
STARVOX ELECTRONICS LIMITED

NOTICE

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

ORDINARY BUSINESS

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

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :
"RESOLVED THAT M/S M. C. Gupta & Co., Company Secretaries, Ahmedabad, be and are hereby appointed as Secretary in Whole-time practice to issue to the Company the Compliance Certificate as required under Sub-rule (1) of Rule 3 of Companies (Compliance Certificate) Rules, 2001 under Section 383A of the Companies Act, 1956 for the financial year 2010-2011 at a remuneration which may be determined by the Board of Directors of the Company in consultation with the said Company Secretaries."

Place : Ahmedabad
Date : 30th July, 2010

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

Note :

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

EXPLANATORY STATEMENT

Item No. 5 :

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

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

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

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

Place : Ahmedabad
Date : 30th July, 2010

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

STARVOX ELECTRONICS LIMITED**DIRECTORS' REPORT**

Dear Shareholders,

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

FINANCIAL RESULTS

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

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

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

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

DEPOSITS

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

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

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

PARTICULARS OF EMPLOYEE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

DIRECTORS

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

You are requested to re-appoint them.

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

CORPORATE GOVERNANCE

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

AUDITORS

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

COMPLIANCE CERTIFICATE

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

AUDITORS REPORT

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

APPRECIATION

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

Place : Ahmedabad
Date : 30th July 2010

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

STARVOX ELECTRONICS LIMITED

COMPLIANCE CERTIFICATE

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

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

We have examined the registers, records, books and papers of **M/S. STARVOX ELECTRONICS LIMITED**, as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

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

- (iv) was not required to transfer any amount to the Investor Education and Protection Fund during the said financial year being unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
- (v) has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of Directors, Additional director, Alternate Directors and Directors to fill casual vacancies during the financial year.
 15. The Company has not appointed Managing Director during the financial year.
 16. The Company has not appointed any sole-selling agents during the financial year.
 17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act during the financial year.
 18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
 19. The Company has not issued any shares, debentures or other securities during the financial year.
 20. The Company has not bought back any Shares / securities during the financial year.
 21. The Company has not redeemed preference shares or debentures during the financial year.
 22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Companies Act, 1956 during the financial year.
 24. The amount borrowed by the Company from banks and others during the financial year ending 31st March, 2010 is within the borrowing limits of the Company and that necessary resolutions as per Section 293(1)(d) of the Act, 1956 has been passed at the Extra Ordinary General Meeting of the Company held on 28th September, 1989.
 25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose during the financial year.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the financial year.
 31. As confirmed by the management, there was no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the financial year for offenses under the Act.
 32. As confirmed by the Management, the Company has not received any money as security from its employees during the financial year.
 33. The provisions of section 418 of the Companies Act, 1956 are not applicable to the Company. The Company is depositing the provident fund with the office of the Provident Fund Commissioner.

Place : Ahmedabad
Date : 30th July, 2010

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

STARVOX ELECTRONICS LIMITED

ANNEXURE - A

Registers as maintained by the Company :

Statutory Registers :

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

Other Registers :

