

40th ANNUAL REPORT

2015-2016



STAR DELTA TRANSFORMERS LTD.

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STAR DELTA TRANSFORMERS LIMITED

CIN : L31102MP1977PLC001393

Email ID : star.delta@rediffmail.com, Website : www.stardeltatransformers.com

Phone : 0755-2586680, 4261016

BOARD OF DIRECTORS	: Mr. Kishore Gupta (Managing Director) DIN : 00014205 : Mr. Rakesh Gupta (Executive Director & CFO) DIN : 00014139 : Mr. Laxmendra Maheshwari (Independent Director) DIN : 00278005 : Mr. Shashendra Lahri (Independent Director) DIN : 02704101 : Mrs. Chhavi Kharb (Women Cum Independent Director) DIN : 01791358
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	: HDFC
REGISTRAR & TRANSFER AGENTS	: System Support Services, 209, Shivai Industrial Estate, 89 Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400072
COMPANY SECRETARY	: Miss. Shweta Agarwal
SECRETARIAL AUDITORS	: M/s ASA & Associates, Practicing Company Secretaries, Bhopal
COST AUDITOR	: M/s Sanjay Kasliwal Cost Accountants, Bhopal

STAR DELTA TRANSFORMERS LIMITED

REGD. OFFICE : 92-A, INDUSTRIAL AREA, GOVINDPURA, BHOPAL

CIN : L31102MP1977PLC001393

Email ID : star.delta@rediffmail.com, Website : www.stardeltatransformers.com

NOTICE

Dear Members,

Notice is hereby given that the Fortieth Annual General Meeting of the Members of the Star Delta Transformers Limited will be held on **Friday, 30th day, September, 2016 at 11.00 A.M.**, at the Registered office of the Company at 92 A, Industrial Area, Govindpura, Bhopal 462023 (M. P.) to transact the following business.

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited financial statement consisting of Balance Sheet as at March 31, 2016, the statement of Profit and Loss, Cash Flow Statement for the year ended on March 31, 2016 along with the reports of the Board of Directors and Auditors thereon.**

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

"RESOLVEDTHAT the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon laid before the meeting, be and are hereby considered and adopted."

- 2. To appoint a director in place of Mr. Kishore Gupta [DIN: 00014205], Managing Director who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.**

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

"RESOLVEDTHAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Kishore Gupta [DIN: 00014205], Managing Director, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

- 3. To appoint M/s. A.K. Khabya & Co, Chartered Accountants, (FR No. 001994C) 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.**

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

"RESOLVEDTHAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. A.K. Khabya & Co, Chartered Accountants, (FR No. 001994C) Chartered Accountants, be and are hereby appointed as Auditors of the Company on recommendation of Audit committee to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company on recommendation of Audit committee."

SPECIAL BUSINESS

- 4. To ratify/confirm the remuneration of Cost auditors**

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

"RESOLVEDTHAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors on recommendation of Audit committee and set out in the Statement annexed to the Notice convening this meeting, to be paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2017, be and is hereby ratified/confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Service of documents

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

6. Insertion of new clause in the Articles of Association of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act 2013 and subject to other approvals as are necessary, the articles of association of the company be and are hereby altered by inserting the following new clause as clause No 85 A after article No.85

Chairperson of the Company

85A. The Managing Director of the Company shall act as the Chairperson of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to given effect to this resolution."

7. Reappointment of Mr Rakesh Gupta (DIN: 00014139) as whole time Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 if any, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Rakesh Gupta (DIN: 00014139), Whole time Director be and is hereby reappointed as Whole Time Director of the Company for a period of four years effective from the date of conclusion of this meeting on the remuneration and terms and conditions as set out in the explanatory statement annexed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For and on behalf of Star Delta Transformers Limited



(SHWETA AGARWAL)

COMPANY SECRETARY & COMPLIANCE OFFICER

Date : 13th August, 2016

Place : Bhopal

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY STAMPED, COMPLETED AND SIGNED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ENCLOSED WITH THE NOTICE.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholders.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.

2. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar
3. Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 is enclosed and forms a part of this notice.
4. Brief details of the directors, who are being appointed / re-appointed, are annexed hereto as per requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Secretarial Standards.
5. The Register of members and the Share Transfer Books of the company will remain closed from **24th day September, 2016 to 30th day September, 2016** (both days inclusive).
6. Members wishing to claim dividends, which had remained unpaid are requested to contact the Registrar and Share Transfer Agents/Company.. Members are requested to note that the amount of dividend which remains unclaimed for a period of 7 years from the date of such transfer will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956/Companies Act 2013. Kindly note that once the amount is transferred to the IEPF, no claims shall lie against the Company.
7. Members desiring any information on the Accounts are requested to write to the company at least 10 days prior to the date of the meeting to enable the management to keep the information ready.
8. Members/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
10. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during Office hours on all days except Saturdays, Sundays and public holidays, up to the date of this Annual General Meeting (AGM).
11. In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/serve notice(s) / document(s) / Annual Report(s) etc. to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative.
12. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are

requested to submit the request in prescribed form SH-13 to the RTA.

13. Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM ("Remote E-voting") in the manner provided below, during the e-voting period.
14. The Remote E-voting period commences on **September 27, 2016 (9:00 am) and ends on September 29, 2016 (5:00 pm)**. During the aforesaid period, Members of the company may opt to cast their votes through Remote E-voting. At the end of the Remote E-voting period, facility will be blocked.
15. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **September 23, 2016** (the "Cut Off Date") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.
16. At the venue of meeting, voting shall be done through ballot papers ("Polling Paper") and the members attending the meeting who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper
17. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.
18. The Board of Directors has appointed Ms. Shadab Anjum, Practising Company Secretary (Membership No. 28399) as the scrutiniser to the remote e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.
19. The Result of voting (Remote E-voting and the voting at the AGM) on the resolutions shall be declared within 3 days from the date of AGM by the Chairman or any person authorized by him for this purpose. The results declared along with the report of the Scrutiniser shall be placed on the website of the company and on the website of agency, immediately after the result is declared and simultaneously will be communicated to the Bombay Stock Exchange.

Voting through electronic means:

The instructions for shareholders voting electronically are as under:

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date (DOB)	<ul style="list-style-type: none"> ● Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. DOB if not registered with the DP then enter it as 01/01/1990 <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN** for the relevant Star Delta Transformers Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- A. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4, 5, 6, and 7 of the accompanying Notice:

Item No. 4:

The Board of Directors, on recommendation of the Audit committee has approved the appointment of M/s. Sanjay Kasliwal, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified/confirmed by the members of the Company.

Board approved the remuneration of Rs. 25000/- (Rupees Twenty five thousand) plus out of pocket expenses on the recommendation of Audit Committee.

Accordingly, ratification/confirmation by the members is sought for the remuneration payable to the Cost Auditors by passing an Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 5:

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

Accordingly, the Board of Directors recommend the resolution for your approval by a special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 6:

The insertion of new clause in Articles of Association of the Company is proposed in order to align it with the provisions of the newly enacted Companies Act 2013.

The Board of Directors of the Company in its meeting held on 13th August 2016 approved the insertion of the new clause in the existing Articles of Association of the Company.

Pursuant to Section 14 of the Companies Act 2013, alteration in Articles of Association of the Company requires consent of the members by way of special resolution.

Accordingly, the Board of Directors recommend the resolution for your approval by a special resolution.

Mr Kishore Gupta (DIN: 00014205), Mr Rakesh Gupta (DIN: 00014139) and their relatives are concerned/interested in the said resolution.

Item No. 7:

Mr Rakesh Gupta (DIN: 00014139), Whole time Director was appointed on the Board of the Company with effect from 15th October 1987 on the terms and conditions as approved by the Board and members of the Company.

Pursuant to Section 196 and other applicable provisions of the Companies Act 2013 and Rules made there under the Board of Directors of the Company have recommended the reappointment of Mr. Rakesh Gupta (DIN: 00014139) as whole time Director for a period of four (4) years effective from the conclusion of this general meeting on such terms and conditions as may be decided by the members of the Company.

Accordingly, the Board recommends the resolution as special resolution for the approval by the members of the Company.

Mr Kishore Gupta (DIN: 00014205), Mr Rakesh Gupta (DIN: 00014139) and their relatives are concerned/interested in the said resolution.

Information Required To Be Furnished under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 And Secretarial Standard II Issued By The Institute Of Company Secretaries Of India.

(As on 31st March, 2016)

Name of Director	Mr. Rakesh Gupta	Mr. Kishore Gupta
Date of Birth	05th August 1962	20th February 1959
Age	53	57
Experience	31	33
Qualification	Bsc, LLB	B.E. (Electrical)
Expertise	Finance & Legal	Engineering
Date of first appointment on the Board	15th October 1987	31st October 1987
List of other Companies in which Directorships held	NIL	Bhopal Wires Private Limited
Terms and Conditions	As per the agreement for the reappointment of whole time director entered into by the Company with Mr Rakesh Gupta.	As per the agreement for the appointment of managing director entered into by the Company with Mr Kishore Gupta
Relationship with other Directors, Managers and KMPs	As per Section 2(77) of the Companies Act 2013, he is covered under the relative (Brother) of Mr Kishore Gupta (Managing Director)	As per Section 2(77) of the Companies Act 2013, he is covered under the relative (Brother) of Mr Rakesh Gupta (Whole time Director & CFO)
No. of Board Meetings attended during the year	9	9
Membership/Chairmanship in Committees of the Board	3	2
Remuneration sought to be paid	As per the agreement for the reappointment of whole time director entered into by the Company with Mr Rakesh Gupta. The Company has obtained the members approval for payment of minimum remuneration in the event of inadequacy or absence of profit	As per the agreement for the appointment of managing director entered into by the Company with Mr Kishore Gupta. The Company has obtained the members approval for payment of minimum remuneration in the event of inadequacy or absence of profit
Remuneration last drawn	10,56,000 p.a.	14,40,000 p.a.
Shareholding in the Company	562100	583500
Shareholding of non-executive directors in Company	Nil	Nil

Mr. Kishore Gupta (DIN : 00014205), Mr. Rakesh Gupta (DIN: 00014139) and their relatives are concerned or interested in the said resolution.

By order of the Board of Directors
For and on behalf of Star Delta Transformers Limited



(SHWETA AGARWAL)

COMPANY SECRETARY & COMPLIANCE OFFICER

Place : Bhopal

Date : 13th August, 2016

DIRECTOR'S REPORT

To
THE MEMBERS
STAR DELTA TRANSFORMERS LIMITED
BHOPAL

Your Directors have pleasure in presenting the 40th Annual Report of your Company for the financial year ended 31st March, 2016.

1. FINANCIAL HIGHLIGHTS AND OPERATION:

(Rupees in Thousands)

	2015-2016	2014-2015
Sales and other income	787916	534245
Profit before depreciation	55998	31082
Depreciation	7834	8898
Profit before tax	48164	22184
Provision for tax	15800	5413
Deffered tax provision written off	1200	—
Income tax earlier year	(481)	(14)
Net Profit after tax	31645	16771
Profit brought forward from previous year	6685	1707
Transfer to general reserve	5000	10000
Balance carried	33330	6685

2. STATE OF COMPANY'S AFFAIRS & FUTURE OUTLOOK:

The Company's revenue has been increased from Rs.534244817 to Rs 787915576. i.e. 47.48% and Company's profit before tax has increased from Rs 22183331 to Rs 48164389 i.e. 117.11%.

Company 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.

3. DIVIDEND:

The Board of Directors has not recommended any dividend for the financial year 2015-16.

4. AMOUNTSTRANSFERREDTO RESERVES:

The Company has transferred Rs 50 Lakh to its General reserve.

5. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2016, the Company does not have any Subsidiary/Joint Venture/Associate Companies.

6. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company during the year.

7. MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

8. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: I)**

9. LOANS, GUARANTEES AND INVESTMENTS

The company has not given any loan to any person or other body corporate or given any guarantee or provided security in connection with a loan to any other body corporate or person or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate during the financial year under review.

10. RELATED PARTY TRANSACTIONS

The Related party contracts / arrangements / transactions entered into by the Company do not fall under the ambit of Section 188(1) of the Companies Act 2013 and all related party transaction during the financial year were at arm's length and in ordinary course of business. In compliance with the provisions of the Act and Regulation 23(2) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Company has obtained omnibus approval from the Audit Committee and transactions were reported to the Audit Committee / Board at their quarterly meeting.

During the Fiscal 2016, there have been no materially significant related party transactions that is exceeding ten percent of the annual consolidated turnover as per the last audited financial statements between the Company and Directors, management, subsidiaries or relatives, as defined under Section 188 of the Act and Regulation 23 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no transactions that are required to be reported in Form AOC-2 and as such does not form part of the Report.

The Company has formulated the policy on materiality of Related party transactions as per Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, The same has been available on the company's website <http://www.stardeltatransformers.com/index.php>

Suitable disclosures have been made in the financial statements as prescribed in accounting standards.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:Conservation of Energy:

Company continues its efforts to reduce and optimize the energy consumption at all manufacturing facilities, including corporate office through continuous monitoring and high degree of awareness for energy conservation. Company also has its own solar power plant.

