personal	0	5000	0	0	0	5000	0
Mr. Archit Gupta	Relative of Key Management Personal	0	10000	0	0	0	10000	0

## 30 CONTINGENT LIABILITIES AND COMMITMENTS

As at  
31st March, 2013

As at  
31st March, 2012

## (i) Contingent Liabilities

(A) Claims against the company not acknowledged as debts

NIL

NIL

## (B) Guarantees

(i) guarantees to banks and financial institutions against credit facilities extended to third parties

NIL

NIL

(ii) Performance Guarantees

(a) In respect of joint ventures

NIL

NIL

(b) In respect of others

106860733/-

103742972/-

(iii) Outstanding guarantees furnished to Banks and financial institution including in respect of letters of credits

(a) In respect of joint ventures

NIL

NIL

(b) In respect of others

25026100/-

12676068/-

(C) Others Money for which the company is contingently liable

(i) Liability in respect of bills discounted with banks (Including third party bills discounting)	NIL	NIL
(II) Commitments		
(A) Estimated amount of contacts remaining to be executed on capital account and not provided for:		
Tangible assets	NIL	NIL
Intangible assets	NIL	NIL
(B) Uncalled Liability on shares and other investments partly paid	NIL	NIL
(C) Others commitments		

**Sd/-**  
**RAKESH GUPTA**  
EXECUTIVE DIRECTOR

**Sd/-**  
**KISHORE GUPTA**  
MANAGING DIRECTOR

Place : Bhopal

Date : 9<sup>th</sup> June, 2013



If, undelivered please return to:

**Regd. Office:**

**STAR DELTA TRANSFORMERS LIMITED**

92-A, Industrial Area, Govindpura,

Bhopal - 462 023

Madhya Pradesh