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

ANNEXURE - B

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

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

AUDITORS' REPORT

To,
The Members of
STARVOX ELECTRONICS LIMITED

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

I. Note No. 7 (a) to (e) relating to non provision of :

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

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

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

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

Place : Ahmedabad
Date : 30th May 2010

STARVOX ELECTRONICS LIMITED

Annexure to the Auditor's Report

(Referred to in Paragraph (3) of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
(b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification. The frequency of such verification was in our opinion, reasonable.
(c) In our opinion, and according to the information and explanations given to us, a substantially part of Fixed Assets has not been disposed off by the company during the year.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
c) The company noticed discrepancies on verification between the physical stock and the book records and they were not material.
3. The Company has neither granted nor taken any loans, secured or unsecured from the companies, firms or other parties maintained in register under section 301.
4. In our opinion and according to the information and explanations given to us during the course of the audit, there are adequate internal control procedures commensurate with size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. a) According to the information and explanations given to us the particulars of contracts or arrangements referred to in Sec. 301 of The Act. have been entered in the register required to be maintained under that section.
b) These transactions pursuant to such contracts are made at price which are reasonable having regard to prevailing market prices at relevant time.
6. The Company has not accepted any deposits from the public during the period and hence question of compliance of RBI directives and provisions of Section 58A and 58M or other provisions does not arise.
7. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business. Internal Audit is carried out by an independent firm of Chartered Accountants.
8. The Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the product of the Company.
9. a) The Company is regular in depositing undisputed statutory dues such as PF, ESI, IT, ST, Central Excise Duty, Custom Duty, Wealth Tax, Service Tax, Investor Education & Protection Fund etc., with appropriate authorities and no undisputed amounts payable as on 31st March 2010 were pending for payments.
b) Following dues payable to various Government Authorities are disputed and hence not paid or provided for by the Company :

Sr.	Particulars	Amount Rs.	Level at which the dispute is pending
01	Custom Duty on Capital Goods	89606	CEGAT has remanded the matter and hearing is completed at Department.
02	Custom Duty on Raw Material	42411	Hon. Supreme Court
03	Royalty claims by NRDC	85000	Arbitrator
04	Claims of SBI for loan	unascertainable	DRT AHMEDABAD

25TH ANNUAL REPORT

10. The accumulated losses of the Company are more than 50% of its net worth. The Company has incurred cash losses during the financial year covered by our audit.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or bank or debenture holders subject to Note No. 7 of Notes on Accounts.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures & other securities and hence maintenance of records does not arise.
13. In our opinion the Company is not chit fund or a nidhi / mutual benefit funds / society, therefore the provisions of clause 4 (xiii) are not applicable to the company.
14. The Company is not dealing or trading in shares, securities. Debentures and other investments. Therefore the provision of clause 4 (xiv) are not applicable to the company.
15. The Company has not given any guarantee for the loans taken by others.
16. The Company has taken term loan for car.
17. The Company has not used funds raised on short term basis for long term investments.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued debentures during the year.
20. The Company has not raised money from public issue during the year.
21. According to the information and explanations given to us no fraud against the Company or by the Company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 30th May 2010

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

STARVOX ELECTRONICS LIMITED**BALANCE SHEET AS AT 31.03.2010**

PARTICULARS	SCH	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SOURCES OF FUNDS :			
Share Holders Funds :			
(i) Share Capital	1	91,10,000	91,10,000
(ii) Reserve & Surplus	2	13,96,004	13,96,004
Loan Funds :			
(i) Secured Loan	3	1,45,546	2,47,867
Total		1,06,51,550	1,07,53,871
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block	4	59,36,275	59,10,075
Less : Depreciation Block		43,73,606	41,63,907
Net Block		15,62,669	17,46,168
Current Assets, Loans & Advances :			
(i) Inventories	5	10,93,662	11,62,729
(ii) Sundry Debtors	6	1,04,760	4,22,840
(iii) Cash & Bank Balance	7	4,32,154	8,84,045
(iv) Loans & Advances	8	1,05,882	1,46,486
Total Current Assets		17,36,458	26,16,100
Less : Current Liabilities	9	4,52,566	5,38,389
Net Current assets		12,83,892	20,77,711
Profit & Loss Account		(78,04,989)	(69,29,992)
Total		1,06,51,550	1,07,53,871
Notes on Accounts	16		

As per our Report of even date

For **BPA & COMPANY**
Chartered Accountants**B. M. Vashi**
Partner
Place : Ahmedabad
Date : 30th May, 2010**Jitendra C. Mehta**
Managing DirectorDirectors
C. P. Mehta
K.R.Kinariwala
Place : Ahmedabad
Date : 30th May, 2010