A. POWER & FUEL CONSUMPTION	2015-16	2014-15
I ELECTRICITY		
Purchased Units	364993	346676
Total Amount (Rs.)	3425925	3027451
Rate per Unit (Rs.)	9.39	8.73
Own Generation		
Diesel Generator, Units	1170	719
Units per Ltr. Of Diesel	35	34.00
Average Cost per unit (Rs)	35	34.00

II COAL	—	—
Quantity (MT)	—	—
Total Cost (Rs)	—	—
Average Rate (Rs)	—	—

B . CONSUMPTION PER UNIT OF PRODUCTION

	STANDARD (IF ANY)	2015-16	2014-15
Products (with Details)	Transformers	1434.154	789.652 MVA
Units KVAH	—	364993	346676
Electricity/ MVA	—	254.50	439.02
Coal	—	—	—

Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's has not imported technology during the last three years and No Research work has been carried out and therefore there is no expenditure on this account.

Foreign Exchange earnings and outgo:

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: 51605831

12. RISK MANAGEMENT

Risk management policy and processes enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. Risk Management is a central part of firm's strategic management. Risk Management is a continuous process. There are four fundamental approaches:

- Identity
- Asses & Evaluate
- Take action
- Review & report

Identified risk elements

- State/local regulations
- Labour concerns
- General economic conditions
- Commodity/ Raw material prices
- Competition
- Demand for products
- Technology innovation
- Legal/ Secretraial
- Natural disasters

2015-2016

Company through its functional heads reviews from time to time the deviation from the benchmarks and promptly make report to the Board, which in turn takes the corrective action to avoid severe conditions. The framework seeks to create transparency, minimize adverse impacts on the business objectives and enhance the Company's competitive advantage.

13. DIRECTORS AND KMP:

During the Financial year 2015-16 the following changes have occurred in the constitution of Directors/KMP of the Company:

- Miss Shweta Agarwal, was appointed as the Company Secretary and Compliance officer of the company in the Board meeting held on 22nd April 2015 and was designated as Key managerial personnel.
- Pursuant to provisions of section 152 and Articles of Association of the Company, Mr. Kishore Gupta [DIN: 00014205], Managing Director will retire by rotation at the Annual General Meeting and being eligible, has offered himself for re-appointment.

14. DEPOSITS

The company has not accepted any deposits during the year 2015-16.

15. INDEPENDENT DIRECTORS & DECLARATION

Company's Board of Director comprises of following three Independent Directors:

Name	Date of Original appointment	Date of Re-appointment
Mr. Laxmendra Maheshwari (DIN:00278005)	25/06/2009	27/03/2015
Mr. Shahshendra Lahri (DIN:02704101)	25/06/2009	27/03/2015
Mrs. Chhavi Kharb (DIN: 01791358)	27/03/2015	—

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the terms and conditions of appointment of independent directors are placed on the Company's website (http://www.stardeltatransformers.com/star_delta_investor1.php)

A separate meeting of Independent Directors was conducted as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 13th August 2015. All the independent directors were present for the meeting.

16. ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Schedule IV & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has evaluated the performance of every Director, Independent Directors, Board and its Committees and Chairperson based on the criteria laid down by the Nomination and Remuneration Committee. Rating sheets were circulated to the directors for the purpose of evaluation. A summary of performance evaluation of the Board, its Committees and individual directors was prepared on the basis of rating sheets received from the individual directors and the same was placed before the Board.

17. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal financial controls with reference to the financial statements were adequate and operating effectively.

18. CORPORATE SOCIAL RESPONSIBILITY

Detailed information report on corporate social responsibility policy developed and implemented by the Company on CSR initiatives taken during the year pursuant to section 135 of the Companies Act, 2013 is given in the annexed Annual Report on CSR activities. **(Annexure: II)**

During the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. However, our CSR committee is constantly working to channelize the funds in line with CSR objectives. Company is in the process of evaluating and identifying the programmes and is in dialogue with various organisations for implementing the CSR activities, In future, the Company will endeavour to spend on CSR activities in accordance with the prescribed limits.

19. ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2015-16, no complaints were received by the committee.

20. VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The same has been posted on the website of the Company. No personnel of the Company was denied access to the Audit Committee.

21. NUMBER OF MEETINGS OF THE BOARD

There were nine meetings of the Board held during the year, details of which are as follows:

S.No.	Date	Board Strength	No. of Directors Present
1	22.04.2015	5	5
2	30.05.2015	5	5
3	24.06.2015	5	3
4	11.07.2015	5	3
5	13.08.2015	5	5
6	09.11.2015	5	5
7	25.12.2015	5	4
8	23.01.2016	5	3
9	01.03.2016	5	3

22. COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

1. Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act 2013 and rules made there and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Committee consists of the following members:

Name of Member	Category	Status
Mrs. Chhavi Kharab (DIN:01791358)	Non-Executive Independent Director	Chairperson
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Member
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member

2. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act 2013 and rules made there and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Committee consists of the following members:

Name of Member	Category	Status
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Chairperson
Mr. Shashendra Lahri (DIN:02704101)	Non-Executive Independent Director	Member
Mrs. Chhavi Kharab (DIN:01791358)	Non-Executive Independent Director	Member
Mr. Kishore Gupta (DIN:00014205)	Executive Director	Member

3. Stakeholders Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act 2013 and rules made there and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Committee consists of the following members:

Name of Member	Category	Status
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Chairperson
Mrs. Chhavi Kharab (DIN:01791358)	Non-Executive Independent Director	Member
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member

4. Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act 2013 and rules made there under, Corporate Social Responsibility Committee consists of the following members:

Name of Member	Category	Status
Mr. Kishore Gupta (DIN:00014205)	Executive Director	Chairperson
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Member

The detailed description of the above Committees of the board is provided in the Corporate Governance section of the annual report.

23. TRAINING TO INDEPENDENT DIRECTORS:

With a view to familiarize the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, 2015, the Company conduct various familiarization programmes for the independent directors as and when required.

The details of such familiarisation programmes are placed on the Company's website www.stardeltatransformers.com

24. PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name	Designation	Ratio to median remuneration
Kishore Gupta	Managing Director	13.22
Rakesh Gupta	Whole time director	09.69

Notes:

Number of employees as on 31.03.2016

Median remuneration of employees other than directors

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

There was 10% increase in the remuneration of Mr Rakesh Gupta (DIN: 00014139) whole time director & chief financial officer in the financial year 2015-16.

- c. The percentage increase in the median remuneration of employees in the financial year:

	2015-16	2014-15	Percentage increase in median remuneration in 2015-16
Median Remuneration of employees other than whole time directors	108900	88200	23.46%

- d. The number of permanent employees on the rolls of Company:

Total permanent employees as on 31.03.2016 are Fifty two excluding Directors

- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

On an average individual employees remuneration increased by 8%-10% from Financial year 2014-15 to Financial year 2015-16, There was 10% increase in the remuneration of Mr Rakesh Gupta (DIN: 00014139) whole time director & chief financial officer in the financial year 2015-16.

The increase in remuneration is in line with the market trends, cost of living and to ensure the retention of skilled staff and compliance of Minimum wages Act.

There are no exceptional circumstances for increase in the managerial remuneration

- f. The key parameters for any variable component of remuneration availed by the directors:

None

- g. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Statement showing employees who are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Remuneration (per month)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company	Whether any such employee is a relative of any director or manager of the Company and if so, name of such Director or manager
Anil Ranjan Das	Vice President	113000	Permanent	B.E.	01.12.2008	57	Self-employed	Nil	No
Mayank Gupta	Vice President	66000	Permanent	B.E., MBA	22.06.2011	30	Self-employed	14.27	Yes (son of Mr. Kishore Gupta, Managing director)
Rohit Shrivastava	Sales Executive	27510	Permanent	B. Tech	01.10.2001	44	Self-employed	Nil	No
A.K. Daga	Accountant	22000	Permanent	M. Com	16.08.1991	56	Self-employed	0.01	No
R.K. Dixit	Manager	22000	Permanent	Graduate	17.00.2015		Self-employed	Nil	No
Miss Shweta Agarwal	Company Secretary & Compliance officer	20000	Permanent	Company Secretary	22.04.2015	26	Self-employed	Nil	No
Tahir Hussain	Supervisor	18280	Permanent	Graduate	01.11.2009	56	Self-employed	0.03	No
Raj Babu Sharma	Supervisor	15800	Permanent	B.E.	01.12.2012	35	Self-employed	Nil	No
Pradeep Kumar	Supervisor	15600	Permanent	B.E.	15.11.2013	40	Self-employed	Nil	No
Ravi Karan	Supervisor	15600	Permanent	B.E.	15.11.2013	30	Self-employed	Nil	No

25. REMUNERATION POLICY:

The remuneration policy as recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting is presented in the Corporate Governance report forming part of the Annual report.

26. SHARES IN SUSPENSE ACCOUNT:

There are no shares in suspense account

27. SHARES IN UNCLAIMED SUSPENSE ACCOUNT:

There are no shares in unclaimed suspense account

28. CODE OF CONDUCT:

Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. As required the said code has been posted on the website of the Company (<http://www.stardeltatransformers.com/index.php>.) All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2016. A declaration to this effect signed by the Managing Director forms part of the Corporate Governance report.

29. MEMORUNDUM AND ARTICLES OF ASSOCIATION

The Company has sought the consent of the members in ensuing Annual General meeting to amend the Articles of Association of the Company.

30. REGISTRAR & TRANSFER AGENT OF THE COMPANY

The RTA division of System Support Services will be merging with Link Intime with effect from 1st October 2016. The Board of Directors of your Company, at their meeting held on 13th August, 2016, approved the appointment of, Link Intime India Pvt Ltd (LI) as the Registrar & Transfer Agent with effect from 1st October 2016.

31. CORPORATE GOVERNANCE

A separate report on the Corporate Governance is attached as a part of the annual report. The Auditors Certificate regarding Compliance of the conditions of Corporate Governance is also annexed hereto as **Annexure III** which forms part of this report.

32. MANAGEMENT DISCUSSION & ANALYSIS

A separate report on the Management Discussion & Analysis is attached as a part of the annual report.

33. AUDITORS and REPORT thereon***Statutory Audit***

The Auditors M/s. A.K. Khabya & Co, Chartered Accountants, (FR No. 001994C) retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting .

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Secretarial Audit

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made there under the Company has appointed, ASA & Associates, Company Secretaries in Practice, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2015-16 in the prescribed form MR-3 is annexed to this Report (**ANNEXURE- IV**).

Pursuant to the provisions of section 204(3) and 134(3) of the Companies Act, 2013 and Rules made there under, the Board of directors of Star Delta Transformers Limited provide the following clarification in respect to the observations raised by the Secretarial auditor in Secretarial audit report:

Company is in compliance with all the provisions of various acts applicable to the Company. However due to inevitable reasons, some points were missed. Company has taken note of the same and will ensure compliance in the future.

Cost Audit

Pursuant to section 148 of the Companies Act, 2013, and the Rules made there under, the Board of Directors had, on the recommendation of the Audit Committee, appointed of M/s. Sanjay Kasliwal Cost Accountants, to audit the cost accounts of the Company for the financial year 2016-17 on a remuneration of Rs. 25000/- (Rupees Twenty five thousand) plus out of pocket expenses on the recommendation of Audit Committee, subject to ratification by the shareholders at the annual general meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to the cost auditor is included in the Notice convening the annual general meeting.

34. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of Bonus Shares and/or Right Shares.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Buy Back of Shares.
5. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. During the Financial Year 2015-16, no change has been occurred in the share capital of the Company. (General disclosure)

35. DETAILS OF FRAUDS REPORTABLE U/S 143(12):

There is no fraud being or has been committed against the company by officers or employees of the company, which are reportable by the Auditors to the Central Government under sub-section (12) of Section 143 and which need to be disclosed in the Board report during the year under review.

36. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had 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 of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) 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;
- (d) The directors had prepared the annual accounts on a going concern basis; and

- (e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

On behalf of Board of Directors

Place : Bhopal

Sd/-

Sd/-

Date : 13th August, 2016

(KISHORE GUPTA)
(DIN : 00014205)
MANAGING DIRECTOR

(RAKESH GUPTA)
(DIN : 00014139)
DIRECTOR

ANNEXURE-I Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1. CIN:	L31102MP1977PLC001393
2. Registration Date	17th February 1977
3. Name of the Company	Star Delta Transformers Limited
4. Category / Sub-Category of the Company	Public Limited Company/Company Limited by Shares
5. Address of the Registered office and contact details	92-A Industrial Area, Govindpura, Bhopal-462023, Ph no: +91-755-2586680, 4261016, Email id: star.delta @rediffmail.com
6. Whether listed company	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any:	System Support Services, 209, Shivai Industrial Estate, 89 Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai-400072 Phone : 022-28500835, email : sysss72@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Distribution/Power Transformers	27102	81.35
2.	Service	82990	17.84

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Company does not have any holding, Subsidiary or Associate Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (31-03-2015)				No. of Shares held at the end of the year(31-03-2016)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2189800	0	2189800	72.98	2189800	0	2189800	72.98	—
b) CentralGovt/State Govt	0	0	0	0	0	0	0	0	—
c) BodiesCorp.	60000	0	60000	2	60000	0	60000	2	—
d) Banks / FI	0	0	0	0	0	0	0	0	—

e) Any Other	0	0	0	0	0	0	0	0	—
Sub-total(A) (1):-	2249800	0	2249800	74.98	2249800	0	2249800	74.98	—
2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	—
b) Other - Individuals	0	0	0	0	0	0	0	0	—
c) Bodies Corp.	0	0	0	0	0	0	0	0	—
d) Banks / FI	0	0	0	0	0	0	0	0	—
e) Any Other	0	0	0	0	0	0	0	0	—
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	—
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2249800	0	2249800	74.98	2249800	0	2249800	74.98	—
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	—
a) Mutual Funds	0	0	0	0	0	0	0	0	—
b) Banks / FI	0	0	0	0	0	0	0	0	—
c) Central Govt	0	0	0	0	0	0	0	0	—
d) State Govt(s)	0	0	0	0	0	0	0	0	—
e) Venture Capital Funds	0	0	0	0	0	0	0	0	—
f) Insurance Companies	0	0	0	0	0	0	0	0	—
g) FIs	0	0	0	0	0	0	0	0	—
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	—
(i) Others (specify)	0	0	0	0	0	0	0	0	—
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	—
2. Non- Institutions									
a) Bodies Corp.	107427	0	107427	3.58	104490	0	104490	3.483	0.098
b) Individuals									
Individual shareholders holding nominal share capital upto Rs. 1 lakh	292895	30400	323295	10.77	294530	21500	316030	10.53	0.24
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	318578	0	318578	10.61	327605	0	327605	10.92	0.31
c) Others (specify)									
NRI Individuals (Non Rep.)	0	0	0	0	1000	0	1000	0.033	0.033
NRI (Repatriation)	1100	0	1100	0.037	1275	0	1275	0.042	0.005
Sub-total (B)(2):-	720000	30400	750400	25.012	728900	21500	750400	25.012	—
Total Public Shareholding (B)=(B)(1)+ (B)(2)	720000	30400	750400	25.012	728900	21500	750400	25.012	—
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	—
Grand Total (A+B+C)	2969800	30400	3000200	100	2978700	21500	3000200	100	—

ii. Shareholding of Promoters

Sl	Shareholder's Name No.	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Archana Gupta	268300	8.94	120000 (44.72%)	268300	8.94	120000 (44.72%)	—
2.	Archit Gupta	20000	0.66	—	20000	0.66	—	—
3.	Kishore Gupta	583500	19.44	15000(2.57%)	583500	19.44	15000(2.57%)	—
4.	Laxmi Narayan Gupta	4600	0.15	—	4600	0.15	—	—
5.	Manali Gupta	70000	2.33	—	70000	2.33	—	—
6.	Manju Gupta	241500	8.04	15000(6.21%)	241500	8.04	15000(6.21%)	—
7.	Mayank Gupta	428300	14.27	135000(31.51%)	428300	14.27	135000(31.51%)	—
8.	Neeta Gupta	1500	0.04	—	1500	0.04	—	—
9.	Rakesh Gupta	562100	18.73	120000(21.34%)	562100	18.73	120000(21.34%)	—
10.	Tusharika Gupta	10000	0.33	—	10000	0.33	—	—
11.	ARK Transformers Pvt. Ltd.	60000	1.99	—	60000	1.99	—	—
	Total	2249800	74.98	405000 (18.08%)	2249800	74.98	405000(18.08%)	—

iii. Change in Promoters' Shareholding

There are no changes (increase/decrease) in the shareholding of the promoters in the year 2015-16.

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year (31.03.2015)		Shareholding at the end of the year (31.03.2016)		Cumulative Share- holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Arihant capital markets ltd	80909	2.69	80909	2.69	—	—
2	Ajay Goenka	48500	1.61	48500	1.61	48500	1.61
3	Omprakash Gupta	38400	1.27	38400	1.27	—	—
4	SANGEETHA S	17697	0.59	34000	1.13	—	—
5	Nirmal Gupta	28200	0.93	28200	0.93	—	—
6	Sanwal Prasad Goenka	25000	0.83	25000	0.83	—	—
7	Arvind Goenka	25000	0.83	25000	0.83	—	—
8	Arune Goenka	24000	0.79	24000	0.79	—	—
9	Ayush Goenka	24000	0.79	24000	0.79	—	—
10	SNEHLATA GOENKA	20200	0.67	20200	0.67	—	—

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name & Designation	Shareholding at the beginning of the year		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kishore Gupta (DIN : 00014205) (Managing Director)	583500	19.44	583500	19.44	—	—
2	Rakesh Gupta (DIN : 00014139) (Whole time director & CFO)	562100	18.73	562100	18.73	—	—

There is no change (increase/decrease) in the shareholding of Directors and Key managerial personnel during the year 2015-16

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

In lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	26385624.66	NIL	N.A.	26385624.66
ii) Interest due but not paid	NIL	NIL	N.A.	NIL
iii) Interest accrued but not due	NIL	NIL	N.A.	NIL
Total(i +ii + iii)	26385624.66	NIL	N.A.	26385624.66
Change in Indebtedness during the financial year				
Addition	31274925.37	NIL	N.A.	31274925.37
Reduction	NIL	NIL	N.A.	NIL
Net Change	31274925.37	NIL	N.A.	31274925.37
Indebtedness at the end of the financial year				
i) Principal Amount	57660550.03	NIL	N.A.	57660550.03
ii) Interest due but not paid	NIL	NIL	N.A.	NIL
iii) Interest accrued but not due	NIL	NIL	N.A.	NIL
Total(i +ii + iii)	57660550.03	NIL	N.A.	57660550.03

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name		Total Amount
		Kishore Gupta (Managing Director)	Rakesh Gupta (Whole time Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1440000	1056000	2496000
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - Others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	1440000	1056000	2496000
	Ceiling as per the Act			4816438.91

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Laxmendra Maheshwari	Shashendra Lahri	Chhavi Kharb	
	(1) Independent Directors				
	● Fee for attending board committee meeting	7000	4000	7000	18000
	● Commission	—	—	—	—
	● Conveyance	—	—	—	—
	Total (1)	7000	4000	7000	18000
	(2) Other Non-Executive Directors	Company do not have any non executive directors			
	● Fee for attending board committee meetings				
	● Commission				
	Others, please specify				
	Total (2)	—			
	Overall Ceiling as per the Act	Rs one Lakh per meeting			

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SI.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	No CEO has been appointed by the Company	240000	Whole time Director acts as the CFO of the Company for which no separate remuneration is paid	240000
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission ● as % of profit ● Others, specify...	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total	—	240000	—	240000

*Company has appointed Company Secretary on 22nd April 2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no Penalties or Punishments imposed on the Company. No compounding of offences.

ANNEXURE II ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Objective

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society and also to strive for economic development that positively impacts the society at large with a minimal resource footprint.

Approach

In the aforesaid backdrop, policy on CSR of the Company is broadly framed taking into account the following measures: The CSR activities shall be undertaken as stated in this Policy, excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Company's employees or their family members shall not be considered as CSR activity.

Company shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The CSR projects or programs which Company plans to undertake will be pursuant to Schedule VII of the Companies Act, 2013:

Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of following:

1. Mr. Kishore Gupta, Chairman
2. Mr. Rakesh Gupta, Member
3. Mr. Laxmendra Maheshwari, Member

The CSR Committee shall :

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.
4. The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be the Managing Director of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

Information dissemination

The Company's engagement in this domain will be disseminated on its website, annual reports and its house journals as and when deem fit.

Update

CSR Committee of Board will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary

The Company has posted the CSR policy on its website www.stardeltatransformers.com

2. Composition of CSR Committee

Pursuant to the provisions of the Section 135 of the Companies Act 2013 and rules made there under, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of following:

- Mr. Kishore Gupta, Chairman
- Mr. Rakesh Gupta, Member
- Mr. Laxmendra Maheshwari, Member

3. Average net profit of the company for last three financial years

Rs. 34521556

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)

Rs. 690431

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year: Rs. 690431

(b) Amount unspent: Rs. 590431

(c) Manner in which the amount spent during the financial year is detailed below

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or programs	Amount outlay (budget) project or program wise	Amount spent on the project or programs	Cumulative expenditure up to the reporting period	Amount spent direct or through implementing agency
			(1) Local area or other		(1) Direct expenditure on project or		

			(2) Specify the State and district where projects or programs was undertaken		programs (2) Overheads		
1.	Promoting education, including special education and employment enhancing vocation skills	Health care and education	Friends of tribals society Local Bhopal, Madhya Pradesh	100000	100000	100000	Through implementing agency

6. The company has not spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. However, our CSR committee is constantly working to channelize the funds in line with CSR objectives. Company is in the process of evaluating and identifying the programmes and is in dialogue with various organisations for implementing the CSR activities, In future, the Company will endeavour to spend on CSR activities in accordance with the prescribed limits

On behalf of Board of Directors

Place : Bhopal

Date : 13th August, 2016

Sd/-

(KISHORE GUPTA)
(DIN : 00014205)

MANAGING DIRECTOR
CHAIRMAN (CSR Committee)

Sd-

(RAKESH GUPTA)
(DIN : 00014139)
DIRECTOR

ANNEXURE-III
AUDITORS' CERTIFICATE 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, 2016, with the relevant records and documents maintaining 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 : 28th May, 2016

ANNEXURE-IV
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Star Delta Transformers Limited
92 A, Industrial Area,
Govindpura, Bhopal (M.P.) 462023,

We were appointed by the Board of Directors of Star Delta Transformers Limited (hereinafter called the Company) to conduct Secretarial Audit for the financial year from 01st April 2015 to 31st March 2016. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Star Delta Transformers Limited.

Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct/ statutory compliance and expressing our opinion thereon.

Management's Responsibility:

The Management of the Company is completely responsible for preparation and maintenance of Secretarial records and for developing proper systems to ensure compliance with the provisions of applicable laws, rules and regulations.

Auditor's Responsibility:

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances, on the basis of verification done by us on test basis.

Further our responsibility is also to express an opinion on existence of adequate Board Process and Compliance Management System, commensurate to the size of the company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and the agents of the company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decision taken by the Board and by various committees of the company during the period under scrutiny. We have checked the Board Process and Compliance Management System to understand and to form an opinion as to whether there is an adequate system of seeking approval of the Board, their committees, members of the Company and of other authorities as per provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

Our report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the company.

Based on information and/or details received during our visit to company's Registered Office and on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company at its Registered Office and also the information provided by the Company, its Company Secretary, its officers, agents, functional heads and authorized representatives during the conduct of secretarial audit, we hereby report that in our

opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained at Registered Office by Star Delta Transformers Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: - Not Applicable to the Company during the audit period as the Company has not issued share capital during the financial year under review; however the company has complied with Rule 19A & 19(2) (b) of SCRR with respect to continuous listing requirement with the stock exchange.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable to the Company during the audit period.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable to the Company during the audit period as the Company has not issued Share Capital during the financial year under review.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable to the Company during the audit period as the Company has not issued Employee Stock Option Scheme and Employee Stock Purchase Scheme.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable to the Company during the audit period as the Company has not issued and listed any debt securities during the financial year under review.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable to the Company during the audit period as the Company has not delisted/ propose to delist its equity shares from any Stock Exchange during the financial year under review;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable to the Company during the audit period as the Company has not bought back/ propose to buy-back any of its securities during the financial year under review.
- (vi) The management/ company has confirmed that, the company being a Transformer (Electric) Industry, there are no specific applicable laws to the company which requires specific approvals or compliances under any act or regulations except Energy Conservation Act, 2001 and as per information / declaration given by the management, the company

has obtained permission for affixing label as per provisions of Section 14(a) of Energy Conservation Act, 2001 read with Regulation No. 7 of Bureau of Energy Efficiency (Particulars and Manner of their Display on Labels of Distribution Transformers) Regulations, 2009.

(vii) The Management/ Company has identified and confirmed the following laws as other laws applicable to the Company:

- General Clauses Act, 1897
- Registration Act, 1908
- Indian Stamp Act, 1899
- Limitation Act, 1963
- Transfer of Property Act, 1882
- Indian Contract Act, 1872
- Negotiable Instrument Act, 1881
- Sale of Goods Act, 1930
- Information Technology Act, 2000
- Micro, Small and Medium Enterprises Development Act, 2006
- Consumer Protection Act, 1986
- Legal Metrology Act, 2009
- Arbitration and Conciliation Act, 1996
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Factories Act, 1948
- The Payment of Bonus Act, 1965
- Employee Provident Fund (EPF) & Miscellaneous Provisions Act, 1952
- Employee State Insurance (ESI) Act, 1948
- The Employees Compensation Act, 1923
- The Payment of Gratuity Act, 1972
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Equal Remuneration Act, 1976
- Maternity Benefit Act, 1961
- The Child Labour (Prohibition & Regulation) Act, 1986
- Industrial Disputes Act, 1947
- Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961
- Industrial (Development and Regulation) Act, 1951
- The Income Tax Act, 1961
- Indirect Tax Laws i.e. Madhya Pradesh VAT Act, Madhya Pradesh Professional Tax Act, Entry Tax, Central Sales Tax, Service Tax & Central Excise Act etc.