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31.03.2010

PARTICULARS	SCH	Year Ended 31.03.2010 Rs.	Year Ended 31.03.2009 Rs.
INCOME :			
Sales		14,22,862	28,12,478
Other Income	10	1,22,796	2,08,099
Increase (Decrease) in stock	11	38,954	(1,27,320)
Total		15,84,612	28,93,257
EXPENDITURE :			
Raw Material Consumed	12	5,04,921	7,32,938
Employees Cost	13	10,64,337	10,61,715
Interest Expenses	14	20,351	26,295
Selling Expenses		33,316	25,986
Manufacturing/Other Expenses	15	6,26,985	6,30,988
Depreciation		2,09,699	2,18,242
Total		24,59,609	26,96,164
Profit Before Tax		(8,74,997)	1,97,093
Provision FBT		0	(8497)
Profit (Loss) for the Year		(8,74,997)	1,88,596
Balance brought forward		(69,29,992)	(71,18,588)
Balance Carried to Balance Sheet		(78,04,989)	(69,29,992)
Balance Carried to Balance Sheet		(78,04,989)	(69,29,992)
Notes on Accounts	16		

As per our Report of even date

For **BPA & COMPANY**
Chartered Accountants**B. M. Vashi**
Partner
Place : Ahmedabad
Date : 30th May, 2010**Jitendra C. Mehta**
Managing DirectorDirectors
C. P. Mehta
K.R.Kinariwala
Place : Ahmedabad
Date : 30th May, 2010

STARVOX ELECTRONICS LIMITED**SCHEDULES TO BALANCE SHEET AS AT 31.03.2010**

PARTICULARS	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE - 1 SHARE CAPITAL :		
Authorised :		
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000	1,00,00,000
	=====	=====
Issued, Subscribed and Paid up :		
9,99,600 Equity Shares of Rs. 10/- each	99,96,000	99,96,000
Less : Calls in arrears	8,86,000	8,86,000
Total	91,10,000	91,10,000
	=====	=====
SCHEDULE - 2 RESERVE & SURPLUS :		
Capital Reserve		
State Cash Subsidy (Refer Note 1)	11,82,728	11,82,728
Investment Allowance Reserve	2,13,276	2,13,276
Total	13,96,004	13,96,004
	=====	=====
SCHEDULE - 3 SECURED LOANS :		
Loans and Advances from Bank :		
Term Loan	84,258	1,86,579
Accrued Interest on SBI (Refer Note 7(e))	61,288	61,288
Total	1,45,546	2,47,867
	=====	=====

Note : Term Loan from Bank is secured by hypothecation of Car and personal guarantee of Managing Director.

SCHEDULE - 4 FIXED ASSETS :

Sr. No.	Description of Assets	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
		AS AT 01.04.09	Addition	Deduction	AS AT 31.03.10	AS AT 01.04.09	Addition	Deduction	AS AT 31.03.10	AS AT 31.03.10	AS AT 31.03.09
1.	Lease Hold Land	198702	-	-	198702	44339	2007	-	46346	152356	154363
2.	Building	1568788	-	-	1568788	872690	52358	-	925048	643740	696098
3.	Plant & Machinery	2425449	20700	-	2446149	2183791	52367	-	2236158	209991	241658
4.	Furniture	457583	5500	-	463083	393677	25602	-	419279	43804	63906
5.	Vehicle	561342	-	-	561342	72823	53328	-	126151	435191	488519
6.	Dies, Jigs, Moulds etc.	234248	-	-	234248	217872	2807	-	220679	13569	16376
7.	Computer Systems	463963	-	-	463963	378715	21230	-	399945	64018	85248
	Total Rs.	5910075	26200	-	5936275	4163907	209699	-	4373606	1562669	1746168
	Previous Year	5880055	30020	-	5910075	3945665	218242	-	4163907	1746168	1934390

Note :

- (1) Depreciation is provided on straight line method at the rates specified in Schedule XIV, in Companies Act, 1956.
- (2) Premium on lease hold land is written off over the lease period equally.

PARTICULARS	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
-------------	----------------------------	----------------------------

SCHEDULE - 5 INVENTORIES :

Inventories :

(As taken, valued and certified
by the Managing Director)

AT COST :

Raw Materials & Components	7,79,865	8,92,437
Packing Material	12,758	10,193
Stores Items	15,211	13,225
Stock in Process (At estimated cost)	2,72,034	2,33,080
Dead Stock	13,794	13,794
Total	10,93,662	11,62,729

STARVOX ELECTRONICS LIMITED

PARTICULARS	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
SCHEDULE - 6 SUNDRY DEBTORS :		
Sundry Debtors (Unsecured) :		
(a) Debts outstanding for a period exceeding six months		
• Considered Good	34,128	—
(b) Other Debts :		
• Considered Good	70,632	4,22,840
Total	1,04,760 =====	4,22,840 =====
SCHEDULE - 7 CASH & BANK BALANCES :		
Cash and Bank Balance :		
Cash on hand	25,480	8,274
Bank balance with Schedule Bank :		
(a) Current Accounts	81,137	75,771
(b) Fixed Deposits	3,25,537	8,00,000
Total	4,32,154 =====	8,84,045 =====
SCHEDULE - 8 LOANS & ADVANCES :		
(Unsecured) Considered Good, unless otherwise stated		
(a) Advances recoverable in cash or kind or value to be received		
• Considered Good	81,904	1,14,428
(b) Balance with Central Excise (including Modvat Credit)	—	—
(c) Tax Deducted at Source	23,978	32,058
Total	1,05,882 =====	1,46,486 =====
SCHEDULE - 9 CURRENT LIABILITIES :		
Sundry Creditors for Goods, Services, Expenses & Others (Refer Note 8)	4,52,566	5,38,389
Total	4,52,566 =====	5,38,389 =====

25TH ANNUAL REPORT

PARTICULARS	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<u>SCHEDULES TO PROFIT & LOSS ACCOUNT</u>		
SCHEDULE - 10 OTHER INCOME :		
(a) Service Charges	72,700	1,16,925
(b) Miscellaneous Income	9,606	11,232
(c) Interest Income	38,179	74,930
(d) Sundry Balances of creditors written off	2,311	5,012
Total	1,22,796	2,08,099
	=====	=====
SCHEDULE - 11 INCREASE/(DECREASE) IN STOCK :		
Closing Stock :		
• Finished Goods	—	—
• Stock in Process	2,72,034	2,33,080
	2,72,034	2,33,080
Less : Opening Stock		
• Finished Goods	—	—
• Stock in Process	2,33,080	3,60,400
	2,33,080	3,60,400
Increase/(Decrease) in Stock	38,954	(1,27,320)
	=====	=====
SCHEDULE - 12 RAW MATERIAL COST :		
Opening Stock :		
• Raw Materials & Components	9,29,648	8,29,560
	9,29,648	8,29,560
Add : Purchases	3,96,901	8,33,026
	13,26,549	16,62,586
Less : Closing Stock :		
• Raw Materials & Components	8,21,628	9,29,648
	8,21,628	9,29,648
Consumption of Raw Materials & Components	5,04,921	7,32,938
	=====	=====
Note : Raw Materials & Components consumption includes consumption of Stores and Packing materials and cost of Components sold.		
SCHEDULE - 13 EMPLOYEES COST :		
Salary, Wages and Bonus (Refer Note 3)	9,20,895	9,25,484
Contribution to Provident Fund, Gratuity Trust & Other Funds (Refer Note 4)	1,40,285	1,35,759
Staff Welfare Expenses	3,157	472
Total	10,64,337	10,61,715
	=====	=====