- Environmental Laws i.e. The Environment (Protection) Act, 1986, The Air (Prevention & Control of Pollution) Act, 1981, The Water (Prevention & Control of Pollution) Act, 1974.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards on Meeting of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 01st of July 2015.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 01st December 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations etc. mentioned above subject to the following observations as mentioned below:

1. *During the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013 and as per clarification given by the Board, the company is in the process of evaluating and identifying the programmes and is in dialogue with various organisations for implementing the CSR activities and in future, the Company will endeavour to spend on CSR activities in accordance with the prescribed limits.*
2. *Service Tax Act: Service Tax Return for the Half year ended on 30th September 2015 and payment of Challans for some months have been filed/submitted after due dates, due to technical error in software/system. Further As per information given by the Management there is no case/litigations outstanding/pending under this Act during the financial year under review.*
3. *Professional Tax Act: As per information/Documents provided by the Management, Company has filed/submitted some Challans after due dates and Returns under the Professional Tax are not yet filed.*
4. *Central Excise Act: As per information/Documents provided by the Management Return of Excise has been filed/submitted on or before due date except for the month of April 2015, November 2015 and February 2016. As informed, the Company has responded appropriately to notices received from relevant Department/authorities including initiating actions for corrective measures, wherever necessary to the extent possible.*
5. *The Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above; however there are some lacunas in complying with some of the Act, Rules, Regulations, Guidelines, Standards, etc.*
6. *As informed by the Management the company has responded to notices by various statutory Regulatory Authorities & initiated actions for corrective measures, wherever necessary to the extent possible.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review, however company has appointed Miss Shweta Agarwal (PAN: AQKPA9903A) as Company Secretary and Whole Time Key Managerial Personnel w.e.f. 22nd April 2015 and complied with the provisions of the Act except that the Form MR-1 was filed on 08th August 2015 i.e. beyond 30 days but within the time stipulated u/s 403 of Act and as per information given by the management, said delay in filing was due to some technical problem. Whereas delayed filing of Form MR-1 was due to some Technical problem and not on the part of the company, this should be reported as compliance.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in one case where Board meeting was called at shorter notice to transact urgent business with the presence of atleast one Independent Director and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

2015-2016

All decisions at Board Meetings, Committee Meetings are carried through majority. Further decisions at General Meetings are carried through requisite majority.

In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company has provided Remote e-voting facility to its members in the Annual General Meeting held on 30th September 2015 and in the Extra ordinary General Meeting held on 23rd January 2016 and complied with the provisions of Act and Rules made in this regard. The company has also provided voting facility at the venue of the Annual General Meeting through electronic voting system to the shareholders present at the Annual General Meeting and who had not cast their vote earlier through Remote e-voting facility. However due to some technical problem/issue the e-voting facility at the time of AGM was not been enabled by the Service provider (CDSL) and therefore members present in the AGM could not voted through e-voting facility and opted to vote through physical polling papers with the permission of Chairman. Whereas said failure occurred due to technical issue/problem and not on the part of the company, this should be reported as compliance.

Company has filed e-Form 5 INV in accordance with Rule 3 of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, on 28/12/2015 i.e. within 90 days of the AGM, however due to some technical problem/issue the Investor-wise details of unclaimed and unpaid amounts could not be uploaded on the IEPF portal and as a result of which said e-Form 5 INV has been rejected. Further company has filed another e-Form 5 INV on 08/03/2016 and also uploaded Investor-wise details of unclaimed and unpaid amounts on IEPF Portal successfully. As the said failure was due to some technical problem/issue and not on the part of the company, this should be reported as compliance.

Register of members with Index and Share transfer is maintained by the Registrar and Share Transfer Agent at the office of RTA and periodic information is sent to company.

The equity shares of the company were listed and admitted to dealings on the Exchange (BSE - Direct Listing) w.e.f. 07th August 2015.

We further report that there are generally adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines however some deviations were observed during the period under review but after the appointment of Company Secretary and/or consult Experts/Advisors/Advocates/Professionals to ensure timely compliance, non-compliance is reduced to a miserable limit.

For **ASA & Associates**
Company Secretaries

Sd/-

S.M. Ashraf

Membership No.: FCS 6233

C P No.: 5148

Email: smashraf08@gmail.com

Website: www.asacsonline.com

Place: Bhopal

Date : 13th August, 2016

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To,

The Members,
Star Delta Transformers Limited
92 A, Industrial Area,
Govindpura Bhopal (M. P.) 462023,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For ASA & Associates
Company Secretaries

Sd/-

S.M. Ashraf

Membership No.: FCS 6233

C P No.: 5148

Email: smashraf08@gmail.com

Website: www.asacsonline.com

Place: Bhopal

Date : 13th August, 2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2016.

a. INDUSTRY STRUCTURE, DEVELOPMENT -

The power sector is a key infrastructure back bone of the country. The demand for power will grow at a much faster rate than the average rate of growth of the Indian economy. Despite of few adverse external factors in the economy like political challenges, volatility in forex market, increased competition etc. the Company has recorded a notable growth during the year under report and improved the overall productivity and efficiency. The better management of the resources as well as use of production facilities has resulted into improved efficiency and better customer satisfaction. For the Company, overall, the year 2015-16 has been noteworthy and ended with growth, posting a positive guidance for the upcoming years.

b. OPPORTUNITES, THREATS AND RISKS

Economic growth has stabilized and downside risks have fallen. The company will have good opportunity to secure projects orders. Although there is stiff competition in the market, yet because of wide product range, innovation and adoption of new technologies. company has taken various initiatives with an aim to address these concerns.

c. SEGMENTWISE PERFORMANCE:

The company operates broadly into following segments.

- (i) **Manufacturing**
 - (ii) **Power Infrastructure - Turnkey Contracts**
 - (iii) **Solar**
- (i) **Manufacturing Division Co.** has a very wide range of Transformer products varying from 10 KVA, 250V/11KV 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, Fedder Llyod, Sterling Wilson, Mumbai, Hythro Power (GET Limited), Gurgaon, L & T, ABB Ltd., Blue Star Ltd., Monte Carlo Ltd., Bajaj Electricals Ltd., Lanco Infra Ltd., BHEL Steel Plants etc.
- (ii) **Power Infrastructure** : Company has entered into 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 11 kV substations including civil work in MPPKVVCL, Indore ; MPPKVVCL, Jabalpur & CSPDCL, Raipur.
- The Company has provided Project Management Consultancy (PMC) in the Joint Ventures. The Company has secured a major turnkey contract from MPPKVVCL, Jabalpur for supply, erection, commissioning of 33 KV Substations 33 KV lines & 11 KV lines during the year. 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. 2015-16 769167 Units were produced & generated revenue of Rs.6225610/-. The Company has future plans to setup additional plants for expansion.

d. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

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

e. OUTLOOK:

The year 2015-16 has proved to be encouraging as a result of improved demand and prices. We have an adequate and efficient strategic planning process through which we evaluate annually the business objectives and strategic themes of the Company. The performance of the Company is examined at regular intervals. The management strongly believes that the consumer demand will be more favorable to the Company in the forthcoming financial years.

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. We believe whatever we achieved from where we started our journey long back is the result of efforts of our team. So, we consistently aim to provide a sustainable environment for learning right from the stage of recruitment to retention. Total permanent employees as on 31.03.2016 are Fifty two excluding Directors.

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

Place : Bhopal

Date : 13th August, 2016

For and on behalf of the Board

Sd/-

(KISHORE GUPTA)

(DIN : 00014205)

MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-2016

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner. The Company has a strong legacy of fair, transparent and ethical governance practices. Our Corporate governance framework is a reflection of our culture, our policies and our commitment to values.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreement with the Stock Exchange.

The Company has adopted the policies and codes in line with new governance requirements including the Policy for preservation of documents, Policy on Board diversity, Archival policy, Policy for determination of materiality for disclosure of events, Codes under Insider Trading Regulations 2015. These policies and codes are available on the website of the Company.

Our Directors support and enforce Corporate governance practices.

II. BOARD OF DIRECTORS

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors (The Board). The Board of the Company is composed of executive and non-executive independent Directors. As on 31st March 2016, the strength of the Board was five Directors comprising of two executive and three non-executive independent (including one woman director). Sixty percent of the Board of the Company is comprised of Independent Director.

The details of the Board of Directors as on 31st March 2016, are given below:

S. No	Name of the Directors/DIN	Designation	Category	Date of Appointment	No. of Board Meetings attended During the year 2015-16	Whether Attended last AGM held on 30.09.2015	No. of other Director -ships in other public companies	No. of Committee Positions held in other Public Companies	
								Membership	Chairmanship
1.	Kishore Gupta (DIN: 00014205)	Managing Director	Promoter Executive	31/10/ 1987	9	Yes	Nil	Nil	Nil
2.	Rakesh Gupta (DIN:00014139)	Whole time Director & CFO	Promoter Executive	15/10/ 1987	9	Yes	Nil	Nil	Nil
3.	Shashendra Lahri (DIN:02704101)	Director	Independent Non-executive	27/03 2015	4	Yes	Nil	Nil	Nil
4.	Laxmendra Maheshwari (DIN:00278005)	Director	Independent Non-executive	27/03 2015	7	Yes	2	Nil	Nil
5.	Chhavi Kharb (DIN:01791358)	Director	Independent Non-executive	27/03 2015	7	Yes	Nil	Nil	Nil

Original date of appointment of Laxmendra Maheshwari (DIN:00278005) is 25.06.2009 and Shashendra Lahri (DIN:02704101) is 25.06.2009.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have been excluded. Only audit committee and stakeholders relationship committee are considered for the purpose of reckoning committee positions.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director

During the Financial year 2015-16, The Board of the Company met nine (9) times with maximum time gap of less than one hundred and twenty days between any two meetings. All the members of the Board were provided requisite information as required as per Schedule II Part A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 well before the Board Meeting. Dates of Board meetings were 22.04.2015, 30.05.2015, 24.06.2015, 11.07.2015, 13.08.2015, 09.11.2015, 25.12.2015, 23.01.2016 and 01.03.2016.

The maximum tenure of independent directors is in compliance with the Act and Rules made there under. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Act.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms and conditions of appointment of independent directors are placed on the Company's website (http://www.stardeltatransformers.com/star_delta_investor1.php)

During the year, one separate meeting of Independent Directors was conducted. All the Independent Directors were present in the meeting. The Independent Directors, inter-alia, reviewed the performance of non-independent directors and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

The Board has recommended the fees paid to the non Executive directors, including Independent directors. The sitting fees is within the limits prescribed under the Act and hence does not require shareholders approval.

The Board has framed and implemented the risk management plan.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company (http://www.stardeltatransformers.com/star_delta_disclosures.php)

Inter - se relationship of Directors

Name	Relation
Mr Kishore Gupta (DIN : 00014205)	Brother of Mr Rakesh Gupta
Mr. Rakesh Gupta (DIN : 00014139)	Brother of Mr. Kishore Gupta
Mr. Laxmendra Maheshwari (DIN : 00278005)	Not related to any director
Mr. Shashendra Lahri (DIN : 02704101)	Not related to any director
Mrs. Chhavi Kharb (DIN : 01791358)	Not related to any director

III. AUDIT COMMITTEE

The terms of reference of the Audit Committee include those specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013 which include:

2015-2016

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;

- To review the functioning of whistle blower mechanism.
- Approval of appointment of CFO after assessing the qualifications, experience and background etc of the candidate
- To review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses
 - Appointment, removal and terms of remuneration of Chief Internal auditor.
 - Statement of deviations

The Audit Committee of the Company consists of three Directors out which two are Independent Directors. The Chairman of the Audit Committee is an Independent Director. All the members of Audit Committee are financially literate. The composition of the Audit Committee and the details of meetings attended by its members are given below

Name of Member	Category	Status	Number of meetings attended during the financial year 2015-16
Mrs. Chhavi Kharb (DIN:01791358)	Non-Executive Independent Director	Chairperson	8/8
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Member	8/8
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member	8/8

During the Financial year 2015-16, The Committee met eight (8) times with maximum time gap of less than one hundred and twenty days between any two meetings. Dates of meetings were 22.04.2015, 30.05.2015, 11.07.2015, 13.08.2015, 09.11.2015, 25.12.2015, 23.01.2016 and 01.03.2016. The necessary quorum was present for all the meetings.

The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2015 and was attended by Mrs. Chhavi Kharb (DIN:01791358), Chairman of the audit committee.

The Company Secretary acts as the Secretary to the Audit Committee

IV. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee include those specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013 which include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

2015-2016

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

The Committee consists of four directors out of which three are non executive Independent Directors. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of Member	Category	Status	Number of meetings attended during the financial year 2015-16
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Chairperson	3/3
Mr. Shashendra Lahri (DIN : 02704101)	Non-Executive Independent Director	Member	3/3
Mrs. Chhavi Kharb (DIN:01791358)	Non-Executive Independent Director	Member	3/3
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member	3/3

The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2015 and was attended by Mr. Laxmendra Maheshwari (DIN:00278005), Chairman of the Committee.