STARVOX ELECTRONICS LIMITED

PARTICULARS	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE - 14 INTEREST EXPENSES :		
• Fixed Loans	—	—
• Others	20,351	26,295
Total	<u>20,351</u>	<u>26,295</u>
SCHEDULE - 15 MANUFACTURING & OTHER EXPENSES :		
Labour Charges	6,297	9,287
Power & Fuel	69,985	81,691
Insurance	13,996	9,485
Repairs & Maintenance		
• Building	—	—
• Plant & Machinery	—	—
• Others	1,503	2,109
Travelling Expenses		
• Directors	26,259	4,560
• Others	13,353	2,462
Audit Fees	13,236	15,072
Other Expenses	4,82,356	5,06,321
Total	<u>6,26,985</u>	<u>6,30,988</u>
SCHEDULE - 16 NOTES ON ACCOUNTS		
[1]	Reserves & Surplus includes Rs.11,82,728/= received toward State Cash Subsidy on Investment in Fixed Assets.	
[2]	Execution of lease deed with G.I.D.C. is pending in respect of Lease Hold Land for plot B-5, GIDC Electronics Estate, Gandhinagar. The expenses will be accounted for when actually incurred.	
[3]	Salary, Wages & Bonus includes, Managerial Remuneration as follows :	
	2009-10	2008-09
	Salary	Rs. 2,33,000/= (2,27,000/=)
	Perquisites	Rs. 1,17,824/= (1,14,849/=)
[4]	In respect of the accrued Gratuity liabilities of the Employees including the Managing Director, the Company has contributed to Employee Group Gratuity Trust Fund, which has taken Group Gratuity Cum Life Insurance Policy from L.I.C.	
[5]	Payment to Auditors :	
	2009-10	2008-09
	Rs.	Rs.
	Audit Fees	13,236/= 15,072/=
[6]	The Sales Tax Assessment of the Company is pending for the Assessment year 2007-08.	
[7]	No provision has been made in respect of following disputed liabilities, which are pending before various courts and authorities :	
Sr. No.	2009-10 Rs.	2008-09 Rs.
(a)	Custom Duty in respect of Capital Goods.	89,606/= 89,606/=
(b)	Custom Duty in respect of Raw Materials.	42,411/= 42,411/=
(c)	Royalty claim by NRDC	85,000/= 85,000/=
(d)	Claims from SBI for loan	Unascertainable Unascertainable
•	The state bank of India had obtained a consent decree on 23.10.1997. After that various O T S scheme were offered and as per the scheme company has made payments of principal amount	

as well as interest.

Now the State Bank Of India has informed the Company vide letter dated 28.07.2008 that the company was not eligible for O T S Scheme and has demanded payments as per the decree dated 23.10.1997 and has gone to D R T for the same.

- 8) Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation by the concerned parties.
- 9) Segment Reporting as per AS - 17 is not given, as Company's manufactured products SMPS & DC-DC Converter have similar process, usage of similar material & manpower. There is no separate reporting for Company's different products for internal use also and hence separate identifiable segment is not available.

[10] Related Party Disclosures :

Information relating to related party transactions as per AS - 18 is given below :

Name of the Firm / Associate	Nature of the Transaction	Amount of the Transaction	Outstanding as on 31/03/2010
• Kunal Mehta (Son of M.D.)	Purchase of Components	Rs. 37,698	Rs. 37,698
• Prime Electronics	Purchase of Compo.	Rs. 1,610	Rs. NIL
	Purchase of Load Bank	Rs. 20,700	Rs. NIL
• Jitendra C. Mehta (Managing Director Key Personnel)	Remuneration and Perquisite	Rs. 3,50,824	Rs. 29,250

[11] Earning per Share	2009-2010	2008-2009
• EPS on weighted average of Shares		
— On fully paid up Shares	(-) 0.875	(+) 0.19
— On partly paid up Shares	(-) 0.44	(+) 0.093
• Diluted Earning Per Shares		
— On fully paid up Shares	(-) 0.875	(+) 0.19
— On partly paid up Shares	(-) 0.44	(+) 0.093

- [12] In accordance with AS - 22 for Accounting for Taxes on Income, the Company has not considered deferred taxes during the year in view of accumulated losses & due to uncertainty of sufficient future taxable profit.

[13] Significant Accounting Policies :

- The Financial Accounts are prepared under the historical cost convention on accrual basis on going concern basis of accounting and comply with the mandatory accounting standards issued by ICAI.
- Fixed Assets are stated at cost and depreciation is provided on straight line method at the rate specified in Schedule XIV of Companies Act, 1956.
- Inventories are valued as under :

(a) Raw Material, Stores & Packing Items	At Cost
(b) Stock in Process	At Estimated Cost
(c) Finished Goods	At Ex-Factory price excluding ED & ST
(d) Dead Stock	At Estimated Cost
- The Technical know-how fees are treated as deferred revenue expenditure and the said amount is written off over a period of six years.
- Sales are excluding Excise Duty & Sales Tax.
- Income/Expenditure are generally accounted on accrual basis except Excise Duty on account of Goods Manufactured is accounted at the time of removal of Goods from place of manufacture.
- Foreign Currency transactions are recorded at the Exchange rate prevailing at the time of purchase and any fluctuation thereon is accounted at the time of actual payments.
- Leave Encashment is paid every year and charged to P&L Account. For Gratuity Company is contributing to Gratuity Trust Fund to LIC and any difference on actual payment is accounted at the time of payment.

STARVOX ELECTRONICS LIMITED

[14] Previous years figures are regrouped and rearranged wherever necessary to confirm to this year's classifications.

[15] Figures are rounded off to the nearest rupee.

[16] Figures in bracket are of previous year.

[17] Information pursuant to the provision of paragraph 3 & 4 of part - II. Schedule - VI to the Companies Act, 1956.

[A] MANUFACTURING OPERATION & TURNOVER :

Sr. No.	Particulars	Licence Capacity Qty.	Installed Capacity Qty.	Opening Stock April 01, 2009 Qty.	Stock Value	Production During the year Qty.	Closing Stock March 31, 2010 Qty.	Value	Sales For The Year 2009-10 Qty.	Value
A)	Switch Mode Power Supply	2000 [2000]	2000 [2000]	NIL [NIL]	NIL [NIL]	67 [127]	NIL [NIL]	NIL [NIL]	67 [127]	14,22,862 [26,87,280]
B)	DC-DC Converter Module	5000 [5000]	1000 [1000]	NIL [NIL]	NIL [NIL]	NIL [06]	NIL [NIL]	NIL [NIL]	NIL [06]	NIL [28,764]
C)	Magnetic Components	50000 [50000]	5000 [5000]	NIL [NIL]	NIL [NIL]	145 [100]	NIL [NIL]	NIL [NIL]	145 [100]	NIL [NIL]
D)	Components									NIL [16,734]
E)	Export of SMPS & DC-DC			NIL (NIL)	NIL (NIL)	NIL (02)	NIL (NIL)	NIL (NIL)	NIL (02)	NIL [79,700]
										----- 14,22,862 [28,12,478] =====

Note : (1) Installed capacity is as certified by the Management.

(2) Magnetic Components are generally manufactured for Captive Consumption.

[B] CONSUMPTION OF RAW MATERIAL & COMPONENTS during the period :

Sr. No.	Raw Material & Component	Qty. (Nos)	Value (Rs)
1.	Printed Circuit Boards	259 [441]	20025 [42,594]
2.	Capacitors	3832 [4076]	52273 [88,704]
3.	Diodes	2452 [3154]	51600 [63,429]
4.	Transistors	794 [1141]	19989 [44,677]
5.	Transformers, Chokes & Parts	1164 [912]	59433 [79023]
6.	Sheet Metal Parts	1521 [2521]	124380 [221079]
7.	Others		177222 [193432]
			----- 504921 [732938] =====

25TH ANNUAL REPORT

[C] VALUE OF IMPORTED & INDIGENOUS MATERIAL CONSUMED during the period :			
Sr. No.	Particulars	Value (Rs)	% of the Consumption
1.	Imported Material	1,05,146	20.82 %
		[1,36,726]	[18.65 %]
2.	Indigenous Materials	3,99,775	79.18 %
		[5,96,212]	[81.35 %]
		5,04,921	100 %
		[7,32,938]	[100 %]
		=====	=====
[D]	CIF VALUE OF IMPORTS :	<u>2009-2010</u>	<u>2008-2009</u>
	• Raw Material & Components	37,698	1,10,543
[E]	EXPENDITURE IN FOREIGN CURRENCY :	NIL	NIL
[F]	EARNING IN FOREIGN CURRENCY :		
	• Sale of SMPS Unit	NIL	79,700
[G]	DIVIDEND REMITTED IN FOREIGN CURRENCY :	NIL	NIL