Mr. Laxmendra Maheshwari (DIN:00278005), Chairman of the Committee has authorized Mrs. Chhavi Kharb (DIN:01791358), member of the Committee to attend the Extra Ordinary general meeting held on 23rd January 2016.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criterion for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include Attendance & presence in meetings, Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon, Complying with legislations and regulations in letter and spirit

REMUNERATION OF DIRECTORS

Remuneration Policy:

Pursuant to Section 178 and other applicable provisions of the Companies Act 2013 and SEBI Listing Regulations, 2015, the Nomination & Remuneration Committee has laid down the Remuneration policy, which states as under:

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

Remuneration for the directors, key managerial personnel and other employees will be ascertained as per Section 196, 197, 198 and rules made thereunder and Schedule V of the Companies Act 2013 and listing agreement/regulation.

Further, The Remuneration shall take into account the Company's overall performance, contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Non Executive Directors are eligible for fixed amount of sitting fees plus out of pocket expenses for attending meeting of the Board of Directors. The Independent Directors are not eligible for Stock Options.

Criteria for determining qualifications, positive attributes & independence of Director

Pursuant to Section 178 and other applicable provisions of the Companies Act 2013 and Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (erstwhile Clause 49 of the Listing agreement) the Nomination & Remuneration Committee established the following:

Qualifications of Independent Director :

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

Positive attributes of Independent Directors :

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

Independence of Independent Directors :

An Independent director should meet the requirements of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (erstwhile Clause 49 of the Listing agreement) concerning independence of directors."

Details of remuneration paid to the Executive Director during the year ended 31st March, 2016 are given below:

Executive Director	Salary* (Rs. in Lacs)	Pension	Perquisite	Bonus	Stock Options	Performance incentive	Commission	Total
Mr. Kishore Gupta (DIN: 00014205)	1440000	—	—	—	—	—	—	1440000
Mr. Rakesh Gupta (DIN: 00014139)	1056000	—	—	—	—	—	—	1056000

Details of remuneration paid to the Non-Executive Director during the year ended 31st March, 2016 are given below:-

S. No.	NAME OF DIRECTORS	COMMISSION	CONVEYANCE	PAYMENT OF SITTING FEES FOR ATTENDING BOARD MEETINGS
1.	Mr. Laxmendra Maheshwari (DIN : 00278005)	—	—	7000
2.	Mr. Shashendra Lahri (DIN : 02704101)	—	—	4000
3.	Mrs. Chhavi Kharb (DIN : 01791358)	—	—	7000
	Total		—	18000

During the year under review, there were no other pecuniary transactions with any non-executive director of the Company.

Details of equity shares of the Company held by the directors as on March 31, 2016 are given below:

Name	Number of Equity Shares
Mr. Kishore Gupta (DIN: 00014205)	583500
Mr Rakesh Gupta (DIN: 00014139)	562100

None of the Non executive Independent Director holds any share/stock of the Company. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

V. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act 2013 and rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Committee's terms of reference include the following:

- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

The Committee consists of three directors out of which two are non executive Independent Directors. The composition of the Stakeholder Relationship Committee is given below:

Name of Member	Category	Status
Mr. Laxmendra Maheshwari (DIN : 00278005)	Non-Executive Independent Director	Chairman
Mrs. Chhavi Kharb (DIN : 01791358)	Non-Executive Independent Director	Member
Mr. Rakesh Gupta (DIN:00014139)	Executive Director	Member

The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2015 and was attended by Mr. Laxmendra Maheshwari (DIN:00278005), Chairman of the Committee.

Mr. Laxmendra Maheshwari (DIN:00278005), Chairman of the Committee has authorized Mrs. Chhavi Kharb (DIN:01791358), member of the Committee to attend the Extra Ordinary general meeting held on 23rd January 2016.

During the year 2015-2016, the Company has received no complaints/grievance. No complaints are pending at the end of the year.

Miss Shweta Agarwal is the Company Secretary and Compliance Officer of the Company.

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act. The broad terms of reference CSR committee is as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee consists of three directors out of which one is non executive Independent Directors. The composition of the Corporate Social Responsibility Committee is given below:

Name of Member	Category	Status
Mr. Kishore Gupta (DIN : 00014205)	Executive Director	Chairperson
Mr. Rakesh Gupta (DIN : 0014139)	Executive Director	Member
Mr. Laxmendra Maheshwari (DIN : 00278005)	Non-Executive Independent Director	Member

The Committee meets as and when required.

During the year, two meetings of the CSR Committee were held and all the members of the Committee were present in the meeting.

VII. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:-

YEAR	DATE & TIME	LOCATION	WHETHER SPECIAL RESOLUTION(S) WERE PASSED
2012-2013	28th September, 2013 at 11.00 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal	No Special resolution was passed
2013-2014	30th September, 2014 at 11.00 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal 462023	<ul style="list-style-type: none"> ● Ratification by Members u/s Section 180(1)(a) of the Companies Act 2013. ● Ratification by Members u/s Section 180(1)(c) of the Companies Act 2013: ● Ratification of the Acts done by the Board for affixation of Common Seal:
2014-2015	30th September, 2015 at 11.00 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal 462023	<ul style="list-style-type: none"> ● To approve the remuneration of cost auditors. ● Ratification of payment of minimum remuneration to Mr. Kishore Gupta (DIN:00014205) Managing Director and Rakesh Gupta (DIN:00014139) Whole time Director for the period ending 31 March, 2015. ● Payment of Minimum remuneration to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company in the event of inadequacy or absence of profit. ● Payment of Minimum remuneration to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company in the event of inadequacy or absence of profit.

VIII POSTAL BALLOT HELD DURING THE FINANCIAL YEAR 2015-16

During the year under review, no resolutions were passed through the postal ballot

IX. EXTRA ORDINARY GENERAL MEETING

Year	Date & Time	Details
2015-16	23rd January 2016 at 11 A.M.	Approval under Section 180(1)(a) of the Companies Act 2013

X. DISCLOSURES**a) Related Party Transactions**

The Related party contracts / arrangements / transactions entered into by the Company do not fall under the ambit of Section 188(1) of the Companies Act 2013 and all related party transaction during the financial year were at arm's length and in ordinary course of business. In compliance with the provisions of the Act and Regulation 23(2) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Company has obtained omnibus approval from the Audit Committee and transactions were reported to the Audit Committee / Board at their quarterly meeting.

During the Fiscal 2016, there have been no materially significant related party transactions between the Company and Directors, management, subsidiaries or relatives, as defined under Section 188 of the Act and Regulations 23 the SEBI Listing Regulations 2015.

There are no transactions that are required to be reported in Form AOC-2 and as such does not form part of the Report.

The Company has formulated the policy on materiality of Related party transactions as per Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, The same has been available on the company's website <http://www.stardeltatransformers.com/index.php>

Suitable disclosures have been made in the financial statements as prescribed in accounting standards.

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 31.03.2016

c) Code of Conduct

Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. As required the said code has been posted on the website of the Company (<http://www.stardeltatransformers.com/index.php>.) All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2016. A declaration to this effect signed by the Managing Director forms part of the Corporate Governance report

d) Whistle Blower Policy

As per Section 177(9) and (10) of the Companies Act, 2013, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The same has been posted on the website of the Company. No personnel of the Company was denied access to the Audit Committee

e) Reconciliation of Share Capital Audit Report

The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form 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 to its best. As regards the non - mandatory requirements they are complied with to the maximum extent.

(g) Compliance certificate

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(h) Disclosures onWebsite

The Company maintains a functional website and has disseminated all the required information as per the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(i) Compliances under Insider Trading Regulations 2015

Securities and Exchange Board of India has issued the Prohibition of Insider Trading Regulations, 2015 which came into force from 15th May 2015. The Company has made all the necessary compliances under the said Regulations.

XI. MEANS OF COMMUNICATION

Various correspondences as required by the Companies Act 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is published in numerous leading dailies such as Hitavada and Haribhoomi. The Company has its own website, www.stardeltatransformers.com which contains all important public domain information. All financial and other vital information are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

XI. GENERAL SHAREHOLDERS' INFORMATION**A. GENERAL INFORMATION**

Registered Office	92-A Industrial Area Govindpura Bhopal 462023
Plant Location	92-A Industrial Area Govindpura Bhopal 462023
Annual General Meeting: Day/Date/Time/Venue:	Friday, the 30th September, 2016 at 11.00 A.M. 92-A Industrial Area Govindpura Bhopal 462023
Financial Year	1st April to 31st March
Book Closure	24th day September, 2016 to 30th day September, 2016
Dividend Payment Date	Company has not declared dividend.
Listing on Stock Exchanges	1. BSE LIMITED Stock Code: 539255 ISIN Code: INE541K01014 Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Phones : 91-22-22721233/4, 91-22-66545695 Fax : 91-22-22721919 2. Ahmedabad Stock Exchange Of India Limited Exchange 3. Delhi Stock Exchange The Company has paid the Listing fee to the Bombay Stock exchange.

The trading is done only at the Bombay Stock exchange

B. Dematerialisation of shares

As on 31st March, 2016, 2978700 Equity Shares representing 99.27% of the Company's Equity Share Capital are in dematerialized form.

NSDL	25,51,824	85.05%
CDSL	4,26,876	14.228%
	29,78,700	99.27%

C. Registrar & Share Transfer Agent

System Support Services
209, Shivai Industrial estate, 89 Andheri Kurla Road,
Saki naka, Andheri(E), Mumbai-400072
Phone : 022-28500835, email : sysss72@yahoo.com

D. Market price data

Monthly High/Low prices per share during the Financial Year 2015-2016

2015-2016

Months	BSE	
	High (Rs.)	Low (Rs.)
August, 2015	116	75.80
September, 2015	89	69.25
October, 2015	97	77
November, 2015,	88	76.10
December, 2015	99.40	82
January, 2016	98.10	78.55
February, 2016	121	90.20
March, 2016	122.80	88.60

The equity shares of Star Delta Transformers Ltd (Scrip Code: 539255) are listed and admitted to dealings on the Exchange(BSE- direct listing) from August 07, 2015.

E. Shareholding pattern as on 31st March, 2016

Category of Shareholders	No. of Shares held at the end of the year (31-03-2016)			
	Demat	Physical	Total	% of Total Shares
A. Promoters				
1) Indian				
a) Individual/ HUF	2189800	0	2189800	72.98
b) Central Govt/State Govt	0	0	0	0
c) Bodies Corp.	60000	0	60000	2
d) Banks / FI	0	0	0	0
e) Any Other	0	0	0	0
Sub-total (A) (1):-	2249800	0	2249800	74.98
2) Foreign				
a) NRIs - Individuals	0	0	0	0
b) Other - Individuals	0	0	0	0
c) Bodies Corp.	0	0	0	0
d) Banks / FI	0	0	0	0
e) Any Other	0	0	0	0
Sub-total (A) (2):-	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2249800	0	2249800	74.98
B. Public Shareholding				
1. Institutions	0	0	0	0
a) Mutual Funds	0	0	0	0
b) Banks / FI	0	0	0	0
c) Central Govt	0	0	0	0
d) State Govt(s)	0	0	0	0

e) Venture Capital Funds	0	0	0	0
f) Insurance Companies	0	0	0	0
g) FII's	0	0	0	0
h) Foreign Venture Capital	0	0	0	0
i) Others (specify)	0	0	0	0
Sub-total (B)(1):-	0	0	0	0
2. Non- Institutions				
a) Bodies Corp.	104490	0	104490	3.48
b) Individuals				
Individual shareholders holding nominal share capital upto Rs. 2 lakh	354835	21500	376335	12.54
Individual shareholders holding nominal share capital in excess of Rs 2 lakh	267300	0	267300	8.91
c) Others(specify)				
NRI (Repatriation)	1275	0	1275	0.042
NRI Individuals (Non-Repatriation)	1000	0	1000	0.033
Sub-total (B)(2):-	720000	30400	750400	25.012
Total Public Shareholding (B)=(B)(1)+ (B)(2)	728900	21500	750400	25.012
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0
GrandTotal(A+B+C)	2978700	21500	3000200	100

F. Distribution of Shareholding as on 31st March, 2016

RANGE OF SHARES	NO. OF SHARES			NO. OF HOLDERS		
	Demat	Physical	% of Total	Demat	Physical	% of Total
Upto 5000	261506	21500	9.43	500	224	95.38
5001-10000	74980	0	2.49	12	0	1.58
10001-20000	80305	0	2.67	5	0	0.65
20001-30000	194900	0	6.49	8	0	1.05
30001-40000	72400	0	2.41	2	0	0.26
40001-50000	0	0	0	0	0	0
50001-100000	210909	0	7.03	3	0	0.39
100001 and above	2083700	0	69.45	5	0	0.65
Total	2978700	21500	100	535	224	100

G. Outstanding GDRs/ADRs/Warrants/or any Convertible instruments, Conversion date and likely impact on equity

The Company has not issued any ADR/GDR/Warrant or any other convertible instruments.

H. Share Transfer System

Share transfer in physical form can be lodged with System Support Services, Registrar & Share transfer agent. The

transfers are generally processed within 15 days from the date of receipt if the documents are complete in all respect.

I. Shares in suspense account

There are no shares in suspense account

J. Shares in unclaimed suspense account

There are no shares in unclaimed suspense account

K. Compliance Officer

Miss Shweta Agarwal is appointed as the Company Secretary and Compliance officer of the Company from 22nd April 2015.

L. Address of Correspondance

Star Delta Transformers Ltd.

92-A Industrial Area Govindpura,

Bhopal 462023

**BY ORDER OF THE BOARD
For Star Delta Transformers Limited**

Sd/-

**(Mr. KISHORE GUPTA)
(DIN : 00014205)**

Place : Bhopal

Date : 13th August, 2016

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I confirm that the Board members and the senior management personnel have affirmed compliance with the code of conduct for the Financial year ended 31st March 2016.

Place : Bhopal

Date : 28th May, 2016

Sd/-

(Mr. KISHORE GUPTA)

(DIN : 00014205)

MANAGING DIRECTOR

COMPLIANCE CERTIFICATE

To,

The Board of Directors
Star Delta Transformers Limited

We certify that:

- a) We have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2016 and to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statements 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 transactions entered into by the Company during the year ended 31st March, 2016 are fraudulent, illegal or violative of 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 the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - I) Significant change in internal control over financial reporting 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 any employee having a significant role in the Company's internal control system over financial reporting.

Sd-

(RAKESH GUPTA)

(DIN : 00014139)

CHIEF FINANCIAL OFFICER

Sd-

(KISHORE GUPTA)

(DIN : 00014205)

MANAGING DIRECTOR

Place : Bhopal

Date : 28th May, 2016

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF 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 31/03/2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under Section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31st March, 2016, and its Profits and its 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, 2016 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in the "**Annexure - A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors as on 31/03/2016 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure - B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
 - (g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sd/-

CA. M. N. G. PILLAI
Partner
Membership No.074051

Place : Bhopal
Date : 28th May, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- (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) According to the information and explanations given to us and the record examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and building which are free hold are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) As explained to us the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, Secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, wherever applicable the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable. The Company has not granted any security in term of Section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the company has not accepted any deposits from the public during the year and accordingly paragraph 5 of the order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under sub section (1) of Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues;
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authority.
 - (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six month from the date they became payable.
 - (c) 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, 2016.

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, government and banks.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees have been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals managed by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors, associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Place : Bhopal
Date : 28th May, 2016

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

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Refer to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under clause (i) of Sub-Section 3 of Section 143 of the Companies Act,2013 ("The Act")

We have audited the internal financial controls over financial reporting of STAR DELTA TRANSFORMERS LIMITED ("the Company"), as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Financial Controls

The Company's management is responsible establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conducts of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on Audit of internal financial controls over financial reporting (the "Guidance note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial reporting controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial

statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India.

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

Place : Bhopal
Date : 28th May, 2016

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

STAR DELTA TRANSFORMERS LIMITED

92-A, Industrial Area, Govindpura, Bhopal

BALANCE SHEET AS AT 31st March, 2016

Particulars	NOTES	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
EQUITY AND LIABILITIES					
Amount in Rs.					
Shareholders' Funds					
Share Capital	1	30002000.00		30002000.00	
Reserves And Surplus	2	330273707.04	360275707.04	298628447.94	328630447.94
Share Application Money Pending Allotment		—		—	
Non-Current Liabilities					
Long Term Borrowings	3	28417094.00		26385002.66	
Deferred Tax Liabilities (net)	4	15600000.00	44017094.00	14400000.00	40785002.66
Current Liabilities					
Short Term Borrowings	5	29243456.03		622.00	
Trade Payables	6	13450723.00		22283373.00	
Other Current Liabilities	7	22223879.47		55168238.16	
Short Term Provisions	8	3174913.39	68092971.89	4105485.00	81557718.16
TOTAL			472385772.93		450973168.76
ASSETS					
Non-Current Assests					
Fixed Assets	9				
Tangible Assets		88978019.84		90921134.84	
Intangible Assets		0.00		0.00	
Capital Work in Progress		0.00		0.00	
Intangible Assets Under Development		0.00	88978019.84	0.00	90921134.84
Non-Current Investment		0.00		0.00	
Long Term Loans And Advances		0.00	0.00	0.00	0.00
Current Assets					
Current Investments		0.00		0.00	
Inventories	10	102451015.00		131161231.00	
Trade Receivables	11	216677680.34		155487825.00	
Cash And Bank Balances	12	34886261.75		50313470.92	
Short Term Loans Advances	13	28495867.00		21526802.00	
Other Currents Assets	14	896929.00	383407753.09	1562705.00	360052033.92
TOTAL			472385772.93		450973168.76

Significant Accounting Policies A to O

Notes On Financial Statements 1 to 30

FOR AND ON BEHALF OF THE
BOARD OF DIRECTORSSd/-
KISHORE GUPTA
MANAGING DIRECTORSd/-
RAKESH GUPTA
CFO & DIRECTORSd/-
SHWETA AGARWAL
COMPANY SECRETARYPlace : Bhopal
Date : 28th May, 2016Sd/-
A.K. KHABYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 001994C
M.N.G. PILLAI
Partner
Membersip No. 074051

STAR DELTA TRANSFORMERS LIMITED

92-A, Industrial Area, Govindpura, Bhopal

STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	NOTES	For the year ended on 31st March, 2016	For the year ended on 31st March, 2015
Amount in Rs.			
INCOME			
Revenue From Operations	15	766372418.00	528283738.00
Other Income	16	21543158.08	5961079.42
Total Revenue		787915576.08	534244817.42
EXPENDITURE			
Cost Of Materials Consumed	17	540577154.00	355275632.00
Purchases of Stock In Trade		—	—
Changes In Inventories Of Finished Goods, Work-In-Progress and Stock In-Trade	18	33025631.00	40216695.00
Employee Benefits Expenses	19	16956430.00	14986575.00
Finance Costs	20	12182133.76	11875985.03
Depreciation And Amortisations Expenses	21	7834473.00	8898414.00
Other Expenses	22	129175365.22	80808184.54
Total Expenses		739751186.98	512061485.57
Profit Before Extra Ordinary Items and Tax Exceptional Item (Income)		48164389.10	22183331.85
Income From Previous year	23	0.00	0.00
Tax Expenses			
Current Tax expense for current year		15800000.00	5413479.00
Current Tax expense relating to prior years		(480870.00)	(13868.00)
Net Current tax expense		15319130.00	5399611.00
Deferred Tax Provision Written Off		0.00	0.00
Deferred tax		1200000.00	0.00
Profit For The Year		31645259.10	16783720.85
Earnings Per Equity Shares Of Face Value Of `10 each Basic and Diluted	25	10.55	5.59
Significant Accounting Policies	A to O		
Notes On Financial statements	1 to 30		

FOR AND ON BEHALF OF THE
BOARD OF DIRECTORSSd/-
KISHORE GUPTA
MANAGING DIRECTOR
Place : Bhopal
Date : 28th May, 2016Sd/-
RAKESH GUPTA
CFO & DIRECTORSd/-
SHWETA AGARWAL
COMPANY SECRETARY

As per out Report even date

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

STAR DELTA TRANSFORMERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

Description	Amount in Rs.	
	For the year ended on 31st March, 2016	For the year ended on 31st March, 2015
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax & extra-ordinary items		
Adjustments for :	48164389.10	22183331.85
Depreciation and amortisation	7834473.00	8898414.00
(Profit)/Loss on sale/ write off of assets	(4000.00)	0.00
Finance Costs	12182133.76	11875985.03
Provisions	0.00	0.00
Interest Income	(7282015.90)	(5949560.00)
Dividend Income	0.00	0.00
Liabilities / provisions no longer required written/back	0.00	0.00
Operating Profit before Working Capital Changes	<u>12730590.86</u>	<u>0.00</u>
Changes in Working Capital:	60894979.96	37008170.88
Adjustments for (increase)/ decrease in operating assets:		
Inventories	28710216.00	38720028.00
Trade receivables	(61189855.34)	(33047867.09)
Short-term Loans and advances	(6969065.00)	23278587.00
Long term loans and advances	0.00	0.00
Other Current Assets	665776.00	17209.00
Other Non-Current Assets	0.00	0.00
	<u>(38782928.34)</u>	<u>0.00</u>
Adjustments for increase/ (decrease) in operating Liabilities:		
Trade Payables	(8832650.00)	(33568862.00)
Other Current Liabilities	(32944358.69)	49591989.16
Other Long Term Liabilities	0.00	0.00
Short Term Provisions	(930571.61)	2350443.00
Long Term Provisions	0.00	0.00
	<u>(42707580.30)</u>	<u>0.00</u>
Cash Generated from Operations before Tax & Extraordinary Item	<u>(20595528.68)</u>	<u>84349697.95</u>
Previous year income		
Cash Generated from Operations before Tax		<u>84349697.95</u>
Net Income Tax (paid) / refunds	<u>15319130.00</u>	<u>5399611.00</u>
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES [A]	(35914658.68)	78950086.95

CASH FLOWS FROM INVESTMENT ACTIVITIES				
Capital Expenditure on Fixed Assets	(5892358.00)		(506276.00)	
Capital work in progress	0.00		0.00	
Sale of Fixed Assets	5000.00		0.00	
Interest Received	7282015.90		5949560.00	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES [B]	0.00	1394657.90	0.00	5443284.00
CASH FLOWS FROM FINANCING ACTIVITIES		1394657.90		5443284.00
Proceeds from issue of Share Capital				
Security Premium received	0.00		0.00	
Proceeds from Long-term borrowings	2032091.34		0.00	
Repayment of Long Term Borrowings	0.00		(4217072.97)	
Net Increase/(Decrease) in Working Capital borrowings	29242834.03		(111302491.31)	
Proceeds from Other Short Term Borrowings	0.00		0.00	
Repayment of Other Short Term Borrowings	0.00		(2177442.00)	
Finance Cost	(12182133.76)		(11875985.03)	
Dividends Paid	0.00		(1500100.00)	
Tax on Dividend	0.00		(305385.00)	
NET CASH FROM/(USED IN) FINANCING ACTIVITIES [C]		19092791.61		(131378476.31)
Net Increase/(decrease) in cash and cash equivalents (A + B + C)		(15427209.17)		(46985105.36)
Cash and cash equivalents at the beginning of the year		50313470.92		97298576.28
Cash and cash equivalents at the end of the year*		34886261.75		50313470.92
*Comprises		(0.00)		(0.00)
		3151707.00		1832457.00
a) Cash on hand		2898484.00		280000.00
b) Cheques, drafts on hand				
c) Balance with Banks:		907403.75		17712170.42
(i) In current Assets		0.00		0.00
(ii) In deposit accounts with original maturity of less than 3 months		27928667.00		30488843.50
(iii) Others				

**For STAR DELTA
TRANSFORMATION LIMITED**

Sd/-
KISHORE GUPTA
MANAGING DIRECTOR
Place : Bhopal
Date : 28th May, 2016

Sd/-
RAKESH GUPTA
CFO & DIRECTOR

Sd/-
SHWETA AGARWAL
COMPANY SECRETARY

As per out Report even date

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

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 has been provided on SLM in the manner provided in schedule II of The Companies Act, 2013.

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.

Place : Bhopal
Date : 28th May, 2016

Sd/-
KISHORE GUPTA
MANAGING DIRECTOR

Sd/-
RAKESH GUPTA
EXECUTIVE DIRECTOR

Sd/-
SHWETA AGARWAL
COMPANY SECRETARY

STAR DELTA TRANSFORMERS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1 SHARE CAPITAL	(Amount in Rs.)			
	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Authorised Share Capital:				
3125000 equity shares of Rs.10/- each	31250000.00		31250000.00	
50000 Preference Shares of Rs.10/- each	500000.00		500000.00	
		31750000.00		31750000.00
Issued, Subscribed and Paid up:				
3000200 Equity Share of Rs.10/- each	30002000.00		30002000.00	
fully paid up		30002000.00		30002000.00
1.1 The details of Shareholders holding more than 5% shares:				
	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Name of Shareholder	No. of shares	% held	No. of shares	% held
MR. KISHORE GUPTA	583500.00	19.45	583500.00	19.45
MR. RAKESH GUPTA	562100.00	18.73	562100.00	18.73
MRS. ARCHANA GUPTA	268300.00	8.94	268300.00	8.94
MRS. MANJU GUPTA	241500.00	8.05	241500.00	8.05
MR. MAYANK GUPTA	428300.00	14.28	428300.00	14.28
1.2 The reconciliation of the number of shares outstanding is set out below:				
Particulars	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
	No. of shares		No. of shares	
Equity Shares at the beginning of the year	3000200.00		3000200.00	
Equity Shares at the end of the year	3000200.00		3000200.00	
2 RESERVES AND SURPLUS				
	(Amount in Rs.)			
	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Capital Redemption Reserve				
As per last Balance Sheet	200000.00		200000.00	
TOTAL		200000.00		200000.00
Securities Premium Account				
As per last Balance Sheet	5712000.00		5712000.00	
TOTAL		5712000.00		5712000.00