As per our Report of even date

For **BPA & COMPANY**
Chartered Accountants

B. M. Vashi
Partner
Place : Ahmedabad
Date : 30th May, 2010

Jitendra C. Mehta
Managing Director

Directors
C. P. Mehta
K.R.Kinariwala
Place : Ahmedabad
Date : 30th May, 2010

STARVOX ELECTRONICS LIMITED**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(AS PER SCHEDULE VI, PART (iv) OF THE COMPANIES ACT, 1956)**

I	REGISTRATION DETAILS :	
	Registration No. (CIN)	L32100GJ1986PLC008539
	State Code	04
	Balance Sheet Date	31st March, 2010
II	CAPITAL RAISED DURING THE YEAR :	
	Public Issue	NIL
	Rights Issue	NIL
	Private Placement	NIL
	Bonus Issue	NIL
III	POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :	(Rs. Lacs)
	Total Liabilities	106.51
	Total Assets	106.51
	SOURCES OF FUNDS	
	Paid-up Capital	91.10
	Reserve & Surplus	13.96
	Secured Loans	1.45
	Unsecured Loans	0.00
	APPLICATION OF FUNDS	
	Net Fixed Assets	15.63
	Investments	NIL
	Net Current Assets	12.84
	Misc. Expenditure	NIL
	Accumulated Losses	78.05
IV	PERFORMANCE OF THE COMPANY :	(Rs. Lacs)
	Turnover including Other Income	15.85
	Total Expenditure	24.60
	Profit (Loss) Before Tax	-8.75
	Earning Per Share (Rs.)	-0.875
	Dividend rate (%)	NIL
V	GENERIC NAMES OF PRINCIPAL PRODUCTS OF THE COMPANY :	
	Item Code	Product Description
	8504.40.00	Switch Mode Power Supply Units (SMPS)
	8504.40.00	DC-DC Converter Modules
	8504.00.00	Transformers & Inductors
	9405.00.00	Inverters

Jitendra C. Mehta
Managing Director

Directors
C. P. Mehta
K.R.Kinariwala
Place : Ahmedabad
Date : 30th May, 2010

CASH FLOW STATEMENT FOR THE YEAR 2009-2010

[A] CASH FLOW FROM OPERATING ACTIVITIES :	2009-2010	2008-2009
Net Profit/Loss After Tax & Before Extra Ordinary Items	(8,74,997)	1,88,596
Add : Adjustment for FBT Paid	—	8,497
	<hr/>	<hr/>
Net Profit before Tax & Extra Ordinary Items	(8,74,997)	1,97,093
Add : Depreciation	2,09,699	2,18,242
Interest Expenses	20,351	26,295
Interest Income	(38,179)	(74,930)
	<hr/>	<hr/>
Operating Profit before Working Capital Changes	(6,83,126)	3,66,700
Adjustment for Change in Working Capital		
Less : Decrease in Inventories (Add) If Decrease	69,067	27,232
Decrease in Debtors (Add) If Decrease	3,18,080	4,61,450
Decrease in Creditors (Less) If Decrease	(85,823)	(2,01,452)
	<hr/>	<hr/>
	3,01,324	2,87,230
	<hr/>	<hr/>
Cash Generated from Operation	(3,81,802)	6,53,930
Less : FBT Paid	—	(8,497)
	<hr/>	<hr/>
Net Cash Flow from Operating Activities [A]	(3,81,802)	6,45,433
	<hr/>	<hr/>
[B] CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(26,200)	(30,020)
Interest Income	38,179	74,930
Increase in Loans & Advances	40,604	(49,879)
	<hr/>	<hr/>
Net Cash Used in Investing Activities [B]	52,583	(4,969)
	<hr/>	<hr/>
[C] CASH FLOW FROM FINANCIAL ACTIVITIES :		
Interest Paid	(20,351)	(26,295)
Term Loan ICICI Car Loan Repaid	(1,02,321)	(91,934)
	<hr/>	<hr/>
Net Cash Flow from Financial Activities [C]	(1,22,672)	(1,18,229)
	<hr/>	<hr/>
Net (Decrease)/Increase in Cash, Cash Equivalent [A+B+C]	(4,51,891)	5,22,235
Operating Cash & Cash Equivalent	8,84,045	3,61,810
	<hr/>	<hr/>
Closing Cash & Cash Equivalent	4,32,154	8,84,045
	<hr/>	<hr/>