Capital Reserve A/c				
As Per last balance sheet	1031000.00		1031000.00	
TOTAL		1031000.00		1031000.00
General Reserve				
As per last Balance Sheet	285000000.00		275000000.00	
Add: Transferred from Profit and Loss Account	5000000.00		10000000.00	
TOTAL		290000000.00		285000000.00
Profit and Loss Account				
As per last Balance Sheet	6685447.94		1707212.09	
Add: Profit for the year	31645259.10		16783720.85	
	38330707.04		18490932.94	
Less: Appropriations				
Transferred to General Reserve	5000000.00		10000000.00	
Dividend	0.00		1500100.00	
Tax on Dividend	0.00	33330707.04	305385.00	
TOTAL		330273707.04		298628447.94
3 LONGTERM BORROWINGS	(Amount in Rs.)			
	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
	Non current	current	Non current	current
Secured	—	—	—	—
From Bank				
HDFC Car loan A/c	0.00	0.00	60775.95	238966.71
(Against hypothecation of car)				
State Bank of India Term Loan A/c	0.00	0.00	22585260.00	3500000.00
HDFC Bank Term Loan A/c	23693741.00	0.00	0.00	0.00
	28417094.00	0.00	22646035.95	3738966.71
Unsecured	—	—	—	—
TOTAL	28417094.00	0.00	22646035.95	3738966.71
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.13/2/2Village 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, 2016		AS AT 31st MARCH, 2015	
Deferred Tax Liability				
Related to Fixed Assets		14400000.00		14400000.00
Deferred Tax Assets		1200000.00		0.00
TOTAL		15600000.00		14400000.00

5 SHORTTERM BORROWINGS				
	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Secured				
working Capital Loans				
From Banks				
HDFC Bank CC A/c		29243456.03		0
State Bank of India SLC A/c		0.00		622.00
LIC of India Bhopal		0.00		0.00
Unsecured				
Other Loans And Advances				
Loans Repayable on demand from other parties				
Loans and advances from Related Parties				
ARK Transformers Private Limited	0.00	0.00	0.00	0.00
TOTAL		29243456.03		622.00

5.1 Working Capital loan is secured by first charge over entire current assets of the Company and by first mortgage/ charge on immovable properties situated at 92-A, Industrial Area, Govindpura, 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 also by their personal guarantee.

6 TRADE PAYABLES		
	(Amount in Rs.)	
	31st MARCH, 2016	31st MARCH, 2015
Micro Small And Medium Enterprises	8932690.00	18423432.00
Others	4518033.00	3859941.00
TOTAL	13450723.00	22283373.00

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

Particulars	As at 31 March, 2016		As at 31 March, 2015	
		Rs.		Rs.
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year		8932690.00		18423432.00
(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		—		—

6.2 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.

6.3 Others:

Creditors for Supplies	8932690.00		18423432.00	
Creditors for Expenses	2354846.00		2095545.00	
Outstanding Expenses	2163187.00	13450723.00	1764396.00	22283373.00

7 OTHER CURRENT LIABILITIES

	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Interest accrued but not due on borrowings		—		—
Unclaimed Dividend #		155878.50		122501.50
Creditors for Capital Goods		—		—
Advance Received against Court Order		2114830.00		2114830.00
Other Payables *		19953170.97		52930906.66
TOTAL		22223879.47		55168238.16

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

8 SHORTTERM PROVISIONS

	AS AT 31st MARCH, 2016		AS AT 31st MARCH, 2015	
Provision for Superannuation/Gratuity/Leave Encashment		0.00		0.00
Provision for Income Tax (Net of Advance Tax & TDS)		3174913.39		2300000.00
Proposed Dividend		0.00		1500100.00
Tax on dividend		0.00		305385.00
TOTAL		3174913.39		4105485.00

Star Delta Transformers Limited

92-A, Industrial Area, Govindpura, Bhopal

9. FIXED ASSETS

SCHEDULE OF FIXED ASSETS AS ON 31st MARCH, 2016

S.N.	Description of Assets	GROSS BLOCK				DEPRICIATION				NET BLOCK	
		As on 01-04-2015	Addition	Deduction Adjustment	As at 31-03-2016	As at 01-04-2015	For the Year	Deduction Adjustment	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
A.	TANGIBLE ASSETS: OWN ASSETS:										
	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)	1062500.00	0.00	0.00	1062500.00	0.00	0.00	0.00	0.00	1062500.00	1062500.00
	Building and Shed	13701226.41	0.00	0.00	13701226.41	5008487.41	382261.00	0.00	5390748.41	8310478.00	8692739.00
	Building and Shed Unit II	27864412.00	0.00	0.00	27864412.00	4398565.00	903554.00	0.00	5302119.00	22562293.00	23465847.00
	Plant & Machinery	25231985.25	257869.00	0.00	25489854.25	13687945.25	1342453.00	0.00	15030398.25	10459456.00	11544040.00
	Plant & Machinery Unit II	8381060.00	0.00	0.00	8381060.00	2163757.00	579002.00	0.00	2742759.00	5638301.00	6217303.00
	Plant & Machinery (Solar Power Plant)	44061800.00	0.00	0.00	44061800.00	9603088.00	2687969.00	0.00	12291057.00	31770743.00	34458712.00
	Electrical Installation	2482100.86	116746.00	0.00	2598846.86	1650121.86	226006.00	0.00	1876127.86	722719.00	831979.00
	Electrical Installation Unit II	587674.00	0.00	0.00	587674.00	130937.00	67927.00	0.00	198864.00	388810.00	456737.00
	Office Equipment	1220855.05	43603.00	0.00	1264458.05	966965.05	133978.00	0.00	1100943.05	163515.00	253890.00
	Furniture & Fixtures	2227054.49	35265.00	0.00	2262319.49	1094728.49	170925.00	0.00	1265653.49	996666.00	1132326.00
	Vehicles	7783535.00	5425375.00	20000.00	13188910.00	5103941.00	1295635.00	19000.00	6380576.00	6808334.00	2679594.00
	Computer	1154879.43	13500.00	0.00	1168379.43	1063790.43	44763.00	0.00	1108553.43	59826.00	91089.00
	Sub-Total	135793461.33	5892358.00	20000.00	141665819.33	44872326.49	7834473.00	19000.00	52687799.49	88978019.84	90921134.84
	LEASED ASSETS:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	135793461.33	5892358.00	20000.00	141665819.33	44872326.49	7834473.00	19000.00	52687799.49	88978019.84	90921134.84
B.	INTANGIBLE ASSETS:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL(B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A+B)	135793461.33	5892358.00	20000.00	141665819.33	44872326.49	7834473.00	19000.00	52687799.49	88978019.84	90921134.84
	Previous Year	135287185.33	506276.00	0.00	135793461.33	35973912.49	8898414.00	0.00	44872326.49	90921134.84	99313272.84
C.	CAPITAL WORK IN PROGRESS										
	Capital Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

10 INVENTORIES					(Amount in Rs.)				
		AS AT 31st MARCH, 2016			AS AT 31st MARCH, 2015				
Raw Materials			31912640.00				27597225.00		
Goods In Progress			38812550.00				74873889.00		
Finished Goods			4016205.00				696205.00		
Scrap Material			18844120.00				19128412.00		
Solar Power Stock			8865500.00				8865500.00		
			102451015.00				131161231.00		
LESS: Cenvat on Stock Utilised			0.00				0.00		
TOTAL			102451015.00				131161231.00		
11 TRADE RECEIVABLES									
(Unsecured and Considered Good)		AS AT 31st MARCH, 2016			AS AT 31st MARCH, 2015				
Over Six Months			5370165.00				18780158.00		
Others			211307515.34				136707667.00		
TOTAL			216677680.34				155487825.00		
12 CASH AND BANK BALANCES									
		AS AT 31st MARCH, 2016			AS AT 31st MARCH, 2015				
Cash in Hand		2475034.00			1271071.00				
Cash in Imprest		676673.00	3151707.00		561386.00	1832457.00			
Cheques in hand			2898484.00			280000.00			
Balance with scheduled Banks									
(i) In Current Accounts		907403.75				17712170.42			
(ii) In Deposit Accounts		0.00				0.00			
(iii) In Earmarked Accounts:									
- Unpaid Dividend Account		164210.00				146501.50			
- Balances held as Margin Money or Security against Borrowings, Guarantees, and Other Commitments #		27737211.00				30320437.00			
- SBI SDT Employees Gratuity Account		27246.00	28836070.75			21905.00			
TOTAL			34886261.75			50313470.92			
#Fixed Deposits with banks held as Margin Money amounting to Rs. 30286643/- (Previous year Rs.27818582/-) with maturity more than 12 months.									
13 SHORTTERM LOANS AND ADVANCES									
(Unsecured and Considered Good)		AS AT 31st MARCH, 2016			AS AT 31st MARCH, 2015				
Advance To Suppliers		8934623.00			1446701.00				

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Advance for Services/Testing	1483206.50	10417829.50	1106552.50	2553253.50
Security Deposits		3048132.00		2548132.00
Loans and Advances to Employees		336493.00		248195.00
Chirayu Charitable Foundation, Bhopal		4247602.00		
Balance with Customs, Central Excise & Income Tax Authorities		5634555.00		8674785.00
Prepaid Expense		4811255.50		7502436.50
TOTAL		28495867.00		21526802.00
14 OTHER CURRENT ASSETS				
		AS AT 31st MARCH, 2016	AS AT 31st MARCH, 2015	
Interest Accrued on Deposits		896929.00		1562705.00
TOTAL		896929.00		1562705.00
15 REVENUE FROM OPERATIONS				
		2015-16	2014-15	
Sale of Products		675170372.00		480825999.00
Sales of Solar Power		6225610.00		4131348.00
Income from Services		136740519.00		77845584.00
Other operating revenues		4370131.00		6725400.00
		822506632.00		569528331.00
Less: Excise Duty /Service Tax		56134214.00		41244593.00
TOTAL		766372418.00		528283738.00
15.1 PARTICULARS OF SALE OF PRODUCTS				
		2015-16	2014-15	
Transformers		675170372.00		480825999.00
TOTAL		675170372.00		480825999.00
15.2 PARTICULARS OF SALE OF POWER				
		2015-16	2014-15	
Sales Solar Power		6225610.00		4131348.00
TOTAL		6225610.00		4131348.00
15.3 PARTICULARS OF INCOME FROM SERVICES				
		2015-16	2015-16	
Sales Composition Project (ADB)		129610445.00		70132044.00
Repair and Maintenance Charges Received		52000.00		531150.00
Sales (Import Transfer)		0.00		0.00
Erection & Commissioning charges		4386.00		31150.00
Freight		4494625.00		4658000.00
Business Auxiliary services		784063.00		914390.00
Testing charges		1795000.00		1578850.00
		136740519.00		77845584.00
15.4 PARTICULARS OF OTHER OPERATING REVENUES				
		2015-16	2014-15	
Sale of scrap		4370131.00		6725400.00
		4370131.00		6725400.00
16 OTHER INCOME				
		2015-16	2014-15	
Interest		7282015.90		5949560.00
From Others		7282015.90		5949560.00

Dividend		0.00		0.00
Net gain on sale of Investments		0.00		0.00
Other non Operating Incomes*		14261142.18		11519.42
		14261142.18		11519.42
TOTAL		21543158.08		5961079.42
* Net of expenses directly attributable to such income				
16.1 PARTICULARS OF OTHER NON OPERATING INCOMES	2015-16		2014-15	
Director's Keyman Insurance Policy		14250000.00		0.00
Profit on Sales on Vehicle		4000.00		0.00
Misc. Balances written off		7142.18		11519.42
TOTAL		14261142.18		11519.42
17 COST OF MATERIAL CONSUMED	(Amount in Rs.)			
	2015-16		2014-15	
Opening Stock		27597225.00		26100558.00
Add: Purchases		608047925.00		395645625.00
		635645150.00		421746183.00
Less : Cenvat & VAT Consumed		63155356.00		38873326.00
		572489794.00		382872857.00
Less: Closing stock		31912640.00		27597225.00
TOTAL		540577154.00		355275632.00
18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	2015-16		2014-15	
<u>Inventories at the end of the year</u>				
Finished goods		4016205.00		696205.00
Work-in-progress		38812550.00		74873889.00
Scrap		18844120.00		19128412.00
Solar Power		8865500.00		8865500.00
		70538375.00		103564006.00
<u>Inventories at the beginning of the year</u>				
Finished goods		696205.00		696205.00
Work-in-progress		74873889.00		119361544.00
Scrap		19128412.00		19686752.00
Solar Power		8865500.00		4036200.00
		103564006.00		143780701.00
		33025631.00		40216695.00
19 EMPLOYEE BENEFITS EXPENSES	2015-16		2014-15	
Salaries and Wages		15633531.00		13629321.00
Contribution to Provident and Other Funds		614166.00		883200.00
Staff Welfare Expenses		708733.00		474054.00
TOTAL		16956430.00		14986575.00

2015-2016

20 FINANCE COSTS	2015-16		2014-15	
(a) INTEREST EXPENSES ON:				
Borrowings (Bank)		6187993.31		6735118.75
Other Borrowings		41921.00		22925.00
(b) Bank Charges		5952219.45		5117941.28
TOTAL		12182133.76		11875985.03
21 DEPRICIATION AND AMORTISATION EXPENSES	2015-16		2014-15	
Depriciation and Amortisation		7834473.00		8898414.00
TOTAL		7834473.00		8898414.00
22 OTHER EXPENSES	2015-16		2014-15	
Manufacturing Expenses:				
Carriage inward	8163055.00		4722207.00	
Consumption of tools	409440.00		210415.00	
Entry tax	1971843.00		1227808.00	
Power & Fuel Charges	4695447.00		3639629.00	
Job Work	32607097.00		19941066.00	
Labour Charges	1593603.00		1719779.00	
Machinery maintenance	973559.00		1578507.00	
T'mer repair under guarantee	167200.00		45900.00	
Testing Expenses	2364664.00	52945908.00	3272708.00	36358019.00
Selling & Distribution Expenses:				
VAT	37273962.00		23205889.00	
Consumption of Packing material	881050.00		395665.00	
Commission on sales	0.00		534308.00	
Carriage outward	4634901.00		5512582.00	
Service Tax on Carriage Outward	182128.00		0.00	
Advertisement & Publicity	87836.00		119542.00	
Tender Expenses	100060.45		191930.00	
Cess expenses	0.00		422824.00	
Municipal taxes (Niryat Kar)	0.00		0.00	
Late Delivery Expenses	12525125.00		3705063.00	
Godown Rent	378940.00		270940.00	
Entertainment Expenses	198026.00	56262028.45	75285.00	34434028.00
Administrative Expenses				
Building Maintenance	171212.00		783851.00	
Computer maintenance	135008.00		100836.00	
Electrical maintenance	272861.00		222824.00	
Entry Tax After Assessment F.Y. 2012-13	100.00		0.00	
CST 2012-13 After Assessment	76362.00		0.00	
Furniture maintenance	1527.00		15455.00	
Office Equipment maintenance	64158.00		18100.00	
Vehicle maintenance	398876.00		220943.00	
Conveyance Expenses	969673.00		672856.00	

Books & periodicals	1435.00		4830.00	
Bad Debts	6198114.00		44922.00	
Insurance	594918.00		1076311.00	
Labour Welfare Cess Expenses (ADB Project)	1308093.00		0.00	
Legal expenses	0.00		101589.00	
Listing fee	250800.00		67444.00	
Lease Rent	0.00		76560.00	
Professional charges	1158260.14		649962.18	
Professional tax	2500.00		2500.00	
Rates, Fees & Taxes	988710.63		1536515.36	
Directors Sitting Fees	18000.00		21000.00	
Payment to Auditors*	93275.00		144168.00	
Postage & Telegraph	120908.00		104769.00	
Stationary & Printing	415457.00		326448.00	
Subscription	173750.00		54716.00	
Sundry Expenses	1303265.00		644716.00	
Swachh Bharat Cess	6927.00		0.00	
Telephone expenses	396395.00		354447.00	
Travelling expenses	2714232.00		1852120.00	
Vehicle running expenses	1965919.00		847005.00	
Factory Licence Fee	61693.00		0.00	
CSR Expenses	100000.00		0.00	
Water Charges	0.00		1250.00	
Donation	5000.00	19967428.77	70000.00	10016137.54
TOTAL		129175365.22		80808184.54
* PAYMENT TO AUDITORS AS:	2015-16		2014-15	
Audit Fee		57250.00		56180.00
Tax Audit Fee		17175.00		16854.00
Other Service charges		18850.00		71134.00
TOTAL		93275.00		144168.00
23 EXCEPTIONAL ITEMS :				
Previous Year Income		0.00		0.00
24 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS				
	2015-16		2014-15	
24.1 DETAILS OF FIXED ASSETS HELD FOR SALE		NIL		NIL
24.2 VALUE OF IMPORTS CALCULATED ON CIF BASIS				
Raw Materials & Components		51605831.00		25119972.00
Spares Parts		NIL		NIL
Capital Goods		NIL		NIL

24.3 DETAILS OF CONSUMPTION OF IMPORTED & INDIGENOUS ITEMS	2015-16		2014-15	
	Rs.	% OF CONSUMPTION	Rs.	% OF CONSUMPTION
A. Imported:				
Raw material & Components	51605831.00	9.55	25119972.00	9.59
Spare Parts	0.00	0.00	0.00	0.00
TOTAL (A)	51605831.00		25119972.00	
B. INDIGENOUS:				
Raw material & Components	488971323.00	90.45	330155660.00	90.41
Spare Parts	0.00	0.00	0.00	0.00
TOTAL (B)	488971323.00		330155660.00	
TOTAL CONSUMPTION (A+B)	540577154.00		355275632.00	
	2015-16		2014-15	
24.4 EXPENDITURE IN FOREIGN CURRENCY:		51605831.00		25119972.00
24.5 EARNING IN FOREIGN EXCHANGE		NIL		NIL
25 EARNING PER SHARE (EPS)	2015-16		2014-15	
i) Net Profit after tax as per Statement of profit and loss attributable to equity shareholder		31645259.10		16783720.85
ii) Weighted Average number of equity shares used as denomination for calculating EPS		3000200.00		3000200.00
iii) Basic and diluted earning per share (₹)		10.55		5.59
iv) Face value per equity share (₹)		10.00		10.00
	2015-16		2014-15	
26 AMOUNT REMITTED IN FOREIGN CURRENCY DURING THE YEAR ON ACCOUNT OF DIVIDEND		NIL		NIL

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 31/03/2016
M/s Bhopal Wires Pvt. Ltd.	Associate	0	0	11416620	0	0	11416620	0
M/s Neha industries	Associate	0	0	21585715	0	0	21585715	1714285
Shri Kishore Gupta	Key Management Personal	1440000		0	0	0	1440000	0
Shri Rakesh Gupta	Key Management Personal	1056000		0	0	0	1056000	0
Shri Mayank Gupta	Key Management Personal	792000		0	0	0	792000	0

30 CONTINGENT LIABILITIES AND COMMITMENTS

As at
31st March, 2016 **As at**
31st March, 2015

(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	1713.25 Lacs	2380.49 Lacs
(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	NIL	246.35 Lacs
(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 contracts 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/-
KISHORE GUPTA
MANAGING DIRECTOR

Sd/-
RAKESH GUPTA
EXECUTIVE DIRECTOR

Sd/-
SHWETA AGARWAL
COMPANY SECRETARY

Place : Bhopal
Date : 28th May, 2016

STAR DELTA TRANSFORMERS LIMITED

CIN: L31102MP1977PLC001393



STAR DELTA TRANSFORMERS LTD.

Registered Office: 92-A Govindpura Industrial Area Bhopal-462023

Email Id: star.delta@rediffmail.com

Website: www.stardeltatransformers.com

Phone: +91-755-2586680, 4261016 **Fax:** +91-755- 2580059

ATTENDANCE SLIP

(To be presented at the entrance)

ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 30, 2016 AT 11:00 A.M.

at 92-A Govindpura Industrial Area Bhopal-462023

Reg. Folio No./DP Id No./Client Id No.: _____

Name & Address : _____

Name(s) of Joint Member(s),if any : _____

No. of Shares held _____

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the fortieth annual general meeting of the Company on friday, september 30, 2016 at 11:00 a.m.at 92-A Govindpura Industrial Area Bhopal-462023

Signature of First holder/Proxy/Authorised Representative

Signature of Joint holder(s)

Place:

Date:

Notes:

1. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.
2. Shareholder/proxyholder shall bring his/her copy of the Annual report for the reference at the meeting.

Tear off

STAR DELTA TRANSFORMERS LIMITED

CIN: L31102MP1977PLC001393

Registered Office: 92-A, Industrial Area, Govindpura, Bhopal - 462023 (INDIA)

Email: star.delta@rediffmail.com Website:www.stardeltatransformers.com

Phone: +91-755-2586680, 4261016 Fax: +91-755- 2580059



PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L31102MP1977PLC001393

Name of the company: **Star Delta Transformers Limited**

Registered office: 92-A, Industrial Area, Govindpura, Bhopal - 462023 (INDIA)

Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member(s) holding shares of the above named company, hereby appoint

- | | |
|-----------------|---------------------------------|
| 1. Name : | E-mail Id: |
| Address: | Signature:....., or failing him |
| 2. Name : | E-mail Id: |
| Address : | Signature:....., or failing him |
| 3. Name : | E-mail Id: |
| Address : | Signature:..... |

as my/our proxy to attend and vote for me/us and on my/our behalf at the Fortieth Annual general meeting of the company, to be held on the Friday, 30th September 2016 at 11:00 a.m. at 92-A, Industrial Area, Govindpura, Bhopal - 462023 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Resolution:

- To receive, consider and adopt the financial statement consisting of Balance Sheet as at March 31, 2016, the statement of Profit and Loss, Cash Flow Statement for the year ended on March 31, 2016 along with the reports of the Board of Directors and Auditors thereon
- Reappointment of Mr. Kishore Gupta [DIN: 00014205], who retires by rotation
- To appoint M/s. A.K. Khabya & Co, Chartered Accountants, the Statutory Auditors of the Company

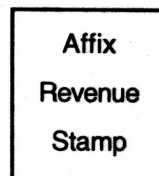
Special Resolution:

- To ratify the remuneration of the Cost Auditors
- Service of documents
- Insertion of new clause in articles of association of company
- Reappointment of Mr. Rakesh Gupta [DIN: 00014139], as whole time Director of the Company

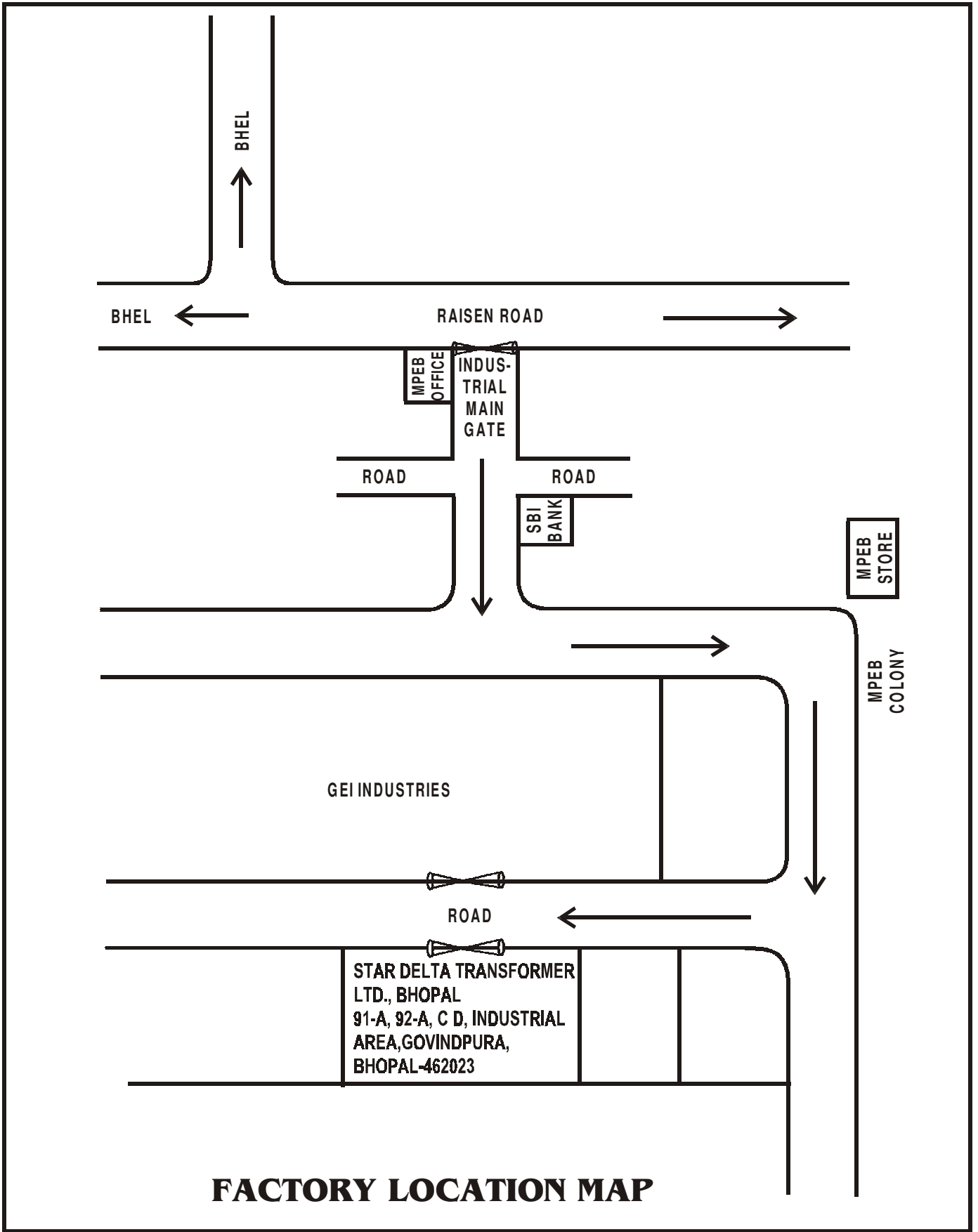
Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



FACTORY LOCATION MAP