For **BPA & COMPANY**
Chartered Accountants
B. M. Vashi
Partner
Place : Ahmedabad
Date : 30th May, 2010

Jitendra C. Mehta
Managing Director

Directors
C. P. Mehta
K.R.Kinariwala

STARVOX ELECTRONICS LIMITED

Board of Directors

Shri Jitendra C. Mehta, Managing Director
Shri Kandarp R. Kinariwala
Shri Chandrakant P. Mehta
Shri Gordhandas S. Patel
Shri Shirish G. Patel
Shri Has Mukh R. Modi
Shri Rajan A. Patel

Bankers

State Bank Of India
Bank Of Baroda
ICICI Bank Ltd

Auditors

M/S BPA & Company
Chartered Accountants
Ahmedabad

Registered Office

Plot No. 39, Opp. Amraiwadi Talavadi,
AEC Zonal Office Road, Amraiwadi,
Ahmedabad - 380 026. (India)

**STARVOX
ELECTRONICS
LIMITED**

**25th
ANNUAL
REPORT
&
ACCOUNTS**

[2009-2010]

STARVOX ELECTRONICS LIMITED

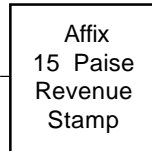
Regd. Office : Plot No. 39, Opp. Amraiwadi Talavadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad-380 026

FORM OF PROXY

I/We _____
of _____ in the district of _____
being a member/members of the above named Company, hereby appoint _____
_____ in the district of _____ or failing him
_____ of _____ in the district of _____
_____ as my/our Proxy to attend and vote for me/us and on my/
our behalf at the Twenty Fifth Annual General Meeting of the Company, to be held at 10.00 A.M. on
Thursday, the 23rd September, 2010 or at any adjournment thereof.

Signed this _____ day of _____ 2010.

Regd. Folio No. _____ Signature _____
No. of Shares held _____



Notes :

- (1) The form should be signed across the stamp as per specimen signature registered with the Company.
- (2) A proxy need not be a member.
- (3) The form thus completed should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

STARVOX ELECTRONICS LIMITED

Regd. Office : Plot No. 39, Opp. Amraiwadi Talavadi, AEC Zonal Office Road, Amraiwadi, Ahmedabad-380 026

ATTENDANCE SLIP

Please complete the Attendance Slip and hand it over at the entrance of the Meeting Hall.

Regd. Folio No. _____ No. of Shares held _____

Full Name of the Shareholder : _____
[In Block Letters]

Full name of the Proxy : _____
[To be filed if the proxy attends instead of the Member]

I hereby record my presence at 25th Annual General Meeting of the Company, at Registered Office, at 10.00 A.M. on Thursday, the 23rd September, 2010.

Signature of the attending Member/Proxy : _____

- Note :
- (1) Shareholders/proxyholders wishing to attend the Meeting must bring the Attendance Slip to the Meeting and hand over the same duly signed, at the entrance.
 - (2) Shareholders/proxyholders disiring to attend the Meeting should bring their copy of the Annual Report, as spare copies will not be available in the Meeting.

BOOK POST

If undelivered, please return to :
STARVOX ELECTRONICS LIMITED
Regd. Office : Plot No. 39, Opp. Amraiwadi Talavadi,
AEC Zonal Office Road, Amraiwadi,
Ahmedabad-380 026 (India)